



## CHECK LIST FOR SPOT LOAN APPROVALS

Please Mark

Y (yes) / N (no)

- |       |   |
|-------|---|
| _____ | 1. The legal documents of the homeowners association do not contain a right of first refusal or restrictive covenant.   |
| _____ | 2. The unit is part of a condominium regime that provides for common and undivided ownership of common areas by unit owners.  |
| _____ | 3. The project, including the common elements, and those of any Master Association, are complete, and the project is not subject to additional phasing or annexation. |
| _____ | 4. (a) There are no special assessments pending.  |
| _____ | (b) No legal action is pending against the condominium association for at least one year.   |
| _____ | 5. The common areas have been under the control of the homeowners association for at least one year.  |
| _____ | 6. At least 90 percent of the total units in the project have been sold. Verified by _____.   |
| _____ | 7. At least 51 percent of the total units in the project are owner occupied. Verified by _____.   |
| _____ | 8. There are no adverse environmental factors affecting the project as a whole or individual units.   |
| _____ | 9. No single entity owns more than 10 percent of the total units in the project. Verified by _____.   |
| _____ | 10. The units in the project are owned in fee simple or the units are held under a leasehold acceptable to FHA. (Leasehold in file)                                   |
| _____ | 11. The owners association has adequate common area insurance   |

coverage. General liability, replacement coverage, etc. reflects the character, amenities and risks of the particular development. Flood and other insurances carried, when applicable.

\_\_\_\_ 12. General maintenance level of common elements is acceptable and there is no deferred maintenance, based on the comments by the Appraiser and/or the pictures.

\_\_\_\_ 13. The owners association has a reserve plan and a reserve fund, separate from the operating account, that is adequate to prevent deferred maintenance. The amount of the fund is \$ \_\_\_\_\_ as of \_\_\_\_\_.

\_\_\_\_ 14. (a) For projects consisting of over 30 units, no more than 10 percent of the total units are encumbered by FHA insured mortgages. Verified by \_\_\_\_\_.  
\_\_\_\_ (b) For projects consisting of 30 units or less, no more than 20 percent of the total units are encumbered by FHA insured mortgages. Verified by \_\_\_\_\_.

\_\_\_\_ 15. Fee Simple

Name \_\_\_\_\_

Title \_\_\_\_\_

HOA Co. \_\_\_\_\_ Phone # \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_