



Homeownership Program Bulletin

May 21, 2009

Program Bulletin #2009-13

To: CalHFA Approved Lenders

CalHFA Condominium Requirements for Conventional Loans: Updated

This Bulletin replaces Program Bulletin #2008-04, dated January 16, 2008, and updates the CalHFA standards for condominium project acceptance by providing Lenders with direction on how to process CalHFA conventional loan submissions for condominiums.

CalHFA will continue to accept for purchase individual conventional loans secured by condominium properties when the project has been warranted by the lender as complying with Fannie Mae's current condominium project standards. With each loan submitted to CalHFA, the Lender must provide the appropriate documentation giving evidence of project approval according to the type of Fannie Mae project review. For example:

- A limited review requires the Lender's Limited Review worksheet
- An expedited review requires the Certified Project Manager Certificate of Approval
- A full review requires the Lender's internal Project Approval
- Project Eligibility Review Service (PERS) approval by Fannie Mae

Further, with each loan submitted, the Lender provides CalHFA the same warranties and representations that would be provided to Fannie Mae pursuant to the Fannie Mae condominium project standards.

In addition to meeting the Fannie Mae condominium project standards, properties must conform to all CalHFA underwriting guidelines, property standards and project concentration limitations, as well as other regulatory, statutory and compliance requirements. Lenders must also comply with the requirements of the private mortgage insurer when applicable.

CalHFA's Homeownership Division thanks you for your business and we look forward to continuing to support your affordable housing loan needs. For questions about this bulletin, contact CalHFA Homeownership Programs by phone 916.324.8088; by fax 916.324.6589; by email at homeownership@calhfa.ca.gov and you can always visit CalHFA's web site at: www.calhfa.ca.gov