

Condo Project Manager Release Notes

Nov. 8, 2023

Condo Project Manager™ (CPM™) will be updated Dec. 8, 2023, to enhance the clarity and consistency of the information provided for projects with an Unavailable status. The Unavailable status indicates that loans secured against units in such projects are ineligible for delivery to Fannie Mae.

Activity Feed Updates

Current State:

- The Activity Feed currently displays freeform messaging detailing the reasons behind a project’s Unavailable status.

Upcoming changes:

- To improve data integrity and ensure consistent communication, we are transitioning from the use of freeform text explanations to the use of standardized Unavailable Reason codes and descriptions.
- Starting Dec. 8, these Unavailable Reason Codes will indicate the *Selling Guide* requirement that the project fails to comply with, accompanied by standardized verbiage describing the breached requirement.

Transition for Existing Projects:

- Projects currently marked as Unavailable will be updated with the new standardized reason codes and descriptions.

Expectations for Lenders:

- Lenders are encouraged to review the provided reason codes and descriptions.

Reason Codes and Descriptions

The following table contains the list of reason codes and corresponding verbiage, effective Dec. 8, 2023:

Reason	Activity Feed Verbiage
Commercial Space Exceeds Requirements	The percentage of this project used for non-residential or commercial purposes exceeds the limit allowed by Fannie Mae. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Common Interest Community	The subject property is a community apartment project or offers “common interest” apartments (i.e., owned by several owners as tenants-in-common or by an association in which individuals have an undivided interest in a residential apartment building and land, and have the right of exclusive occupancy of a specific apartment in the building). See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Condotel or Resort Type Project	This project operates as a hotel, motel, or resort or exhibits the characteristics of such properties, as described in the <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Continuing Care Facility	This project is, in whole or in part, operated or owned as a continuing care facility that provides medical and/or supportive services to unit owners. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Co-op: Leasehold	This is a co-op project that is subject to a leasehold estate. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Co-op: Limited Equity	This project is a Limited or Shared Equity Co-op that has not been approved by Fannie Mae. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.



Co-op: Other Eligibility	This is a co-op project that does not comply with the requirements in <i>Selling Guide</i> Sec. B4-2, Project Standards. Please contact Fannie Mae for more details.
Critical Repairs or Deferred Maintenance	This project is in need of critical repairs and may have conditions such as material deficiencies and significant deferred maintenance. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Deed or Resale Restrictions	This project is subject to deed or resale restrictions that do not comply with <i>Selling Guide</i> Sec. B5-5.2-01 and B5-5.2-02, Loans with Resale Restrictions.
Delinquent Common Expense Assessments	More than 15% of the units in this project are 60 days or more past due on their HOA fees/common expense assessments. See <i>Selling Guide</i> Sec. B4-2.2-02, Full Review Process.
Delinquent Special Assessments	More than 15% of the total units are \geq 60 days past due on their special assessment payments as described in <i>Selling Guide</i> Secs. B4-2.2-01 and B4-2.2-02.
Environmental	This project has one or more unacceptable environmental hazards that have not been appropriately assessed and remediated per Secs. B4-2.1-04, B4-2.1-05, and B4-2.1-06 of the <i>Selling Guide</i> .
Fractional, Segmented, or Split Ownership	This project contains timeshare, fractional, segmented, or split ownership units or other arrangements (such as mandatory rental pooling, common interest apartments, or community apartments) that restrict the unit owners' ability to occupy the unit. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Insurance- Actual Cash Value	This project's master insurance policy is not written to Replacement Cost Value. See <i>Selling Guide</i> Sec. B7-3-03, Master Property Insurance Requirements for Project Developments.
Insurance- Coverage	This project's master insurance policy coverage does not meet the requirements in <i>Selling Guide</i> Sec. B7-3-03, Master Property Insurance Requirements for Project Developments.
Insurance- Excess Deductible	This project's master insurance policy deductible exceeds the allowable limit in <i>Selling Guide</i> Sec. B7-3-03, Master Property Insurance Requirements for Project Developments.
Insurance- Flood	This project's master flood insurance policy does not comply with <i>Selling Guide</i> Sec. B7-3-06 requirements. Please contact Fannie Mae for more details.
Insurance- Other	This project's master insurance policy does not comply with <i>Selling Guide</i> Secs. B7-3 and B7-4 requirements. Please contact Fannie Mae for more details.
Leasehold Not Compliant	This project is located on a leasehold estate that does not comply with Fannie Mae's requirements under <i>Selling Guide</i> Sec. B2-3-03.
Legal Doc Compliance- Amendments to Documents	This project's legal documents do not comply with the Fannie Mae requirements pertaining to amendments to project documents, as set forth in <i>Selling Guide</i> Sec. B4-2.2-03, Full Review: Additional Eligibility Requirements for Units in New and Newly Converted Condo Projects.
Legal Doc Compliance- First Mortgagee's Rights Confirmed	This project's legal documents do not comply with Fannie Mae requirement that Mortgagees and Mortgage Grantors on any unit be given the right to timely notice, as set forth in <i>Selling Guide</i> Sec. B4-2.2-03, Full Review: Additional Eligibility Requirements for Units in New and Newly Converted Condo Projects.
Legal Doc Compliance- Right of First Refusal	This project's legal documents do not comply with Fannie Mae requirements pertaining to Right of First Refusal set forth in <i>Selling Guide</i> Secs. B4-2.1-01, B4-2.2-03, and B5-5.2-02.



Legal Doc Compliance- Rights of Condo Mortgagees and Guarantors	This project's legal documents do not comply with Fannie Mae requirements pertaining to the Right of Condo Mortgagees and Guarantors as set forth in <i>Selling Guide</i> Sec. B4-2.2-03, Full Review: Additional Eligibility Requirements for Units in New and Newly Converted Condo Projects.
Litigation- Non-Minor Matter	This project's HOA or co-op corporation (or project sponsor or developer) is a named party to pending litigation that does not meet the definition of "minor matter" as defined in <i>Selling Guide</i> B4-2.1-03, Ineligible Projects.
Litigation- Safety and Structural Soundness	This project's HOA or co-op corporation (or project sponsor or developer) is a named party to pending litigation that relates to the safety, structural soundness, habitability, or functional use of the project. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Mandatory Membership	This project's residential unit owners are required to pay mandatory upfront and/or periodic membership fees to a third party or are subject to a recreational lease to use recreational amenities that are NOT owned by the HOA or master association. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Multi-Dwelling	This project contains multi-dwelling units (i.e., unit owners hold title to a single legal unit that has been subdivided into multiple residential dwellings). See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Non-Contiguous Parcels	Parcels in this project are not contiguous, as required under <i>Selling Guide</i> Sec. B4-2.2-02, Full Review Process.
Non-Incidental Income	This project's HOA receives >10% of its budgeted income from the active ownership and/or operation of non-incidental amenities or services made available to unit owners and the general public. See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Non-Real Estate	This project includes property that is not real estate (such as houseboats, boat slips, cabanas, and timeshares). See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Other	Please contact Fannie Mae for specific details.
Ownership of Amenities	This project does not comply with Fannie Mae guidelines, which require the project's facilities, amenities, common elements, and limited common elements to be owned by the HOA, as provided in <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Priority Lien	This project does not comply with Fannie Mae requirements related to the lien priority of unpaid common expense assessments. See <i>Selling Guide</i> Sec. B4-2.1-01, General Information on Project Standards.
Project Terminated, Dissolved, or in Receivership	This project has been terminated, dissolved, or is in receivership. Contact Fannie Mae for more details.
Reserves Inadequate	The project's annual reserves are less than 10% of the assessed income required by Fannie Mae and/or the project does not have a reserve study that supports the current reserve allocations. See <i>Selling Guide</i> Sec. B4-2.2-02, Full Review Process.
Sale or Financing Concessions	This project has units for which seller is offering sale/financing concessions in excess of Fannie Mae's eligibility policies for mortgage loans, as described in <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.
Single Entity	The number of units in this project that are owned by one or more single entities exceeds the maximum allowed under <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects



Special Assessment	The units in this project are subject to a current or planned special assessment, intended to cover the cost of critical repairs, and all necessary repairs have not been fully completed. See <i>Selling Guide</i> Sec.B4-2.1-03, Ineligible Projects.
Unfunded Repairs	This project has unfunded repairs costing more than \$10,000 per unit that should be undertaken within the next 12 months (does not include repairs made by the unit owner or repairs funded through a special assessment). See <i>Selling Guide</i> Sec. B4-2.1-03, Ineligible Projects.

Fannie Mae reserves the right to change or amend the list from time to time without prior notice to facilitate business needs.

Resources

Review the resources below for more information on how to use CPM:

- [CPM FAQs](#)
- [CPM Quick Start Guide](#)
- [Guide to New Data Requirements for Enhanced CPM](#)

For More Information

Lenders can contact their Fannie Mae Business Account Management Solutions (BAMS) team for additional information.