

**BRIGHTEN LENDING
FREDDIE MAC CONDO/PUD REQUIREMENT MATRIX**

PROJECT CLASSIFICATION	WARRANTY AUTHORITY	PROJECT STATUS	PRESALE REQUIREMENTS	INSURANCE REQUIREMENTS	DOCUMENTATION / SPECIAL REQUIREMENTS
ALL PUDS	<ul style="list-style-type: none"> Delegated Correspondent Non-Delegated Correspondent BRIGHTEN LENDING Bank 	<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. Projects with minimal amenities (e.g., entrance gates, parking areas, etc.) do not require hazard/liability coverage. 	Documentation Requirements <ul style="list-style-type: none"> Appraisal Control of HOA <ul style="list-style-type: none"> No requirements
STREAMLINE REVIEW (Class II)	<ul style="list-style-type: none"> Delegated Correspondent Non-Delegated Correspondent BRIGHTEN LENDING Bank 	<ul style="list-style-type: none"> Established or new Single-phase project: all common elements and amenities of the project must be complete. Multi-phase projects: all common elements and amenities 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 minimum Insured on 100% replacement cost basis 	Documentation Requirements <ul style="list-style-type: none"> Appraisal Declaration page master Insurance policy Special Requirements LP recommendation for Limited Review for: <ul style="list-style-type: none"> Primary Residence Second Home Investment Control of HOA <ul style="list-style-type: none"> No requirements
SITE CONDO (Class III)	<ul style="list-style-type: none"> Delegated Correspondent BRIGHTEN LENDING Bank 	<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 Special Requirements <ul style="list-style-type: none"> Owner occupied primary residence or second home All units must be detached, single family dwellings Control of HOA <ul style="list-style-type: none"> No requirements
CLASS III CONDOMINIUM NOT STREAMLINE	<ul style="list-style-type: none"> Delegated Correspondent BRIGHTEN LENDING Bank 	<ul style="list-style-type: none"> Established project Single phase project: all units, common elements, and amenities of the project must be complete Multi-phase project: all units, common elements and amenities of subject's legal phase must be complete No additional phasing or 	<ul style="list-style-type: none"> 90% sold and conveyed. Or under contract 60% of total project occupied as primary residence or 2nd home. Waived if subject is primary or 2nd home and: <ul style="list-style-type: none"> LTV/CLTV <=90% for purchase or rate & term refi LTV/CLTV <=75% for 	<ul style="list-style-type: none"> \$1,000,000 liability coverage minimum Insured on 100% replacement value 	Documentation Requirements <ul style="list-style-type: none"> Appraisal Condominium Questionnaire Declaration page master insurance policy Special Requirements <ul style="list-style-type: none"> Control of HOA <ul style="list-style-type: none"> Homeowners association turned over to unit owners for at least 1

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		<ul style="list-style-type: none"> annexation <u>Verify not an ineligible project</u> 	<ul style="list-style-type: none"> equity refi Multiple purchases by same owner are counted as one sale when determining presale 		<ul style="list-style-type: none"> year 								
Existing Projects (Class II)	<ul style="list-style-type: none"> Delegated Correspondent BRIGHTEN LENDING Bank 	<ul style="list-style-type: none"> Established projects All units, common elements and amenities must be complete. No additional phasing or add-ons. <u>Verify not an ineligible project</u> 	<ul style="list-style-type: none"> There is no presale or owner occupancy requirement if Condo unit is secured by Primary Residence or Second Home If secured by investment property at least 50% of the units in the Project must be Primary or Second Homes 	<ul style="list-style-type: none"> \$1,000,000 liability coverage Insured on 100% replacement value 	<p>Documentation Requirements:</p> <ul style="list-style-type: none"> Appraisal Condominium Questionnaire Declaration page master insurance policy Legal Documents (Articles of Incorporation, Master Deed/Declaration, By-laws) <p>Special Requirements</p> <ul style="list-style-type: none"> No more than 15% of unit owners are more than one month delinquent <p>Control of HOA</p> <ul style="list-style-type: none"> Homeowners in control of association. 								
NEW CONSTRUCTION / CONVERSIONS (Class I)	<ul style="list-style-type: none"> Delegated Correspondent BRIGHTEN LENDING Bank 	<ul style="list-style-type: none"> New, proposed or recent conversions. Single project phase: all units, common elements and amenities must be complete Multi phase project: all units, common elements and amenities must be complete in legal phase Subject to additional phasing or annexation <u>Verify not an ineligible project</u> 	<ul style="list-style-type: none"> 70% sold or under contract 70% must be sold or under contract as primary residence or 2nd home Multiple purchases by same owner are counted as one sale when determining presale 	<ul style="list-style-type: none"> \$1,000,000 liability coverage Insured on 100% replacement value Fidelity Bond Insurance required on projects over 20 units 	<p>Documentation Requirements:</p> <ul style="list-style-type: none"> Appraisal Condominium Questionnaire Declaration page master insurance policy Legal Documents (Articles of Incorporation, Master Deed/Declaration, By-Laws) Current Budget Engineers report and if it indicates repairs/renovations evidence these were completed in a workmanlike manner (required for conversions) <p>Control of HOA</p> <ul style="list-style-type: none"> No requirements 								
2 – 4 UNIT CONDOS (Class II)	<ul style="list-style-type: none"> Delegated Correspondent BRIGHTEN LENDING Bank 	<ul style="list-style-type: none"> Established All units, common elements and amenities must be complete. No additional phasing or add-ons. <u>Verify not an ineligible project</u> 	<table border="0"> <tr> <td># Units</td> <td># Sold as Primary/2nd Homes</td> </tr> <tr> <td>2</td> <td>1</td> </tr> <tr> <td>3</td> <td>2</td> </tr> <tr> <td>4</td> <td>3</td> </tr> </table>	# Units	# Sold as Primary/2 nd Homes	2	1	3	2	4	3	<ul style="list-style-type: none"> \$1,000,000. liability coverage Project exterior described as common element, master policy must be obtained along with homeowners' 	<p>Documentation Requirements</p> <ul style="list-style-type: none"> Appraisal Declaration page master insurance policy <p>Special Requirements</p> <ul style="list-style-type: none"> .
# Units	# Sold as Primary/2 nd Homes												
2	1												
3	2												
4	3												

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				policy for interior unit	<p>NOTE: Projects consisting of 10 or fewer units may be considered on a case-by-case basis using the 2-4 unit guidelines.</p> <p>Control of HOA</p> <ul style="list-style-type: none"> • No requirements