Non-Agency Non-Delegated Condo Review Conditional Reference Documents

Waived Review

**Minimum document requirements for an initial review*

- Title Commitment*
- Appraisal Report*
- Master Insurance on an ACORD form (or equivalent)
- SFHA Form
- RCBAP or Private Flood Insurance Policy
- HOA Dues Verification: Must include current dues and any special assessments for the subject property, regardless of whether the subject unit's balance is paid in full.
- Governing Documents: Declaration, Master Deed, By-laws, Offering Plan or CC&R (may be required to confirm lien priority, eligible project type, deed restrictions, and/or insurance requirements).
- For condominium project using an FNMA project approval any current or planned special assessment must be disclosed and supported by:
  - Reason/intended use of the special assessment.
  - Total assessment amount and repayment terms.
  - Documentation to support critical repairs are complete, and there is no negative impact on the financial stability, value or marketability of the project.
  - The number of special assessment delinquencies and their total value. (supported by an income statement and/or delinquency report)

Full Review

- Full Review Questionnaire*
- Title Commitment*
- Appraisal Report
- Current HOA Budget: Must explicitly state the project name and budget term dates.
- Master Insurance on an ACORD form: Property, liability, and fidelity/crime coverage (fidelity for 21+ unit projects and must cover the managing agent as an employee if applicable).
- SFHA Form
- RCBAP/Private Flood Insurance Policy
- Reserve Study
- Satisfactory Engineering or Inspection Reports: Including CO, recertification, or substantially similar documentation proving required repairs are complete.
- HOA Dues Verification: Current dues and any current special assessments for the subject property, regardless of whether the subject unit's balance is paid in full.
- Special Assessment Documentation: Any current or planned special assessment must be disclosed and supported by:
  - Reason/intended use of the special assessment.
  - Total assessment amount and repayment terms.
  - Documentation to support critical repair is complete, and there is no negative impact on the financial stability, value or marketability of the project.
  - The number of special assessment delinquencies and their total value. (supported by an income statement and/or delinquency report)

Triggers for Additional Review

An additional underwriting review is required if the Condo Questionnaire discloses any of the following characteristics:

- Ineligible property type characteristics
- HOA lien priority over the FNMA/FHLMC mortgage lien
- Project is subject to additional phasing
- Unit owners are not yet in control of the HOA
- Project was converted to a condominium less than 3 years ago
- HOA does not own the project amenities
- Active litigation or Alternative Dispute Resolution (ADR) proceedings (e.g., arbitration, mediation)
- Leasehold estates or restrictive deed covenants
- Critical repairs or disaster relief area
- FNMA delivery restrictions

Additional Conditional Documents

- Deed Restrictions
- Ground Lease
- Litigation/ADR Documentation:
  - Filed claims, answers, and any amended complaints.
  - Formal Attorney Opinion Letter.
  - Formal Letter from the insurance carrier to the HOA confirming they will cover all legal expenses, as well as any punitive or compensatory awards granted by the courts.
- Comprehensive HOA Financials
- Governing Documents: Declaration, Master Deed, By-laws, Offering Plan, or CC&Rs (required to confirm lien priority, eligible property type, and/or insurance requirements).

Important Eligibility & Policy Notes

- ⚠️ Manufactured Housing Ineligibility: If the subject property is a manufactured home, or if the condo project contains any manufactured homes, the project is not eligible for financing.
- Questionnaire Formats: Onity accepts any comprehensive condo questionnaire or the standard FNMA Form 1076 plus addendum.
- Questionnaires cannot be completed by the borrower, regardless of their position or title on the HOA Board.
- Document Quality: Onity reserves the right to reject any questionnaires that are unsigned, undated, incomplete, or illegible.
- Onity follows FNMA guidelines where our standards are silent.