



Seller Name:	
Seller ID#:	
Borrower Name:	MSI Loan #
Project Name:	Phase:
Property Address:	

## MSI Condo Questionnaire – 2-4 Unit Projects

1. Are all the Common Areas and facilities complete?  Yes  No
2. Does any single entity own more than one unit?  Yes  No
3. Is there more than 1 unit in the project owned by non-owner occupants?  Yes  No
4. Are there any pending special assessments?  Yes  No  
IF yes, explain: \_\_\_\_\_
5. Is the HOA or unit owners involved in any litigation, arbitration, mediation or other dispute resolution process?  Yes  No  
IF YES, the project is not eligible for purchase by MSI.
6. Are there any adverse environmental factors affecting the project as a whole or the individual units?  Yes  No
7. How many units are 30 days or more delinquent in their HOA dues? \_\_\_\_\_
8. Do the project legal documents include any restrictions on sale which would limit the free transferability of title? (i.e. Age Restrictions, First Right of Refusal, other deed/income restrictions)  Yes  No
9. Is any part of the project used for commercial purposes?  Yes  No  
IF YES, what percentage of square footage? Percentage: \_\_\_\_\_  
Describe the commercial space: \_\_\_\_\_
10. HOA is named insured on master insurance policy?  Yes  No
11. Are common elements/limited common elements insured to 100% replacement cost?  Yes  No  
Coverage: \_\_\_\_\_ Deductible: \_\_\_\_\_ Expiration Date: \_\_\_\_\_
12. Are units or common improvements located in a flood zone?  Yes  No  
IF YES, is flood insurance in force?  Yes  No Does this cover at least 80% replacement?  Yes  No  
OR, is this the coverage maximum available per federal flood program?  Yes  No
13. Is the HOA insured for general liability?  Yes  No  
IF YES, amount per occurrence \$ \_\_\_\_\_
14. Does the HOA provide hazard insurance coverage for the interior (walls-in) of the condo unit?  Yes  No
15. Minimum number of days required for written notification to be given to HOA or insurance trustee before any substantial changes or cancellation of the project coverage? \_\_\_\_\_
16. Is the project an "ineligible project" in accordance with MSI and/or Fannie Mae Guidelines?  Yes  No  
**Note:** If the project is a condo operated as a cooperative or condotel, as identified by the presence of hotel-type services (i.e., registration desk and/or use of daily occupancy rates; the availability of food and telephone services; provisions for daily cleaning services) or a time-share type arrangement, the project is ineligible.

*Questions 10-14 can be answered with an insurance binder.*

Reviewer's Name:	Phone:
Position/Title:	Date:
Reviewer's Signature:	

# MSI Condo Questionnaire

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## Answer Key

1.	All common areas and any recreational facilities must be complete for the project to be acceptable.
2.	No single entity may own more than one condominium unit in the condominium project.
3.	If yes, the project is ineligible. All but one unit in the project must have been conveyed to owner occupant principal residents or second home purchasers.
4.	If yes, obtain details and consider the impact on all units and marketability.
5.	If "yes", the project is not eligible for purchase by MSI.
6.	If "yes", appraiser must address impact on value and marketability.
7.	If more than 15%, the project is not eligible.
8.	See project eligibility requirements in <i>Seller Guide Underwriting</i> <ul style="list-style-type: none"> <li>✓ Age Restrictions</li> <li>✓ First Right of Refusal</li> <li>✓ Other deed or income restrictions.</li> </ul>
9.	<= 20%, if more than 20%, the project is not eligible for purchase by MSI.
10.	HOA must be the named insured
11.	<ul style="list-style-type: none"> <li>✓ Must be insured to 100%</li> <li>✓ Deductible cannot exceed 5% of the policy face amount. The total coverage amount should make sense for the size project. Insurance must be in force at loan closing.</li> </ul>
12.	<ul style="list-style-type: none"> <li>✓ If "yes", must carry flood</li> <li>✓ Must be 100% current replacement or the max available. Deductible cannot exceed \$25,000.</li> <li>✓ If less than adequate coverage, gap dwelling policy will be required.</li> </ul>
13.	Must be \$1 million per occurrence
14.	<ul style="list-style-type: none"> <li>✓ If "yes", no individual interior hazard policy is required by the unit owner.</li> <li>✓ If "no", interior hazard insurance (walls-in/H06) coverage must be obtained to sufficiently insure everything the unit owner is responsible for: kitchen cabinets, flooring, decorating, lighting fixtures, plumbing fixtures, HVAC systems, built in appliances, and any other improvements necessary.</li> </ul>
15.	Minimum 10 days
16.	Seller must warrant that project is <b>not</b> an "ineligible" project.