

**Lender Full Review Condominium Questionnaire for Established Projects**

1. Project Name: \_\_\_\_\_
2. Name of Association: \_\_\_\_\_
3. Property address of Project (not condo unit being mortgaged): \_\_\_\_\_  
\_\_\_\_\_
4. What year was it converted?: \_\_\_\_\_
5. What is the total number of units in the entire Project?: \_\_\_\_\_
6. Is the Project 100% complete, including all units, common elements and amenities, and not subject to additional phasing?  YES or NO
7. What is the total number of units that have been sold and conveyed to unit purchasers in the Project?  
\_\_\_\_\_
8. What is the total number of units retained by the developer in the Project? \_\_\_\_\_
9. What is the total number of units already sold in the Project by developer? \_\_\_\_\_
10. What is the total number of units currently for sale in the Project, including units owned by the developer/builder and unit owners? \_\_\_\_\_
11. What is the total number of units that are owner-occupied in the Project? \_\_\_\_\_
12. What is the total number of units that are second homes in the Project? \_\_\_\_\_
13. What is the total number of units (including those owned by the developer/builder) that are rented/leased (investment properties) in the Project? \_\_\_\_\_
14. Is the Project a condominium hotel or motel?  YES or NO
15. Is the Project a timeshare or a segmented ownership project?  YES or NO

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# mid-island

m o r t g a g e c o r p

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16. Is the Project a houseboat project?  YES or NO
17. Is the Project a multi-dwelling unit condominium (in which ownership of multiple units is evidenced by a single deed and mortgage)?  YES or NO
18. Is the Project a live work project?  YES or NO
19. Does Project allow split ownership arrangements?  YES or NO
20. Is the Project an Investment Security?  YES or NO
21. Is the Project a common interest apartment or community apartment project?  YES or NO
22. Is the Project a cooperative? YES or NO
23. Is the Project a planned unit development (PUD)?  YES or NO
24. Is the Project a manufactured housing project?  YES or NO   
If yes, does the project only consist of single width manufactured housing units?  
 YES or NO
25. Is the Homeowners' Association (HOA) named as a party to a pending litigation?  
 YES or NO   
If yes, provide letter from the HOA on HOA letterhead disclosing the nature and status of the litigation. Please provide a letter from the attorney and/or insurance carrier representing HOA indicating there is sufficient coverage to cover claim.
26. Is the developer named as a party to pending litigation involving this Project?  YES or NO   
If yes, provide letter from developer's attorney disclosing the nature and status of the litigation and indicating there is sufficient coverage to cover claim.
27. Is any part of the Project used for nonresidential (commercial) purposes?  YES or NO   
If yes, what percentage of square footage is used for nonresidential purposes? \_\_\_\_\_  
If yes, what is the nonresidential space used for? \_\_\_\_\_
28. Does any single entity (the same individual, investor group, partnership, corporation, etc.) own more than 10% of the total units in the project?  YES or NO

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Mid-Island Mortgage Corp. NMLS ID 1259 ([www.nmlsconsumeraccess.org](http://www.nmlsconsumeraccess.org))

29. Has control of the homeowners' association (HOA) been turned over to the unit purchasers?

YES or NO

If yes, provide the date that the transfer occurred? \_\_\_\_\_

30. Are there any monthly assessments delinquent more than 60 days?  YES or NO

Please provide the number of units that are delinquent and the dollar amount outstanding?

\_\_\_\_\_

31. What are the monthly Homeowners' Association (HOA) fees for the Project? Provide range if amounts vary. \$ \_\_\_\_\_

32. Does the Homeowners' Association (HOA) budget provide adequate funding for the proper management and operation of the Project?  YES or NO

33. Does master or blanket insurance include a walls in or HO6 policy with sufficient coverage?

YES or NO

34. Does the Homeowners' Association (HOA) budget provide funding for replacement reserves of at least 10% of the budget for capital expenditures and deferred maintenance?  YES or NO

35. What is the amount currently held in reserves for future repair and/or replacement of major components of the project? \$ \_\_\_\_\_

36. What was the Homeowners' Association (HOA) reserve account balance? \$ \_\_\_\_\_

37. Does the Homeowners' Association (HOA) budget provide adequate funding for insurance deductible amounts?  YES or NO

38. Is hazard insurance in place to cover 100% of the insurable replacement cost of the Project improvements?  YES or NO

39. Is liability insurance in place providing at least One Million Dollars (\$1,000,000) of coverage for bodily injury and property damage per occurrence?  YES or NO

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40. Is flood insurance (if required) in place providing coverage of at least equal to the lesser of 100% of the insurable value of the facilities or the maximum coverage available under NFIP?  
 YES or NO
41. Is Fidelity Insurance in place covering the maximum amount of funds that will be in the custody of the Homeowner's Association (HOA) and/or Management Company at any time (Required if project is 20 or more units)?  YES or NO
42. Does the Project have attached units?  YES or NO
43. Is the Project managed and operated as a hotel or motel, even though the units are individually owned?  
 YES or NO
44. Does the Project restrict owners' ability to occupy their unit?  YES or NO
45. Does the Project have a mandatory rental pooling agreement that requires unit owners to either rent their units or give a management firm control over the occupancy of the units?  YES or NO
46. Does the Project include registration services and offer rentals on a daily basis?  YES or NO
47. Does the Project have any non-incidentual business operation owned or operated by the Homeowners' Association?  YES or NO
48. Is the Project a hotel or motel conversion?  YES or NO
49. Is the Project a continued care facility?  YES or NO
50. Are the units in the project owned in either fee simple or leasehold?  YES or NO
51. Does the Homeowners' Association (HOA) require automatic, non-severable membership for each individual unit owner, and provide for mandatory dues/assessments?  YES or NO
52. Are all of the facilities related to the project owned by the unit owners or the HOA?  
 YES or NO  If yes, who maintains it? \_\_\_\_\_
53. Has the developer retained any ownership interest in any of the facilities related to the Project or other projects?  YES or NO

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54. Are the amenities and facilities, including parking and recreational facilities subject to a lease between the unit owners or Homeowners' Association (HOA) and another party?  YES or NO

55. Does the Project contain one or more units with less than 400 sq. feet of space?  YES or NO

56. Do the units have separate metering?  YES or NO

If No, is it common and customary in the local market where the Project is located?

YES or NO

If the units do not have separate metering, does the project budget include adequate funding for utility payments?  YES or NO

57. Do the unit owners in the project have the sole ownership interest in, and rights to the use of the project's facilities, common elements, and limited common elements?  YES or NO

58. Is the project managed by an independent management company?  YES or NO

If YES, what is the name of the company? \_\_\_\_\_

If the Project is managed by an independent professional management company, are the contract terms between the HOA and the management company reasonable and equitable?  YES or NO

59. If the Project is managed by an independent professional management company, does the contract between the HOA and the management company have a termination provision that requires a penalty payment or advance notice of termination of more than 90 days?  YES or NO

60. Is the seller offering any financing or sale structures?  YES or NO

61. Are the common areas and facilities consistent with the nature of the Project and competitive in the marketplace?  YES or NO

62. Are there any circumstances or conditions that would adversely affect the value, condition or marketability of units contained within the Project?  YES or NO

If yes, please explain \_\_\_\_\_

63. Control of the Homeowners Association was turned over to the unit purchasers on \_\_\_\_\_

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64. Are there any special assessments now planned, or have there been any in the past year?  
 YES\* or NO

\* If yes, describe the nature of the assessment and the cost per unit: \_\_\_\_\_  
\_\_\_\_\_

65. In the event of a mortgage foreclosure (or the acceptance of a deed in lieu of foreclosure) does the Homeowners Association waive its right of first refusal with respect to any lease, sale, or transfer of a unit, or with respect to any sales or transfer by the mortgage holder or other party who acquired the unit in connection with the foreclosure or deed-in-lieu.  YES or NO

66. Please check off which of the following Endorsements are on the policy:

- Inflation Guard Endorsement       Building Ordinance or Law Enforcement  
 Steam Boiler and Machinery Coverage Endorsement (minimum liability per accident to at least equal the lesser of \$2 million or the insurable value of the building)

67. Does the hazard policy provide for at least a 10 day notification to the HOA and each first mortgage loan holder of changes or cancellation to the condo projects coverage?  YES or NO

68. Does the Fidelity policy provide for at least a 10 day notification to the HOA and each first mortgage loan holder of changes or cancellation to the condo projects fidelity coverage?  YES or NO

69. Does the Fidelity policy include coverage of the Managing Agent?  YES or NO   
Is there a Managing Agent Rider?  YES or NO

70. Check off all that apply:

- Separate bank accounts are maintained for the working account and the reserve account, each with appropriate access controls, and the bank in which funds are deposited sends copies of the monthly bank statements directly to the homeowners' association
- The management company maintains separate records and bank accounts for each homeowners' association (or co-op corporation) that uses its services, and the management company does not have the authority to draw checks on, or transfer funds from, the homeowners' association's (or co-op corporation's) reserve account
- Two members of the Board of Directors must sign any checks written on the reserve account.

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71. Provide the amount of total income received from assessments for a 12 month period:

\$ \_\_\_\_\_

72. For losses related to the individual units in the condo that are covered by the blanket policy for the project is the maximum deductible amount related to the individual unit no more than 5% of the replacement cost of the unit  YES or NO

If project is a **2-4 Unit condominium project**, the following questions must also be answered:

1. How many units are in the project? \_\_\_\_\_
2. Does any one person or entity own more than one unit within the Project?  
 YES or NO
3. Are all units, common elements, and facilities within the Project, including those that are owned by any master association 100% complete?  YES or NO
4. Are the unit owners the sole owners of, and have rights to the use of, the Project's facilities, common elements and limited common elements?  YES or NO
5. How many units in the project are owned as principal residences or second homes? \_\_\_\_\_

This questionnaire must be completed, signed & dated by the HOA Representative.

**I, the undersigned, certify that to the best of my knowledge and belief the information and statements contained on this form are true and correct.**

\_\_\_\_\_  
 HOA Name

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 HOA Representative (Sign & Print Name)

\_\_\_\_\_  
 HOA Representative's  
 Telephone #

\_\_\_\_\_  
 Best time of Day to  
 Contact Preparer

\_\_\_\_\_  
 Management Company

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