

**BRIGHTEN LENDING
FANNIE MAE CONDO/PUD REQUIREMENT MATRIX**

PROJECT CLASSIFICATION	WARRANTY AUTHORITY	PROJECT STATUS	PRESALE REQUIREMENTS	INSURANCE REQUIREMENTS	DOCUMENTATION / SPECIAL REQUIREMENTS
PUDS (Type E)	<ul style="list-style-type: none"> Delegated Correspondent Non-Delegated Correspondent Brighten Lending 	<ul style="list-style-type: none"> Established 	<ul style="list-style-type: none"> No requirements 	<ul style="list-style-type: none"> No requirements 	Documentation Requirements <ul style="list-style-type: none"> Appraisal Control of HOA <ul style="list-style-type: none"> Homeowners association turned over to unit owners
PUDS DETACHED (Type F)	<ul style="list-style-type: none"> Delegated Correspondent Non-Delegated Correspondent Brighten Lending 	<ul style="list-style-type: none"> Established, new or proposed 	<ul style="list-style-type: none"> No requirements 	<ul style="list-style-type: none"> No requirements 	Documentation Requirements <ul style="list-style-type: none"> Appraisal Control of HOA <ul style="list-style-type: none"> No requirements
PUDS ATTACHED (Type F)	<ul style="list-style-type: none"> Delegated Correspondent Brighten Lending 	<ul style="list-style-type: none"> Established, new or proposed 	<ul style="list-style-type: none"> A sufficient number of the total units in project or phase must be conveyed or under contract to be sold to support the HOA for 2 years 	<ul style="list-style-type: none"> \$1,000,000 liability coverage Insured on 100% replacement cost basis 	Documentation Requirements <ul style="list-style-type: none"> Appraisal Declaration page master insurance policy Special Requirements <ul style="list-style-type: none"> No conversions No 2-4 units Control of HOA <ul style="list-style-type: none"> No requirements
LIMITED REVIEW CONDOS (P and Q)	<ul style="list-style-type: none"> Delegated Correspondent Non-Delegated Correspondent Brighten Lending 	<ul style="list-style-type: none"> Established or new Single-phase project: all units, common elements, and facilities must be complete Multi-phase project: all units, common elements, and facilities of subject's phase must be complete <u>Verify not an ineligible project</u> 	<ul style="list-style-type: none"> No requirements 	<ul style="list-style-type: none"> \$1,000,000 liability coverage Insured on 100% replacement cost basis Fidelity Bond Insurance required on NEW project over 20 units 	Documentation Requirements <ul style="list-style-type: none"> Appraisal Declaration page master insurance policy Special Requirements <ul style="list-style-type: none"> DU recommendation for Limited Review for <ul style="list-style-type: none"> Owner Occupied Second Home Investment OR <ul style="list-style-type: none"> 80% LTV/CLTV Primary Residence 80% LTV Second Home No subordinate financing on Second homes No manufactured homes No projects subject to recreational leases

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SITE CONDOS (P & Q) Established and all 2-4 unit projects (Type S) NEW CONSTRUCTION / CONVERSION Type R – Manual Review					<ul style="list-style-type: none"> • New Project – Type P • Established Project – Type Q Control of HOA <ul style="list-style-type: none"> • No requirements
	<ul style="list-style-type: none"> • Delegated Correspondent • Brighten Lending 	<ul style="list-style-type: none"> • Established, new or proposed 	<ul style="list-style-type: none"> • No requirements 	<ul style="list-style-type: none"> • \$1,000,000 liability coverage minimum • Insured on 100% replacement cost basis 	Documentation Requirements <ul style="list-style-type: none"> • Appraisal Special Requirements <ul style="list-style-type: none"> • Owner occupied residences and second homes • Subject property must be a detached single family dwelling • No manufactured homes • Type P – New project • Type Q – Established Control of HOA <ul style="list-style-type: none"> • No requirements
	<ul style="list-style-type: none"> • Delegated Correspondent • Brighten Lending 	<ul style="list-style-type: none"> • Established • All units, common elements and facilities must be complete. • No additional phasing or annexation. • All 2- 4 unit projects • <u>Verify not an ineligible project</u> 	<ul style="list-style-type: none"> • 90% sold and conveyed • 50% of project occupied as primary residence or 2nd home. Waived if subject is primary or 2nd home 	<ul style="list-style-type: none"> • \$1,000,000 liability coverage • Insured on 100% replacement cost basis 	Documentation Requirements <ul style="list-style-type: none"> • Appraisal • Condo Questionnaire • Declaration page master insurance policy Special Requirements <ul style="list-style-type: none"> • No single entity may own more than 10% of total units • In the case of a 2-4 unit project all but one unit must have been sold to principal residence or second home purchases. Control of HOA <ul style="list-style-type: none"> • Homeowners association turned over to unit owners (not required for 2-4 unit project.)
	<ul style="list-style-type: none"> • Delegated Correspondent • Brighten Lending (authorized users of CPM) 	<ul style="list-style-type: none"> • New, proposed or recent conversions • Manual Review required for project over 200 units and all conversions that are not gut rehabs • All units, common elements and facilities 	<ul style="list-style-type: none"> • 50% sold or under contract • 50% sold or under contract as primary residence or 2nd home 	<ul style="list-style-type: none"> • \$1,000,000 liability coverage minimum • Insured on 100% replacement cost basis • Fidelity Bond Insurance required for projects over 20 units 	Documentation Requirements <ul style="list-style-type: none"> • Appraisal • Condo Questionnaire • Declaration page master insurance policy • Legal Documents (Articles of Incorporation, Master Deed/Declaration, By-Laws)

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New Construction (Type R)		<ul style="list-style-type: none"> must be complete within subjects legal phase Additional phasing or annexation permitted. <u>Verify not an ineligible project</u> 			<ul style="list-style-type: none"> Current Budget Conversions require Engineers report and repairs/renovations evidence required completed in a workmanlike manner <p>Special Requirements</p> <ul style="list-style-type: none"> No single entity may own more than 10% of total units No more than 15% of unit owners are more than one month delinquent Projects must be submitted and warranted through Condo Project Manager (CPM) <p>Control of HOA</p> <ul style="list-style-type: none"> No requirements
	<ul style="list-style-type: none"> Delegated Correspondent Brighten Lending (authorized users of CPM) 	<ul style="list-style-type: none"> New, proposed or recent conversions All units, common elements and facilities in project or legal phase must be complete Additional phasing or annexation permitted. Projects with 200 units or less or full gut rehabilitations <u>Verify not an ineligible project</u> 	<ul style="list-style-type: none"> 50% sold or under contract 50% sold or under contract as primary residence or 2nd home 	<ul style="list-style-type: none"> \$1,000,000 liability coverage minimum Insured on 100% replacement cost basis Fidelity Bond required for all projects over 20 units 	<p>Documentation Requirements</p> <ul style="list-style-type: none"> Appraisal Condo Questionnaire Declaration page master insurance policy <p>Special Requirements</p> <ul style="list-style-type: none"> No single entity may own more than 10% of total units Project must be submitted and warranted through Condo Project Manager (CPM) <p>Control of HOA</p> <ul style="list-style-type: none"> No requirements
	NEW PROJECTS (Type T)	<ul style="list-style-type: none"> Refer to Fannie Mae Selling Guide for complete details 			
FHA Approved Projects (Type U)	<ul style="list-style-type: none"> Refer to HUD's web 			<ul style="list-style-type: none"> 	<p>Documentation Required:</p> <ul style="list-style-type: none"> Evidence Project was approved by FHA Provide all conditions required by FHA approved

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					<ul style="list-style-type: none"> • Verify project complies with all Fannie Mae Requirements • Manufactured housing ineligible • Declaration page master insurance policy