

Attn: HFA Lenders

Specific Condo Guidelines for Delegated Lenders

October 15, 2015

U.S. Bank Home Mortgage (USBHM) has additional policies and procedures for condominiums. For lenders that have been given delegated authority to underwrite individual loan files, the following is required on new loan reservations as of November 15, 2015 for loans located in a condominium project:

TIER III AND V DELEGATED LENDERS

- Lenders may underwrite loans for individual condominium units ONLY if the project has been approved by the USBHM Project Approval Department (PAD). Lender must provide one of the following:
 - Completed USBHM Certificate of Condo Review that is embedded in cell 2E within the Reviewed Project List
 - USBHM Project Approval Letter issued by PAD
 - USBHM Streamlined Eligibility Letter issued by PAD

Policies and Procedures for Condominium Submission can be located by means of the following path:

Underwriting
Condominium Project Review
Policies and Procedures

The following reviews are acceptable review processes for the HFA Programs:

1. For FHA loans, please follow the FHA Approved Condominium requirements.
2. For Fannie Mae loans, determine if the project is already Fannie Mae PERS approved:
 - a. If yes, follow the USBHM Reciprocal Review requirements
 - b. If no, determine if the project is New, Established or 2-4 Units and follow the appropriate review type as stated in Policies and Procedures. A Fannie Mae Condo Project Manger (CPM) will be run by the Project Approval Department and included with the approval letter that will be sent back to the lender.

NOTE: A CPM Approval is required under the Fannie Mae HFA requirements and projects that are listed on the Reviewed Project List may not meet the specific requirements. Each HFA loan will have to be submitted to the Project Approval Department for review of the condominium project.
3. For Freddie Mac loans, please determine if the project is already approved by the Project Approval Department:
 - a. If yes and closing must occur on or before the project approval expiration date. Complete the USBHM Certification of Condo Review that is embedded in cell 2E within the Reviewed Project List.
 - b. If no, determine if the project is New, Established or 2-4 Units and follow the appropriate review type as stated in Policies and Procedures.

TIER IV AND VI DELEGATED LENDERS

- Responsible for all condominium warrants per Freddie Mac Seller/Servicer Guide Chapter 42, 39, 22 and 58
- **Third-Party Certification of Condominium Approval** must be submitted with each file when submitting for purchase.
- Lender certifies that the project is not an Ineligible Project as defined by USBHM Ineligible Project Types List. Lender certifies that the project is not currently listed as "Declined" on the USBHM Reviewed Project List. (Declined projects are not eligible for sale to U.S. Bank.)
- Documentation used to review project eligibility must be included in the loan file. (Please note that USBHM reserves the right to audit documentation on any loan located within a condominium project approved by the delegated lender.)
- USBHM will accept a CPM Approval from a lender that has underwritten the project as long as the following is applicable:
 1. The project is not currently listed as "Declined" on the USBHM Reviewed Project List. (Declined projects are not eligible for sale to U.S. Bank.)
 2. The loan submitted is a FNMA Product (Freddie Mac Products are not eligible for CPM)
 3. The lender has underwritten the project and has NOT submitted the project to the Project Approval Department for review.

The Reviewed Projects list can be located by means of the following path:

HFA Division Lending Guide
Underwriting
Condominium Project Review
REVIEWED PROJECTS

If you have any questions regarding the Condominium Review Process or requirements, please call 952-876-5318 or email projectapprovaldept@usbank.com. The Project Approval Department makes daily announcements for turn times on Department Voicemail. When a package is submitted to the department for review, an email will be sent within 24 hours, either confirming that a package was received or requesting additional information. If that confirmation email is not received by the lender, PAD did not receive your request and the lender should followup.

For all other questions please call the HFA Hotline at 800-562-5165 option #2.

For additional information regarding the funding and delivery of loans through the HFA Division, refer to the HFA Division Lending Guide at www.mrbp.usbank.com. From the landing page, select "U.S. Bank Lending Manuals", then "Continue". You may either need to temporarily allow pop-ups or add AllRegs as a favorite if you experience problems accessing the guide.

