Handling the Homeowner's Association (HOA) Documents

Procedure

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Document Information

Scope	**Transaction Management** Transaction Coordinator (TC), Client Advocate (CA), Underwriting Prep Coordinator (UW Prep) **Transaction Support** Transaction Support Specialist (TSS) **Retail** Transaction Assistant (TA), TC **Wholesale** Wholesale Client Advocate (WCA)
Governing Policy	Chapter 11	Condo and PUD Project Approval	Conventional Lending Guide
Tools and Systems	Associa Chase Portal Department of Housing and Urban Development (HUD) Fannie Mae Condo Project Manager Fannie Mae Mortgage Loan Lookup Federal National Mortgage Association (Fannie Mae/PERS) FHA Connection First Service Residential Guide.freddiemac.com Octane US Bank VA Loan Guaranty Wells Fargo *Valid login credentials may be required for the above websites.*

Overview

A homeowner's association ("HOA") is an organization in a subdivision, planned community, or condominium that makes and enforces rules for the properties within its jurisdiction. The purchase of the property automatically makes the homeowner a member of the HOA, and dues are required. This procedure outlines the steps needed to ensure:

- All required documents are requested in a timely fashion

- All documents are reviewed upon receipt

- System updates are made to ensure all required actions related to obtaining and reviewing the completed questionnaire provided by the HOA are completed

Glossary

Refer to the below table for a glossary of common terms mentioned in this procedure and their associated definitions or descriptions.

Term	Explanation
Attached PUD	A single family home that is attached to one or more homes. These homes are located within a PUD (Planned Unit Development) or HOA.
Condominium	A condo or condominium is a type of lodging where the borrower receives the title to an individual unit, an individual interest in the project's common areas, and possibly the exclusive use of certain limited common areas.
Conventional Approved Project	The condo project appears on the Cardinal Hub approved list.
Conventional Unavailable Project	The condo appears on the Cardinal Hub unapproved list. This would make the project ineligible for a Fannie loan. Sometimes, the program can still be completed as Freddie, FHA, VA, or USDA. Email condosupport@cardinalfinancial.com for further clarification on the program options.
Cooperative	A residential or mixed-use property in which a company or trust holds the title and sells shares of stock in apartment units to individuals. Those individuals have the right to occupy an apartment unit in return for their purchase.
Detached Condo	Any condo unit completely detached from other condo units in the project. The unit may share no adjoining walls, ceilings, floors, or other attached architectural elements (such as breezeways or garages) with any neighboring unit. A detached condo unit may be in a project consisting solely of detached units or a development containing a mixture of attached and detached units.
FHA Approved Project	The project appears on the FHA Condo list as approved. The status cannot be rejected or expired.
HRAP Approval	This is when the entire project is submitted to HUD for approval rather than a single unit. The performer will work with the collateral project team to submit

	the documents to HUD for full project approval.
Manufactured Homes	A type of residence in which the home is prefabricated and assembled in factories. The home is then transported to the site of the permanent location. Manufactured homes located within a PUD or project may require project approval. Review Manufactured Homes Located in a PUD or Condo Project for more information.
PUD	A project or subdivision consisting of common property and improvements owned and maintained by an HOA for the benefit and use of the individual PUD unit owners. The unit owners in the project have title to a residential property (lot and structure) and an interest in the HOA that owns or manages the common areas and facilities of the PUD.
Single Unit Approval	The FHA Project shows a status of rejected, expired, or missing completely from the FHA Condo list. Refer to Processing an FHA Single Unit Approval for further direction.
Townhouse/ Rowhouse	A group of houses with adjoining walls and a shared roofline. These houses are not in a PUD and do not pay HOA fees.

Getting Started

1. From Workflow Queues, select whichever **HOA Certification Order** Workstep is in the **[Pending]** status. Octane will initiate the order step that pertains to the type of property being analyzed, which can be any of the following.

   - HOA Government Approval Review TS [Pending]

     Note: This workstep pertains to loans with an FHA, VA or USDA loan program type and condo property type.

   - HOA Certification - Condo Order TS [Pending]

     Note: This workstep pertains to loans with a conventional loan program type and condo property type.

   - HOA Certification - Attached PUD Order TS [Pending]

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Note: This workstep pertains to loans with a single family attached property type.

- HOA Cert Project Waiver Order TS [Pending]

  Note: This workstep pertains to conventional loan programs where the underwriting project manager has pre-vetted the project and determined the loan is eligible for a project waiver.

- HOA Certification - Co-Op Order TS [Pending]

  Note: This workstep pertains to loans with a Co-Op property type.

2. In the **Outcomes** section, select **Complete**.

3. Click **Complete Step**, then click **Complete**.

4. Proceed to Verifying the Property Type.

Workflow ⟩ 226.02100 - HOA Certification - Condo Order [Pending]	Critical 0	Warning 0	Status **Started**	Pending Tasks 0

Work   Details   Notes

Tasks	Status
No Tasks	

Checks

No Findings

Outcomes

Start Work

Cancel   Add Task   Refresh Checks   **Complete Step**

Verifying the Property Type

Lenders must analyze HOA property documentation for several types of properties including:

- Attached PUDs

- Condominiums

- Cooperatives

- Manufactured Homes (located in a PUD or Condo Project)

- Detached Condos

- Townhomes/Rowhouses

Proceed to the appropriate section below, depending on the subject property.

Single Family Attached PUD

If the property type is Single Family Attached and the property is located within a PUD, only master insurance is required.

Covenants, conditions, and restrictions may also be required from the association for a Single Family Attached property in some instances when the appraisal makes mention of transient rental practices within the PUD subdivision.

If Master Insurance or CC&Rs are required, refer to Placing the HOA Certification Order.

Cooperatives (Co-Op)

Cooperative (Co-Op) housing is a type of homeownership common to apartment buildings in big cities such as New York. A Co-op is a building that a corporation jointly owns. Each inhabitant owns a portion of the corporation. When a borrower purchases a home in a Co-Op, they are not purchasing a property, per se. The borrower purchases shares in a nonprofit corporation that allows them to live in the residence.

If the property type is a Condominium and the Project Classification is One Cooperative or Two Cooperative, HOA documents are required.

Manufactured Homes Located in a PUD or Condo Project

Manufactured Homes located within a PUD or Condo project require PERS approval when there are single-wide manufactured homes located within the community.

- This applies to conventional loans only (Fannie Mae or Freddie Mac)

- If the loan program is FHA or VA and the Manufactured Home resides within a condo project, the applicable government approval is required. Refer to the Checking Property Approval Status for Government Loans (FHA, VA, USDA).

Proceed to Searching for Conventional Project Approval to determine if the project is PERS-approved.

Note: If the project does not appear on the Condo Project Manager website in the approved status, email condosupport@cardinalfinancial.com for help submitting the project for approval.

Searching for Conventional Project Approval

Follow the below steps to search Fannie Mae's Condo Project Manager to determine if the project is currently PERS-approved.
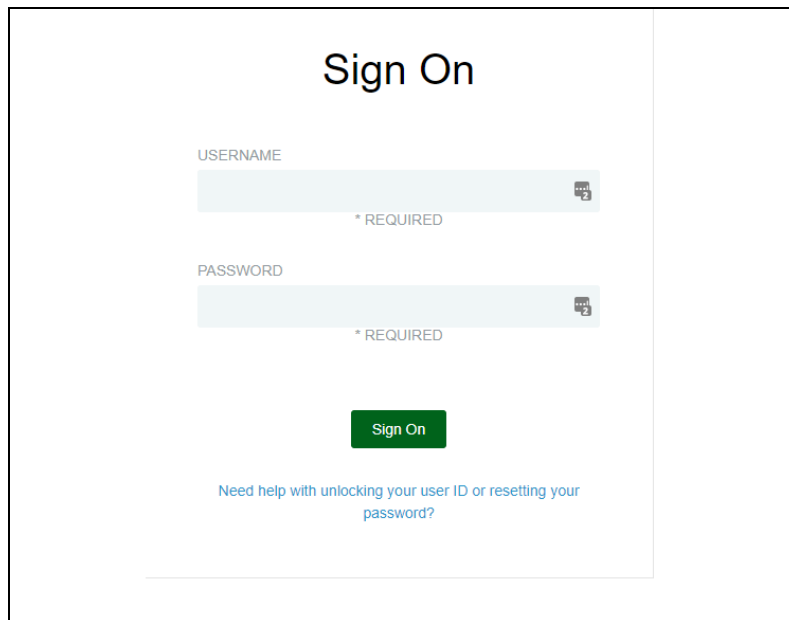
1. Access Fannie Mae's Condo Project Manager.

    a. Click **Launch App**.

CPM may be used to review new and established condo projects eligible for lender-delegated Full Review. The following unit and property types, however, require a Project Eligibility Review (PERS) submission:

- New and newly converted condo projects consisting of attached units located in Florida.
- Newly converted, non-gut rehabilitation condo projects (with attached units) that contain more than four units.
- Condo projects consisting of single-wide manufactured homes (MH); new condo projects consisting of MH; and established manufactured housing projects that are subject to a community land trust, deed restriction, leasehold estate, or shared equity arrangement.

Launch App

b. Input your **USERNAME** and **PASSWORD**.

c. Click **Sign On**.

Sign On

USERNAME

_____

* REQUIRED

PASSWORD

_____

* REQUIRED

Sign On

Need help with unlocking your user ID or resetting your password?

2. In the **Search for a Condo Project** section, enter all available information in the appropriate cells.

a. Input the name of the project and any additional location information.

b. Click **Search**. Results will populate under the **Search Results** header.

3. Click on the association's name for further details on the approval status of the project.

   Note: "**Approved by Fannie Mae**" must be the current status. If you see no results, conditional approval, or denial, the project is not fully approved. Full approval is required.

4. Print the results as a PDF. Save a copy to a desired file location.

5. In Octane, navigate to the **Documents** screen.

6. In the **Lender** section, select the **Evidence of Project Eligibility Review Service (PERS) Approval** hyperlink.

Lender						
Evidence of Project Eligibility Review Service (PERS) Approval		Property	Approval	1 of 1	● Approved	

7. Select the **Files** tab.

8. Upload the saved results.

9. From the left menu, navigate to the **Property** screen.

10. Click on the subject property address.

11. Review the **Property Type** field.

12. Proceed to Property Validation | External Source One - Fraud Report to validate the Property Type with external sources.

Property Validation | External Source One - Fraud Report

Once the performer determines the property type listed in Octane, they must verify it with three third-party external sources. Follow the steps below to compare the property type in Octane to the Fraud Report.

1. From the left menu in Octane, navigate to the **Fraud Risk** screen.

2. Click **View PDF**. The Fraud Report will open.

3. Press 'CTRL + F' to open a search window. Enter 'Subject Property Report' in the search window to locate the Subject Property Report section.

4. Examine the legal description for keywords that indicate property type.

   ● If the word "Condo" or "Condominium" is listed, the Octane Property Type must be either **Condominium 1-4 Story** or **Condominium - Detached**.

5. Proceed to Property Validation | Source Two - Purchase Contract.

Property Validation | Source Two - Purchase Contract

Follow the steps below to compare the property type in Octane to the Purchase Contract.

1. From the left menu in Octane, navigate to the **Documents** screen.

2. In the search filter, type "Purchase Contract." Press **Enter**. Results will appear.

3. Select the **Files** tab.

4. Open the Purchase Contract.

5. Review the purchase contract for any of the following clues to validate the property type:

   - The legal description

   - The presence of a Condominium Seller Disclosure to the borrower.

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DigiSign Verified - 49ead6c8-8390-4b85-a0b4-66a1278cb3ee

"AS IS" Residential Contract For Sale And Purchase
THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR

FloridaRealtors®

1* PARTIES: _____ ("Seller"),
2* and _____ ("Buyer"),
3   agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal Property
4   (collectively "Property") pursuant to the terms and conditions of this AS IS Residential Contract For Sale And Purchase
5   and any riders and addenda ("Contract"):
6   1. PROPERTY DESCRIPTION:
7*   (a) Street address, city, zip: _____
8*   (b) Located in: OSCEOLA   County, Florida. Property Tax ID #:   09 26 30 0545 0012 00B0
9*   (c) Real Property: The legal description is EFFERSON GREEN AT ANTHEM PARK A CONDO PH 12 OR
10   3970/2234 BLDG 12 UNIT B
11   Plat Book # 13 / Page # 69
12   together with all existing improvements and fixtures, including built-in appliances, built-in furnishings and
13   attached wall-to-wall carpeting and flooring ("Real Property") unless specifically excluded in Paragraph 1(e) or
        by other terms of this Contract.

DigiSign Verified - 096409a4-bc0d-4b82-8e5f-bddd363a5b2e

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Condominium Seller Disclosure/Resale Addendum for Maryland
(Recommended for the Listing Agreement and required for either the Regional Contract or the MAR Contract)

Address _____
City _____, State _____ Zip _____ Lot: _____
Block/Square: _____ Unit: 60 _____ Section: _____ Tax ID # _____
Parking Space(s) # _____ Storage Unit(s) # _____ Subdivision/Project: _____

PART I - SELLER DISCLOSURE:

1.   **CURRENT FEES AND ASSESSMENTS:** Fees and assessments as of the date hereof amount respectively to:
A.   Condominium Fee: Potential Buyers are hereby advised that the present condominium fee for the subject unit and parking space or storage unit, if applicable, is $ _____ 139 _____ per _____ month _____
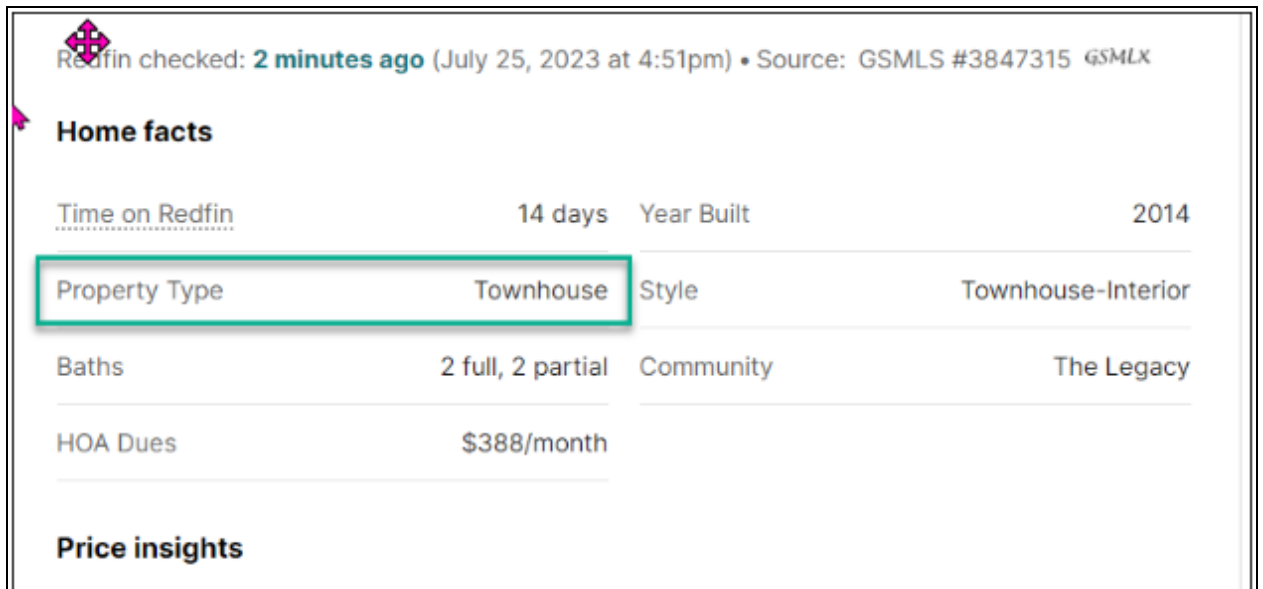
6.   Proceed to Property Validation | Source Three - External Website (Redfin).

Property Validation | Source Three - External Website (Redfin)

Follow the steps below to compare the property type in Octane to the external website, Redfin.

1.   Access Redfin.com.

2.   In the Search box, type the subject property address. Press **Enter**. Results will appear.

3.   Review the **Home Facts** section.

4. Examine the property type listed in the **Property Type** field.

5. Proceed to Octane Validation Fields.

Octane Validation Fields

Once the performer has researched three external sources, they must review the **Property Type** field and the **Project Classification** field within the Property screen in Octane to ensure accuracy.

Note: If the results of the three external resources are non conclusive, call the HOA to directly ask what the property classification is.

Property Type Field

1. From the left menu, navigate to the **Property** screen.

2. Select the **General** tab.

   - If the **Property Type** found in the three external searches matches what the loan originator chose, proceed to Project Classification Field.

- If the **Property Type** does not match the loan originator's selection in Octane, correct the entry by selecting the appropriate property type. Manager escalation is not required.

     a. In the **Property Type** field, use the drop-down menu to select the appropriate property type.

     b. Click **Save**.

Project Classification Field

The Project Classification field determines the type of review required and the conditions needed for project review. A New Project could mean the home is new construction (less than one year) or the current phase is not complete. Refer to the below matrix to validate the Project Classification.

Note: The phase completion status may not be available until the questionnaire form is completed.

Property Type	Classification Options
Not Applicable	Not in a PUD/Condo Project
1-4 Story or Condo 5+ story (FHLMC)	Project classification can only be: • Streamlined Review • Established Project • New Project: New construction or meets the requirements in New Condominium Projects - Freddie Mac. • Detached Project: Site condo or Single Unit • 2 to 4 unit Project: Project has only 2-4 Units • Reciprocal Review: Approved by other secondary market participants (FNMA or FHA), see full requirements in Reciprocal project reviews - Freddie Mac.
Condo 1-4 Story or Condo 5+ story (FNMA)	Project Classification can only be: • Q Limited Review: Est. Established Condo Project • R Expedited New: Full Review - New Condo Project • S Expedited Est.: Full Review - Established Condo Project • T Fannie Mae Review: Condo project that received a Final Project Approval through PERS using the standard or streamlined process (including projects consisting of manufactured housing submitted under the standard process) • U FHA Approved: FHA/VA approved condo project

	Note: Fannie Mae accepts condos that are approved through FHA. If the project is approved by FHA, no further steps are required. Proceed to <u>Checking Property Approval Status for Government Loans (FHA, VA, USDA)</u>.
	• V Project Review Waived: Eligible for a condo waiver for certain projects and transaction types
	Note: If the previous loan we are refinancing is currently Fannie Mae-owned, check the <u>Fannie Mae Loan Lookup</u>. If it is Freddie Mac-owned, check the <u>Freddie Mac Loan Lookup</u>. Additionally, the below guidelines apply.
	    ○ Must be rate/term or no-cash out refinance
	    ○ The LTV must be 80% or less
	    ○ The project is not a condotel/motel, houseboat project, timeshare, or Cooperative
	• One Cooperative (Co-op Project): Full Review
	• Two Cooperative (Co-op Project): Fannie Mae Review through PERS

Single Family but located in a PUD	• E PUD: Established PUD Project • F PUD: New PUD Project

Determining Which Documents to Order

Each of the agencies (FHA, VA, USDA, FNMA, and FHLMC) maintain project approval lists that are accessible online. Before determining what documents to order, check to see if the subject property is located in an association that is already approved.

Checking Property Approval Status for Government Loans (FHA, VA, USDA)

Approval is only required on FHA and VA Condos. Cardinal is only required to obtain the Condo Project Approval and Master Insurance policy. If the Condo Project is not on the FHA-approved list, refer to <u>Processing an FHA Single Unit</u> to proceed with a government loan.

Note: An attached PUD will only require a Master Insurance policy to be obtained in this workflow.

FHA Condo Approval (Credit-Qualifying Only)
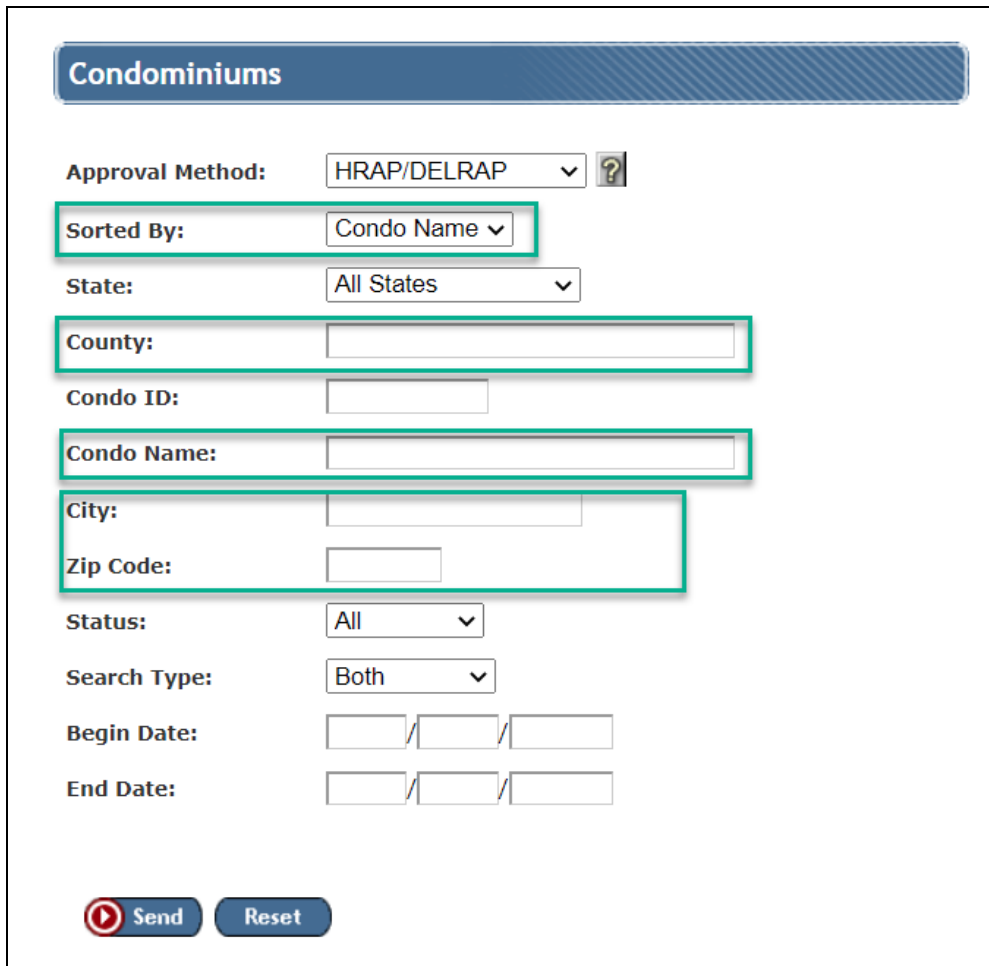
1. Access the <u>FHA Connection Website</u>.

a. In the **User ID** field, enter your user ID.

b. In the **Password** field, enter your password.

c. Click **Sign on**.

2. From the left menu, select **Single Family Origination**.

3. Select **FHA Approval Lists**.

4. Select **Condominiums**.

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5. Sort by **Condo Name**.

6. Enter the Condo Name, County, City, and ZIP Code.

7. Click **Send**.

8. Review the results for the Condominium Project of the Subject Property.

9. Print the results as a PDF. Save a copy to a desired file location.

10. Obtain a completed HUD 9991 form from the HOA.

11. From the left menu in Octane, navigate to the **Documents** screen.

12. Select **Evidence of Project Approval**.

13. Select the **Files** tab.

14. Upload the evidence of project approval and HUD 9991 form.

15. From the left menu, navigate to the **Property** screen.

16. Update the project classification to **U FHA-approved**.

    Note: Site Condos do not require FHA Approval.

    Important: If the FHA project is not approved, the project may require a single unit approval or a full project review known as HRAP. Site Condos do not require FHA Approval.
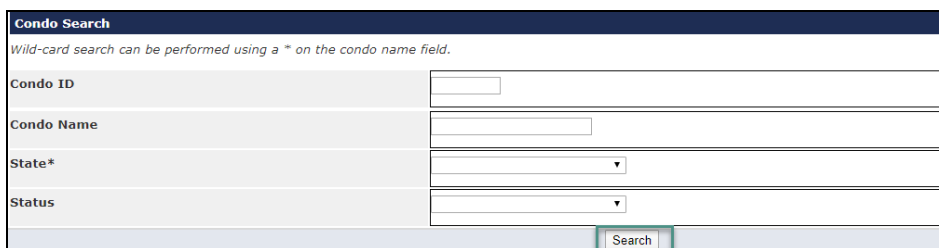
17. Proceed to Completing the HOA Requirements.

VA Condo Approval (Credit-Qualifying Only)

1. Access and log in to the VA LGY Portal.

2. Enter the **Condo Name** and **State**.

   Note: A wild-card search can be performed by using a "*" in the condo name field.

3. Click **Search**.

Condo Search	
Wild-card search can be performed using a * on the condo name field.	
Condo ID	
Condo Name	
State*	▼
Status	▼
	Search

4. Select the condo name for the subject property.

5. Print the results as a PDF and save the document to your desired file location.

6. Navigate to the **Documents** screen.

7. Select **Evidence of Project Approval**.

8. **Select** the **Files** tab.

9. Upload the saved results.

10. Navigate back to the **Property** screen.

11. Update the project classification to **U FHA-approved.**

    Note: Site Condos do not require FHA Approval.

12. Proceed to Completing the HOA Requirements.

USDA Loans

Loans cannot be approved for condominium units unless the project has been approved for financing by:

- Department of Housing and Urban Development (HUD)

- Federal National Mortgage Association (Fannie Mae)

- Department of Veterans Affairs (VA)

Refer to Checking Property Approval Status for Government Loans (FHA, VA, USDA) for additional information.

Conventional Loans (FNMA, FHLMC)

Cardinal maintains a list of approved condo projects for conventional loans on The Hub. If the project is on this list, fewer documents are required.

1. Access the Fannie Mae Condo Project Status List.

   Note: If this link is unavailable, email condosupport@cardinalfinancial.com and ask if the project is on the approval list.

2. Review the list for a list of projects Cardinal has approved.

3. Proceed to Summary of Documents to Order.

Summary of Documents to Order

Octane will provide the user with a list of documents to order. This list is captured in the grid below. The list of documents is based on various factors pertaining to specific loan characteristics such as the loan type, the loan-to-value, the property state, and the construction type. The loan characteristics grid is also captured below for informational purposes.

Project Type		Documents Required
Single Family Attached		Master Insurance Policy
Conventional	Available Project	Master Insurance Policy
	Unavailable Project	Email condo support at condosupport@cardinalfinancial.com.
	Limited Review	- Short Questionnaire - Addendum - Master insurance policy
	Verifying Full or Limited Review - (Conventional Condos Only)	- Long Questionnaire - Bylaws/CC&R's (one package in octane) - Annual Approved Budget - Master insurance
	Cooperative Project	- Cooperative Certification Questionnaire - Cooperative Financials - Cooperative Budget - Cooperative Offering Plan - Preliminary Cooperative proprietary Lease Agreement - Master insurance **Note:** If there is more than one building in a co-operative, Underwriting must obtain a project level flood cert.
	FHA Approved **Note:** Refer to FHA Condo Approval (Credit-Qualifying Only).	- Print out of project approval - HUD 9991 Form completed by HOA - Master Insurance Policy
	Single Unit Approval	- HUD 9991 Form completed by HOA - Bylaws/CC&R's

FHA		• Annual Approved Budget • Master Insurance Policy
	Seeking Project Approval (HRAP) (DELRAP)	• HUD 9992 Form completed by HOA • Annual Approved Budget • 2 years actual income statements (or P&L) (YTD actuals) • Balance sheet completed within last 90 days • Master insurance • Recorded Project Legal Documents and all amendments • Master Deed / Declarations / CC&Rs • Bylaws • Articles of Incorporation • Plat map • Management agreement • Special assessment details (if applicable) • Litigation complaint and case summary (if applicable)
VA	Project Approved Refer to VA Condo Approval (Credit-Qualifying Only).	• Print out of project approval • Master Insurance Policy

	Seeking Project Approval	• Recorded Project Legal Documents and all amendments
		• Master Deed / Declarations / CC&Rs
		• Bylaws
		• Articles of Incorporation
		• Plat map
		• Last 2 Meeting Minutes Notes
		• Current year approved budget
		• Certification confirming the following:
		  ○ Presale
		  ○ No special assessments or provide details and explanation
		  ○ No litigation or provide details and explanation.
		Note: Request an email.

	Single Loan Exception Approval	The documents will vary for each project. Email Condo Support for assistance at condosupport@cardinalfinancial.com.

LTV Matrices for Conventional Loan Products

Use the following table to determine when a conventional project will require a limited review or a full review.

Project	LTV	Type of Review
New	N/A	Full
Established: Primary Residence	90% or less	Limited
	90.01% and higher	Full
Established: Second Home	75% or less	Limited
	75.01% and higher	Full
Established: Investment Property	75% or less	Limited
	75.01% and higher	Full
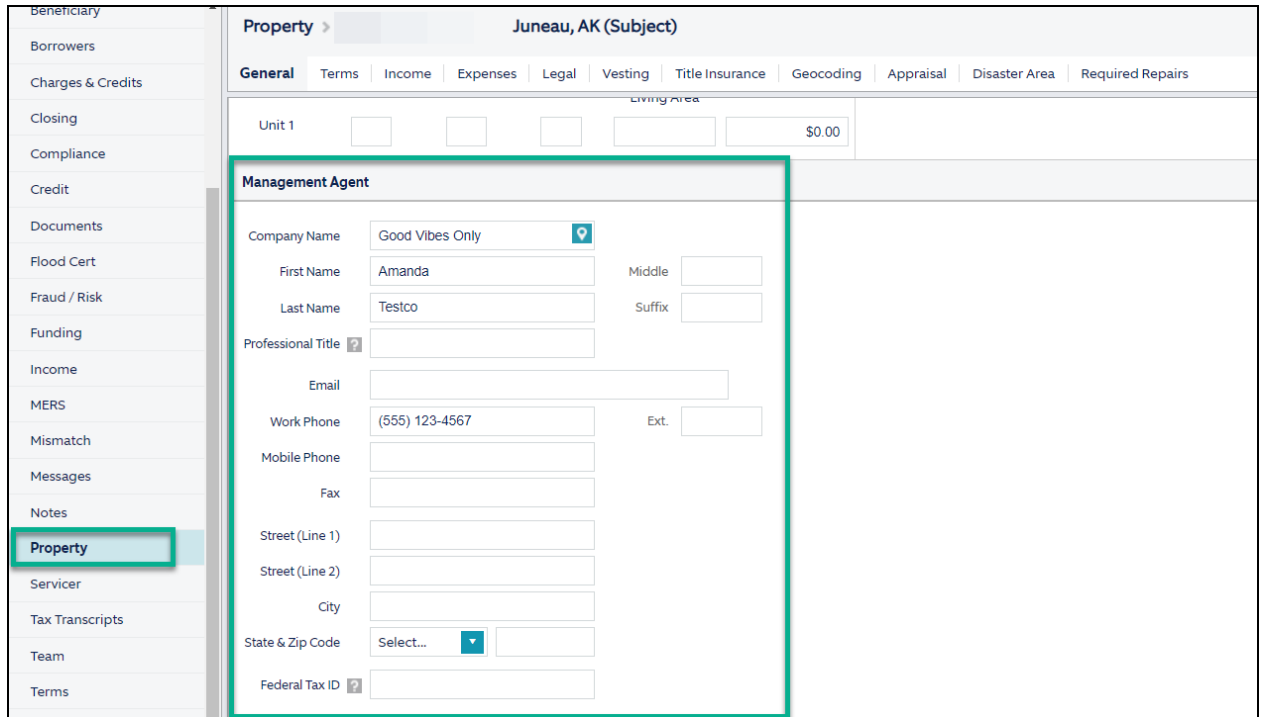
Preparing for the HOA Certification Order

Confirming Delivery Method

Contact the HOA to determine how to place the request. Some HOA companies require payment before providing the documentation, which should be sent along with the request form. Others use third-party websites.

Follow the below steps to review the HOA's details in Octane, contact the HOA, and update Octane accordingly.

1. From the left menu in Octane, navigate to the **Property** screen.

2. Select the **General** tab.

3. Under the **Management Agent** section, locate the Company Name.

a. Perform a Google search using the Homeowners Association's name or the property address.

Note: If you cannot locate the information, follow the escalation protocol within your role.

4. Call the phone number listed in Octane or perform a Google search to find the contact phone number. Ask the following questions:

- "We are working on a loan file for a property located in your HOA. I need to place an order for documents. How do you prefer to receive document requests?"

- "What is the cost of the documents?"

5. Determine the next steps.

- If the Homeowner's Association answers the call, proceed to Placing the HOA Certification Order.

- If you have to leave a voice message, follow the below steps to place the workstep in **Wait**.

    a. Navigate to the **Workflow** screen.

    b. Select the **[Work]** step you are working on.

    c. Select the Wait outcome from the dropdown.

Placing the HOA Certification Order

There are a variety of ways to place an order for HOA documents. The HOA will tell you how to place the order and how payment should be processed. HOAs can be paid by any of the following methods:

- Credit Card Payment with a credit authorization form

- Credit Card Payment on a third-party website

- Physical Check

Ordering HOA Documents By Mailing a Check

To request a check, the performer must receive an invoice and request a FedEx label. Use the TM | Check Request to submit the check request to accounting.

Follow the steps below to request a check.

1. Email the HOA a copy of the lender questionnaire and a list of documents required. Ask for an invoice that includes the following information:

    - Payee Name

    - Total amount of the order

    - The company mailing address

2. Save the invoice as a PDF onto your desktop as "HOA Invoice Loan # Borrower Last Name."

3. From the left menu in Octane, navigate to the **Documents** screen.

4. Select **Homeowner's Association Certification Receipt**.

5. Select the **Files** tab.

6. Upload the invoice.

7. Upload the invoice to the TS | Accounts Payable Invoice Requests folder on Google Drive.

8. Enter the required information on the TM | Check Request spreadsheet on Google Drive.

9. From the left menu in Octane, navigate to the **Charges & Credits** screen.

10. Review the **Section B. Borrower Cannot Shop For** section.

11. Confirm the accuracy of the charge in Octane.

    - If the automated HOA Certification Fee is correct, proceed to the next step.

    - If the automated fee is incorrect, follow the below steps.

        a. Click on the **HOA Certification Fee.**

        b. In the **Enabled** field, toggle the boolean from Yes to No.

        c. Click **Save**.

        d. Click **Add Charge**.

        e. Click on the **HOA Certification Fee** and add the correct amount.

        f. In the **Paid to** field, select **Other** and enter the payee's name.

        g. In the **POC** field, select **No**.

        h. In the **Wire** field, select **Subtract**.

HOA Certification Fee

Amount	$250.000	and/or
	0.000	% of Base Loan Amount ▼ over	$0 .00
Paid By	Borrower ▼	
Paid To	Other ▼	Good Vibes Only
APR	Yes No	
POC	Yes No	
Wire	Subtract	

Cancel   Add

- If no fee is required, disable the HOA Certification Fee.

12. Request the FedEx label to send to accounting.

   Note: Refer to Creating a FedEx Label for additional FedEx instructions.

Ordering HOA Documents on a Third-Party Website

Many large associations use third-party vendors to process documentation orders. The HOA will provide the link to the appropriate site. Follow the below steps to process the order.

1. In a Google search window, search the name of the website used.

2. Access the website.

3. Follow the prompts on the website to place the order.

   - Refer to Summary of Documents to Order to determine the list of documents needed.

   - Review the document "bundling" options on the website to cut costs.

4. Pay for the order using the designated company credit card. Contact a manager for instructions.

5. From the left menu in Octane, navigate to the **Documents** screen.

6. Select **Homeowner's Association Certification Receipt.**

7. Select the **Files** tab.

8. Upload the invoice to the TS | Accounts Payable Invoice Requests folder on Google Drive.

9. From the left menu in Octane, navigate to the **Charges & Credits** screen.

10. Review the **Section B. Borrower Cannot Shop For** section.

11. Confirm the accuracy of the charge.

    ● If the automated HOA Certification Fee is correct, proceed to the next step.

    ● If the automated fee is incorrect, follow the below steps.

        a. Click on the **HOA Certification Fee.**

        b. In the **Enabled** field, toggle the boolean from Yes to No.

        c. Click **Save.**

        d. Click **Add Charge.**

        e. Click on the **HOA Certification Fee** and add the correct amount.

        f. In the **Paid to** field, select **Other** and enter the payee's name.

        g. In the **POC** field, select **No**.

        h. In the **Wire** field, select **Subtract**.

HOA Certification Fee

Amount	$250.000 and/or
	0.000 % of Base Loan Amount ▼ over $0 .00
Paid By	Borrower ▼
Paid To	Other ▼ Good Vibes Only
APR	Yes No
POC	Yes No
Wire	Subtract

Cancel   Add

- If no fee is required, disable the HOA Certification Fee.

12. Navigate to the **Notes** screen.

  a. Click **Add Note**.

  b. Add a note, summarizing the order. Include the order number and estimated delivery date.

  c. Click **Save**.

Ordering via Third-Party Site | First Service Residential

Follow the below steps to order HOA documents via the First Service Residential website.

1. Log into First Service Residential.

  - If you do not have an established account with First Service Residential, click **Register Here** and enter the required information.

2. To begin the online order process, click **Place Your Order Now**.

    Note: You will have the opportunity to pay by Visa, Mastercard, American Express, Discover, check or request a third-party payment.

3. Type in the Unit Address or, if you prefer, order your condominium questionnaire by clicking the **Association Search** link and conduct a search by using the association's name.

    Note: This option is only available for condominium questionnaires.
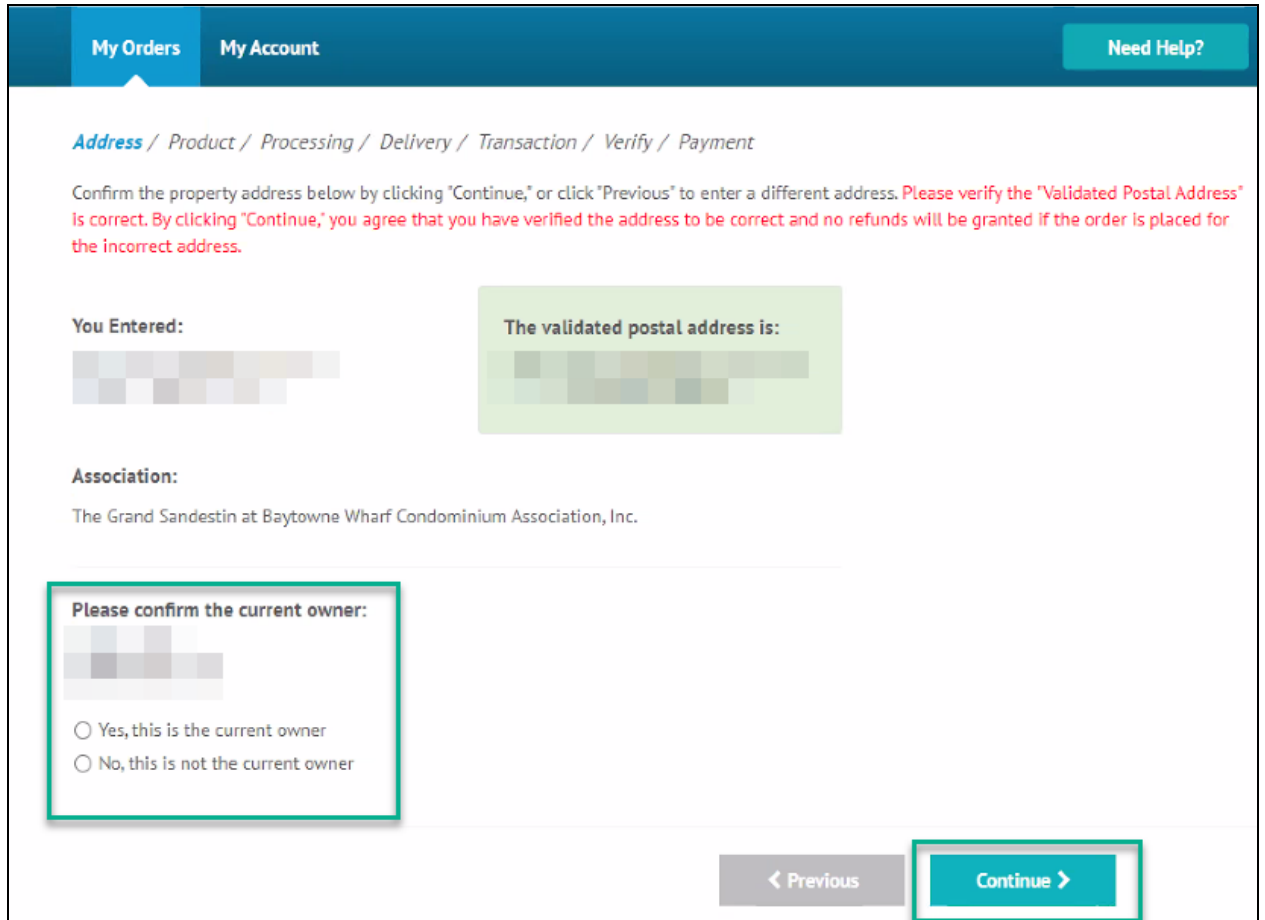
4. Confirm the current owner(s) of the property, then click **Continue**.

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5. Select the **Lender Form** option, then click **Continue**.

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Product

○ **Estoppel Certificate Package**
A statement (Estoppel Certificate) of the seller's current balance to be collected through escrow and the amount of all assessments and any other fees or charges payable by unit owner(s). Association Governing Documents may be added to this request if available, though additional shipping fees will apply. If a Sufficient Funds Affidavit, W-9, etc. is needed, please contact Customer Service at 1-888-425-0001 for the contact information of the property manager for the Association for further assistance.

○ **Uniform Disclosure Statement** 📄
System-generated uniform disclosure statement (PUD/HOA Cert, Mortgage Questionnaire) providing limited financial disclosures and summary information for the named community. The current budget and Estoppel Certificate is NOT included. If insurance information is needed, please contact customer service at 888-425-0001 for the name and phone number of the insurance agent of the association. FirstService Residential will not be able to provide you with specific details in regards to the insurance policy.

● **Lender Form**
To be ordered by lending institutions requiring use of their own form (PUD/HOA Cert, Mortgage Questionnaire); provides limited community financial disclosures and summary information, such as the current budget. If insurance information is needed, please contact customer service at 888-425-0001 for the name and phone number of the insurance agent of the association. FirstService Residential will not be able to provide you with specific details in regards to the insurance policy.

○ **Documents Only**
A set of the Association's governing documents which may include the Declaration, Bylaws, Articles of Incorporation and any subsequent amendments. (Note: Estoppel Certificate not included)

❮ Previous   Continue ❯

6. Confirm that the correct information has auto-populated, then click **Continue**.

   Note: If a rush is needed, follow the escalation protocol within your role.

7. Select the appropriate delivery method, then click **Continue**.

    Note: Your email address, as the requestor, automatically populates in the Email Address field. No other email addresses are needed.
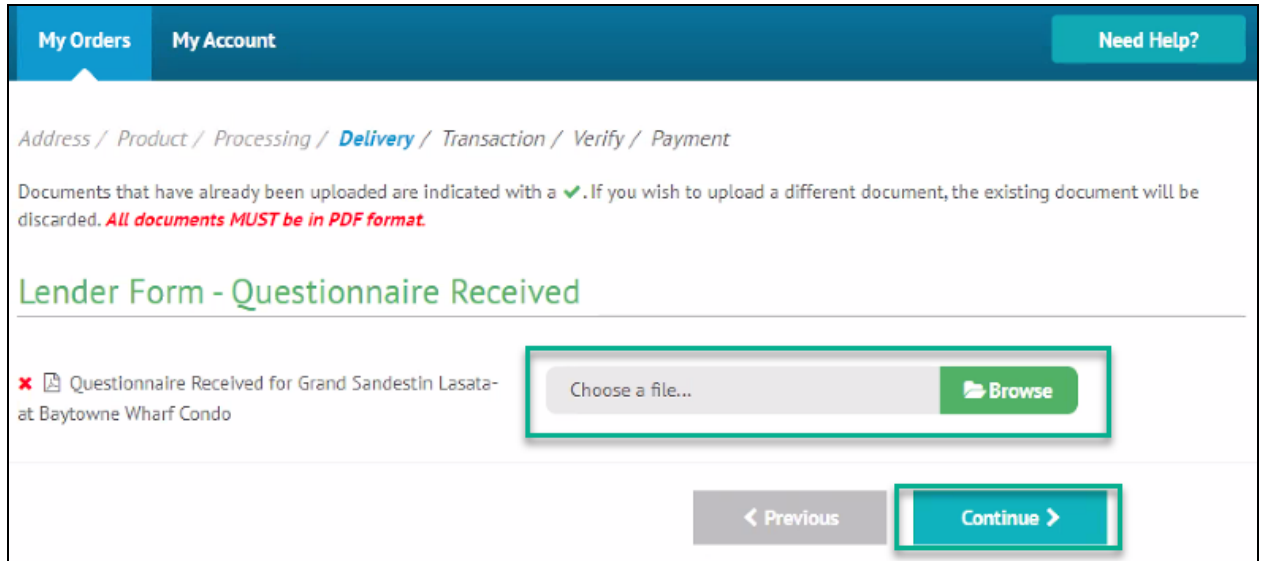
8. Click **Browse**. Use the file explorer to locate and select the file.

9. Click **Continue**. The lender form will be uploaded.

10. Enter the **Transaction Information** and the **Buyer/Borrower Information**, then click **Continue**.

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11. On the next screen, confirm the information is correct, then click **Continue**.

12. Select **Credit or Debit Card** for the payment type and enter the corporate credit card information.

13. Select the "I agree to and consent to be bound by all of the terms of the Order Submission Agreement" check box.

14. Click **Continue**.

15. Save the credit card receipt as "Questionnaire Receipt | Loan # | Borrower Last name."

16. Email a copy to accounts.payable@cardinalfinancial.com.

17. From the left menu in Octane, navigate to the **Documents** screen.

18. Select the **Homeowner's Association Certification Receipt**.

19. Select the **Files** tab.

20. Navigate to the **Charges & Credits** screen.

21. Review the **Section B. Borrower Cannot Shop For** section.

22. Confirm the accuracy of the charge.

   - If the automated HOA Certification Fee is correct, proceed to the next step.

   - If the automated fee is incorrect, follow the below steps.

      a. Click on the **HOA Certification Fee**.

      b. Update the **Amount** field to reflect the correct dollar amount of the fee.

      c. In the **Paid to** field, select **Other** and enter the payee's name.

      d. In the **POC** field, select **No**.

      e. In the **Wire** field, select **Subtract**.

      f. Click **Save**.

- If no fee is required, disable the HOA Certification Fee.

23. Proceed to Updating the Workflow.

Ordering via Third-Party Site (Homewisedocs)

1. Log in to Homewisedocs.

   - If you do not have an established account with Homewisedocs, click **Sign Up** and enter the required information.
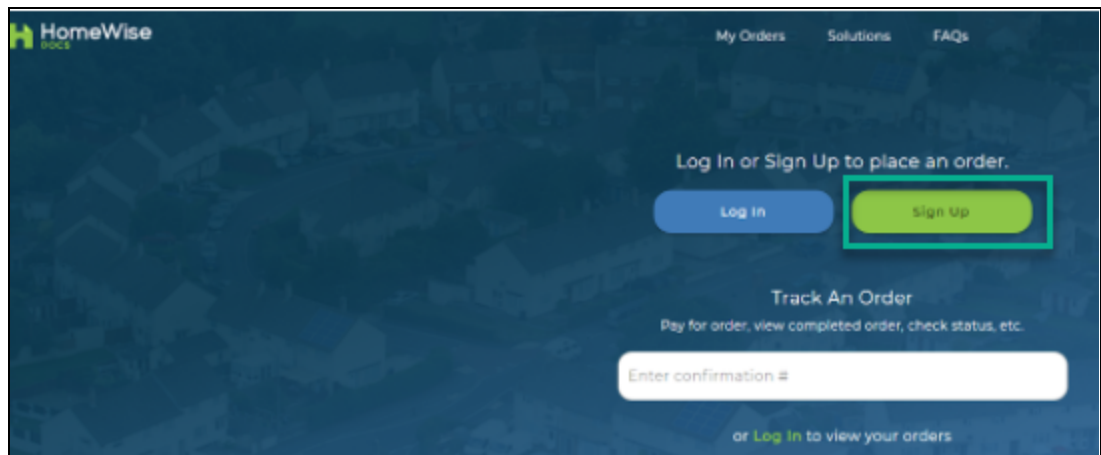
2. From the left menu in Octane, navigate to the **Documents** screen.

3. Select the Homeowner's Association Certification - Limited Review.

4. Select the **Files** tab.

5. Download the PDF. Save a copy to a desired file location.

6. Enter the property address or HOA name under **Place New Order**.
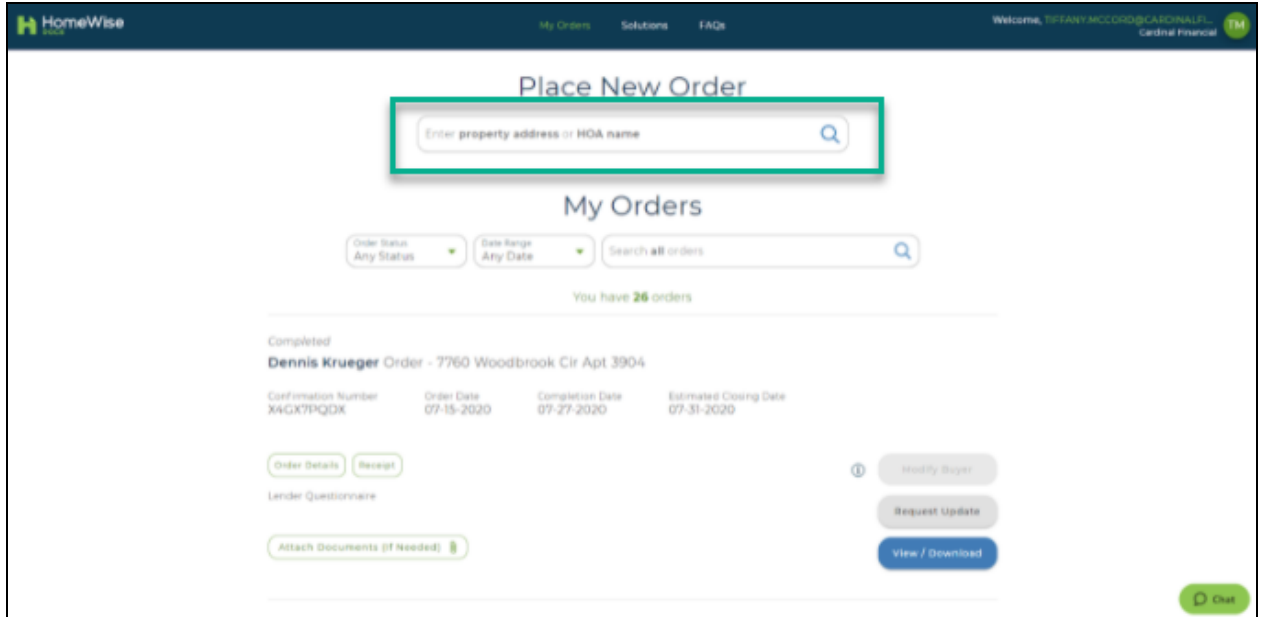
7. Verify the address and select the appropriate transaction type.

8. Select the appropriate Item from the packages and bundles.

- Refinance Statement of Unpaid Assessment: This option is not applicable

- Premium Lender Questionnaire Bundle: Used for full reviews

- Standard Lender Questionnaire Bundle: Used for limited reviews
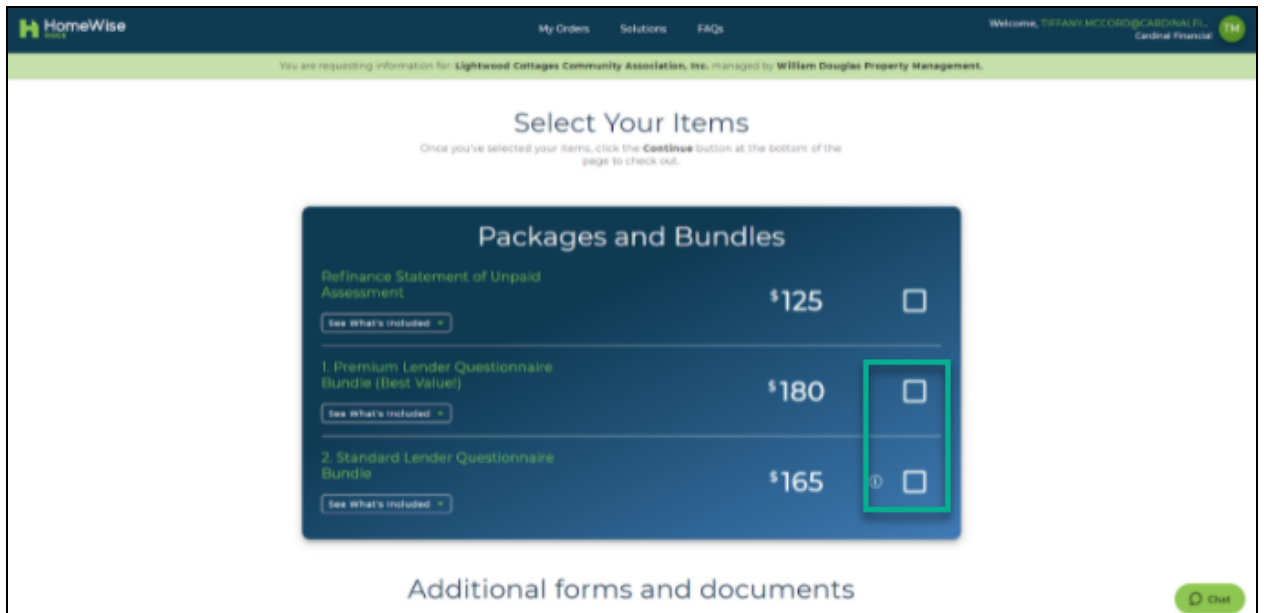
9. Select the type of Questionnaire or form.

- Standard Questionnaire: Used for full reviews

- Lender-Specific Form: Used for limited reviews

   Note: When selecting the lender-specific form, enter "Cardinal Financial Company" from the dropdown menu, which will allow you to upload the previously saved questionnaire.
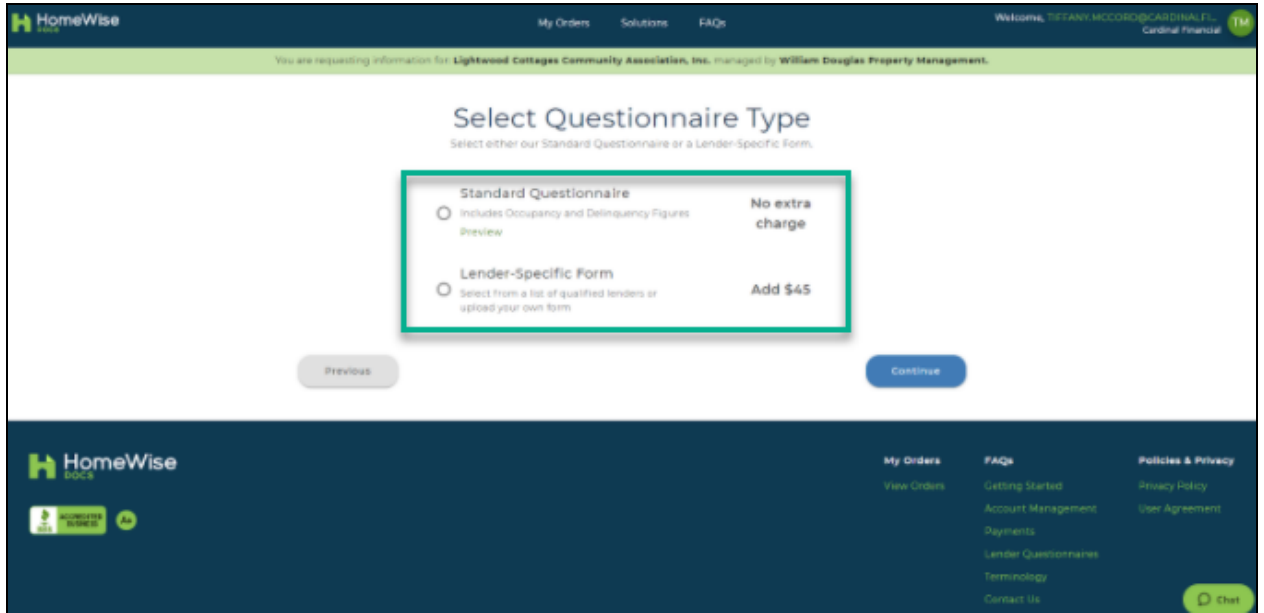
10. Review the order, then click **Continue**.
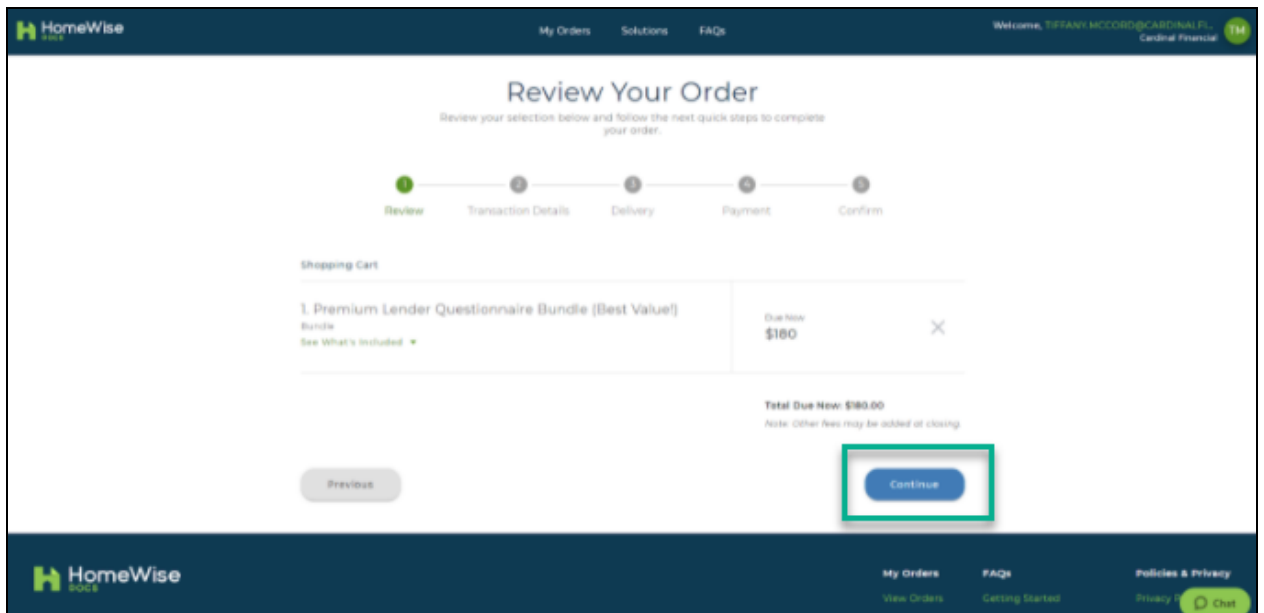
11. Enter the **Current Owner Information** and **Loan Number**.

12. Select the **Estimated Closing Date**.

13. Scroll down and select the date the order is needed. An email will be sent to you once the order is complete. Do not select the boxes next to "Text me when the order is completed" or the "Ship my order."
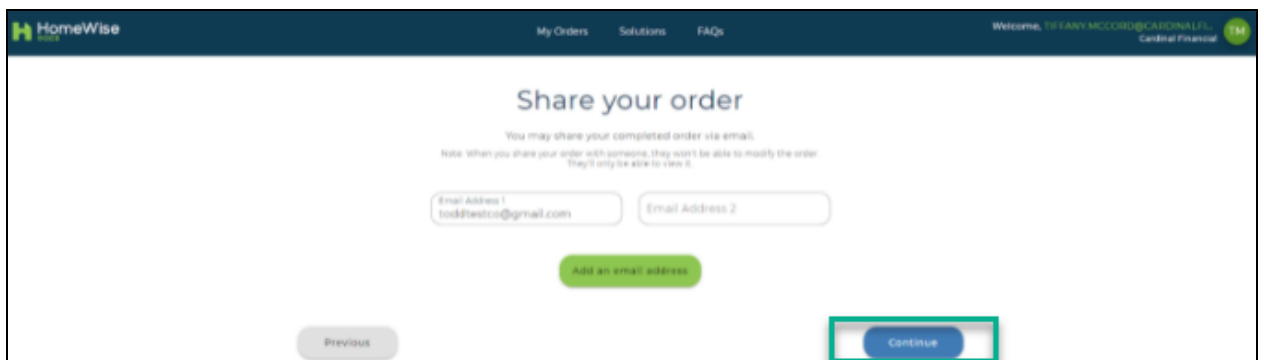
Note: If a rush order is required, follow the escalation protocol within your role.

14. Click **Continue**.

15. Enter Cardinal's credit card information, then click **Continue**. Confirm the order is accurate.

16. Select **Place Order**.

17. Save the credit card receipt as Questionnaire Receipt | Loan # | Borrower Last name and email a copy to accounts.payable@cardinalfinancial.com.

18. From the left menu in Octane, navigate to the **Documents** screen.

19. Select **Homeowner's Association Certification Receipt**.

20. Select the **Files** tab.

21. Upload a copy of the receipt.

Confirming the Order and Updating the Workflow

1. Once all documents have been ordered, navigate to the **Workflow** screen.

2. Select **HOA Certification [Order]**.

3. In the **Outcomes** section, select the appropriate Outcome.

   - **Wait -** Select this option if you are unable to successfully order the HOA documents.

     a. Place a detailed note on the **Notes** tab of the workflow detailing why the order has been placed in a wait status.

   - **Escalate - Validation Needed -** This option is rarely used. Select this outcome to escalate to your manager when a further review is required.

     a. Place a detailed note on the **Notes** tab clarifying what assistance is needed.

   - **Order HOA Certification Via Automated Message** - Select this outcome to have the system order for you.

   - **Order HOA Certification Manually** - Select this outcome if you ordered manually, by mail, or by a website.

4. Click **Complete Step**.

Retrieving the Order

Once all documentation has been received from the HOA, follow the below steps.

1. From Workflow Queues, select **HOA Cert or Insurance Retrieval [Pending]**.

2. In the **Outcomes** section, select **Complete**.

3. Click **Complete Step**, then click **Complete**.

   Note: This will move the HOA Certification Retrieval workflow to **[Work]**.

Uploading the Documents

The requestor that ordered the HOA documents will receive an email from the management company or third-party vendor (whichever way they were ordered) with the applicable documents. Each document must be downloaded and saved to a temporary file location to be uploaded into Octane.

Refer to the below table to determine how to upload specific documents.

Review Type	Documents	Instructions
Limited Review and Attached Puds	HOA Certification	1. Ensure all property information and data are accurate and complete. 2. Navigate to the **Documents** screen. 3. Select **Homeowner's Association Certification**. 4. Upload the HOA Certificate.

	HOA Invoice/Receipt (If Applicable)	Ensure the **Charges & Credits > HOA Certification Fee** is correct and matches the invoice.
	Master Liability Insurance Policy	1. Navigate to the **Documents** screen. 2. Select the **Master Liability Insurance**. 3. Upload the Master Insurance Policy. 4. Ensure all property information and data are accurate and complete.
Full Review	Questionnaire	1. Ensure all property information and data are accurate and complete. 2. Navigate to the **Documents** screen. 3. Select the **Homeowner's Association Certification**. 4. Upload the HOA Questionnaire.
	HOA Invoice/Receipt (If applicable)	1. Navigate to the **Documents** screen. 2. Select the **Homeowner's Association Certification Receipt**. 3. Upload the HOA Invoice/Receipt. 4. Ensure the **Charges & Credits > HOA Certification Fee** is correct and matches the invoice.
	Master Liability Insurance Policy	1. Navigate to the **Documents** screen. 2. Select the **Master Liability Insurance**. 3. Upload the Master Liability Insurance Policy.
	Bylaws	1. Navigate to the **Documents** screen. 2. Select the **Homeowner's Association CC&R**. 3. Upload the bylaws.
	Covenants, Conditions, & Restrictions (CC&Rs)	1. Navigate to the **Documents** screen. 2. Select the **Homeowner's Association CC&R**. 3. Upload the Covenants, Conditions, & Restrictions (CC&Rs).
	Budget	1. Navigate to the **Documents** screen. 2. Select the **Homeowner's Association Budget**. 3. Upload the budget.
Cooperative	Approval	If the loan is approved by the investor and a

		questionnaire is not needed, upload the approval to **Documents > Evidence of Project Approval**.
	Questionnaire	1. Ensure all property information and data are accurate and complete. 2. Navigate to the **Documents** screen. 3. Select the **Homeowner's Association Certification**. 4. Upload the HOA Questionnaire.
	HOA Invoice/Receipt (If applicable)	1. Navigate to the **Documents** screen. 2. Select the **Homeowner's Association Certification Receipt**. 3. Upload the HOA Invoice/Receipt, if applicable. 4. Ensure the **Charges & Credits > HOA Certification Fee** is correct and matches the invoice.
	Master Liability Insurance Policy	1. Navigate to the **Documents** screen. 2. Select the **Master Liability Insurance**. 3. Upload the Master Liability Insurance Policy.
	Budget and Financial Statements	1. Upload approval if applicable. 2. Navigate to the **Documents** screen. 3. Select the **Homeowner's Association Budget**. 4. Upload the budget and financial statements.

Reviewing the Documentation

Questionnaire Review

Verify all questions are answered completely and accurately within each section.

Note: A full review requires a budget and Full Review questionnaire.

Questionnaire Type	Section	Requirements
Short Questionnaire	**Section I**	Ensure that the Basic Project Information is complete

	Basic Project Information	
	Section II Project Completion Information	• Question 1 must be "yes" • Question 2 must-have dates
	Section III Litigation Information	If **yes** is checked, we will need the Litigation Questionnaire completed and/or litigation documents
	Section IV Insurance Information and Financial Control	Must be "yes"
	Section V Ownership and Other Information	If question 1 or question 2 is "yes," a full review is required, and a possible exception **Note**: Obtain the association's budget and full questionnaire. Additional docs may be required for the exception.
Long Questionnaire	**Section I** Basic Project Information	If 8d is checked, clarify these are not the HOA dues. If they are referring to the HOA dues, have the HOA update. If this is a separate fee, this will make the condo unwarrantable. Submit to UW for review.
	Section II Project Completion Information	If question 1 is "no," ensure that the table on the form is completed.
	Section III Newly Converted or Rehabilitated Project Information	If the question is "yes," ensure that the table on the form is completed.
	Section IV Financial Information	If question #3 is "yes," the Litigation Questionnaire completed and/or litigation documents are required.
	Section V Ownership and Other Information	Ensure the section is completed in its entirety.
	Section VI Insurance Information	Ensure insurance agent information is provided.

	and Financial Controls	

Cooperative Questionnaire		• If the Cooperative is in Litigation, a litigation letter from the attorney or Cooperative board is required.
		    ○ If new construction or conversion, a sponsor's or an attorney's letter, insurance information, structural engineer's report, or other documentation as appropriate.
		    ○ Use your Escalation Outcome to have SME/Support Staff add the **uw_need_hoalitigation** Transaction Tag.
		    ○ See Document Review Roadblocks for next steps

Master Insurance Review

Open the Master Insurance Policy to verify and obtain the necessary information to enter into the Property Insurance screen in Octane. For additional details about HOA requirements for condominiums, refer to section [B7-3-04 of Fannie Mae Selling Guide](#).

1. From the left menu in Octane, navigate to the **Property** screen.

2. Select the **General** tab.

3. Ensure that the **Project Name** matches what is listed under the **Insured** section of the Certificate of Liability Insurance.

4. Navigate to the **Charges & Credits** screen.

5. Select the **Property Insurance** tab.

6. Select **Show unused insurance**.

7. Select **Master Property Insurance.**

8. Refer to the below table to validate and input the following data:

Data Field	Details/Requirements
Policy Start Date	Enter the Policy Start Date.
Policy End Date	Ensure that the Policy End Date is valid through our effective funding.

Next Payment Date	This date will always be the same as the Policy End Date.
Coverage - Liability	• Full Review- The HOA must maintain a Commercial General Liability policy with $1,000,000 in coverage for all common areas and elements, public ways, and other areas under the HOA's supervision. Commercial areas must also be covered • Not required on PUD or condo limited reviews

Coverage - Fidelity	• Full Review- The HOA must maintain a fidelity/crime policy covering anyone with access to association funds, including a management agent, except for projects that have 20 units or less. Applicable projects with 20 or more total units) must have coverage equal to or greater than three months of assessment dues of total units in the project.
	• Not required on PUD or condo limited review
	• Cooperatives: The co-op corporation must maintain a property insurance policy, with premiums being paid as a common expense. The policy must cover the entire project, including the individual units. The amount of coverage must be equal to the greater of either three months of assessments/maintenance fees for all units in the project or the sum of all cash and reserve fund monies that are in the custody of the cooperative corporation or its management agent.
	    ○ Directors and officers insurance is not the same as fidelity insurance
	    ○ Crime insurance alone is not the same as fidelity insurance
	    ○ Employee dishonesty insurance is the same as fidelity insurance

Coverage - Property	• GRC or RC (Guaranteed Replacement Coverage or Replacement Coverage). If neither exists, please escalate to your SME for assistance.
	• Ensure any additional coverage needed for the subject unit is included.
	• Note: If the Master Policy does not cover the contents inside of the unit (Walls-In) and include replacement of improvements and betterment coverage (sometimes called an "All In" Policy), we will need an additional Personal Contents policy (called an HO-6)
	    ○ In your HOA Certification Retrieval [Work] Workflow, indicate HO6 is Required = Complete. This will start the separate HO6 Workflow.
	        ■ If the HO6 is not required, select **Not Applicable.**
	• Ensure all common elements are also covered.

Deductible	Cooperative Deductible: unless a higher maximum is required by state law, the maximum deductible is 5% of the policy face amount
Replacement Cost	Enter any replacement costs listed.

Co-insurance	If applicable, enter the co-insurance information.
Vendor Information	Enter the Insurance Agency Details: • Company Name • Company Address • Company Phone Number • Fax Number or Email • Policy Number

9. Review for the Master Flood Insurance Policy (if applicable)

   Note: It is common for a project to have a master flood insurance policy if the building is located in a flood zone. This may be included in the master liability policy or be its own separate master flood policy.

   • If the Flood Insurance Policy is applicable and present, repeat the above steps as needed.

   • If the association does not have Master Flood Insurance, the borrower must obtain their own flood insurance policy. Refer to the Processing the Evidence of Flood Insurance for flood insurance requirements.

Completing the HOA Requirements

Once the document has been uploaded to the appropriate folder, follow the steps below to complete the HOA requirements.

1. From the left menu, navigate to the **Documents** screen.

2. Select the document corresponding with the item being retrieved.

   Example: If you are retrieving the budget, find the HOA | Budget.

3. Select the **Details** tab.

4. Input the **Valid From date**.

5. Click **Save**.

Note: The **Valid From Date** is only required on the Homeowner's Association Certification, Master Insurance, and Evidence of Project Approval for FHA condominium projects.

- The **Valid From Date** for Master Insurance is the effective date, and the **Valid Through Date** is the expiration date of the Master Insurance Policy

- The **Valid From Date** on the certification is the date the preparer completed the certification. The **Valid From Date** can be found on the completed certification in Section VI - Information of Preparer.

- The **Valid From Date** for Evidence of Project Approval only pertains to FHA Approved condominium projects. No Validity date is required for VA Approved or Single-Unit Approval projects. The **Valid From Date** is the **Status Date**, and the **Valid Through Date** is the Expiration date of the project approval, both found within FHA Connection.

6. Select the **Requirements** tab.

7. Review and select each requirement by selecting the checkboxes.

8. Click **Fulfill**.

Completing the Workflow

Once all documents are posted to the appropriate label and all requirements have been fulfilled, follow the below steps to update the workflow in Octane.

1. From the left menu, navigate to the **Workflow** screen.

2. Select **HOA Certification Retrieval [Work]**.

3. Select the **Notes** tab.

4. In the **Notes** field, leave a detailed note.

5. Click **Save**.

6. Select the **Work** tab.

7. In the **Outcomes** section, select **HOA Documentation Retrieved, Work Complete**.
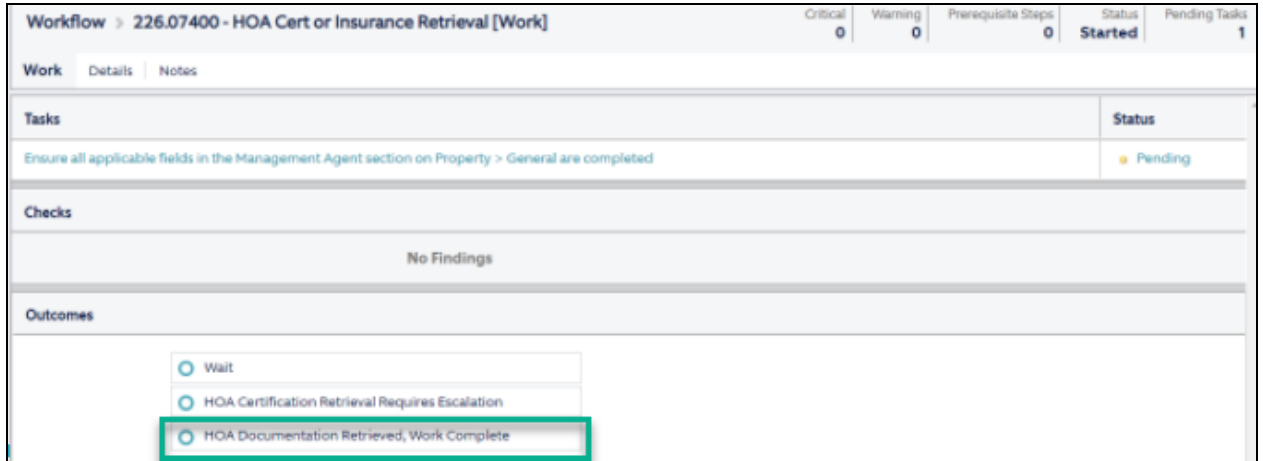
8. Click **Complete Step**, then click **Complete**.

References

Reference List
[B7-3-04 of Fannie Mae Selling Guide](#)
[Chapter 10 | Property and Appraisal Requirements | Conventional Lending Guide](#)
[Chapter 11 | Condo and PUD Project Approval | Conventional Lending Guide](#)
[Chase Cooperative Certification Questionnaire](#)
[Creating a FedEx Label](#)
[Handling Homeowners Insurance](#)
[Handling Invoices and Payment in Octane](#)
[Homewisedocs](#)
[Loan | Property](#)
[New Condominium Projects - Freddie Mac](#)
[Processing an FHA Single Unit](#)
[Processing the Evidence of Flood Insurance](#)

Resource	Helpful Hints for HOA Document Procedure
Resource	HOA Document Procedure Checklist
Resource	HOA Document Procedure Email Scripts
Resource	Homeowners Association Contact List
Resource	US Bank Full Condo Review Checklist
Sending Secure Smart Messages, Emails and Faxes
TS	Accounts Payable Invoice Requests
TS	Check Request
Wells Fargo - Combined Cooperative Validation Request Form (Form 22)

Revision History

Revision History is to be used as a reference only and will only provide a summary of document changes. For complete versioning, refer to the Google Docs versioning functionality, which is the system of record. Versioning has been captured as of 10.1.20.

Date	Version	Description	Approver
12.21.23	V7	Immaterial change • Corrected the email address link for Condo Support.	Lois Brandow
12.15.23	V6	Document Certification • Provided full review of the entire document to ensure workflow accuracy. • Added **Verifying the Property Type** section and associated subsections. • Updated details in the table in the **Summary of Documents to Order** section. • Added the **Confirming Delivery Method** section. • Added new steps and screenshots in the **Ordering via Third-Party Site	First Service Residential** section and the **Ordering via Third-Party Site (Homewisedocs)** section. • Removed unnecessary steps in the **Confirming the Order and Updating the**	Kirstie Meadley Erica Price

		Workflow section. • Removed the **Verifying Full or Limited Review (Conventional Condos Only)** section and associated subsections. • Removed the **Ensuring Investor Project Eligibility** section and associated subsections. • Removed the **Requesting a Check** section. • Removed the **Ordering via Smart Message** section. • Updated details in the table of the **Uploading the Documents** section. • Removed the **Reviewing the HOA Government Approval** section and associated subsections. • Added **Glossary** section. • Provided grammatical and formatting changes to adhere to P&P standards.	
6.9.23	V5	Off-Cycle Request. Instructions for if the automated HOA Certification Fee is incorrect have been updated.	Gabriel Cunningham Kirstie Meadley Erica Price
4.17.23	V4	Off-cycle request. The following updates were made: • Under the US Bank section, the Kentucky Housing Corporation bullet was removed. • Removed the Wells Fargo section • Made minor formatting edits throughout the document.	Kirstie Meadley Erica Price
3.21.23	V3	Off-cycle Request • Added downpayment assistance programs to the **US Bank** section. • Provided minor grammatical and formatting updates throughout the document.	Kirstie Meadley Erica Price
12.7.22	V2	Updated the following sections to expand on the PUD steps for HOA document order and review: • Preparing the HOA Certification (New section) • Completing the HOA Requirements • Verify Property Type • Single Family Attached PUB	Shannon Ames Erica Price

		• Manufactured Homes Located in a PUD or Condo Project • Searching for PERS Approval • Ensuring Investor Project Eligibility • Completing the HOA Requirements	
9.1.21	V1	Annual recertification with full review. Updated procedure to align with current process.	Erica Price
6.3.20	-	See Google Version History for previous updates	-