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Objective: This job aid was designed to outline general [Best Practices](#) for Wholesale and Non-Delegated Correspondent condo review and approval, and provide instructions to validate a [Condominium Approval](#).

## Best Practices

### Eligibility and Documentation

- Arc Home does NOT maintain a list of condo projects previously reviewed or approved. Each condominium submission is subject to a new review with current project documentation, unless the project is currently approved by Fannie Mae, FHA, VA, or USDA (as determined by program).
- Refer to the applicable program matrix and guidelines for the eligible condo type and review requirements.
  - The Wholesale [Condo Review Job Aid](#) or Non-Delegated Correspondent [Condo Review Job Aid](#) will assist in determining the eligible condominium review type, by product.
  - Review the Wholesale [Condo Review Documentation List](#) or Non-Delegated Correspondent [Condo Review Documentation List](#) job aid for the required review items.
- Review the [Condominium Approval](#) topic below for detailed requirements by program.

### Full Review

- Review the [Condominium Approval](#) topic below for detailed requirements by program.
- The [Full Condo Questionnaire](#) MUST be completed in its entirety to avoid delays; blank or incomplete responses are not acceptable.
  - The questionnaire is not required for Fannie Mae or Freddie Mac transactions when the condo project has a CPM approval.
- The insurance must be verified and documented to meet all Fannie Mae or Freddie Mac requirements, as applicable. See [Fannie Mae Selling Guide](#) (Chapters B7-3 and B7-4) and [Freddie Mac Chapter 4703](#) for details.
- The Full Review will be submitted to and completed by the Arc Home Condo Project Review team once ALL required documentation is received by Arc Home.
  - Arc Home does NOT permit Full Review requests prior to loan submission.
  - Non-Delegated Correspondent Clients must include all required condo documents in the file submission to Arc Home.

### Limited Review

- Review the [Condominium Approval](#) topic below for detailed requirements by program.
- If the selected loan program allows a Limited Review, the loan parameters must meet ALL requirements for a Limited Review.
- The project must meet ALL warrantability and eligibility requirements to proceed with a Limited Review; it must not be an ineligible project, have ineligible features, or be non-warrantable.
- The [Arc Home Limited Review Condo Questionnaire](#) MUST be completed in its entirety to avoid delays; blank or incomplete responses are not acceptable.
  - The questionnaire is not required for Fannie Mae or Freddie Mac transactions when the condo project has a CPM approval.
- The insurance must be verified and documented to meet all Fannie Mae or Freddie Mac requirements, as applicable. See [Fannie Mae Selling Guide](#) (Chapters B7-3 and B7-4) and [Freddie Mac Chapter 4703](#) for details.
- The Limited Review will be completed by the Arc Home Condo Project Review team once ALL required documentation is received by Arc Home.
  - Non-Delegated Correspondent Clients may choose to complete the Limited Review independently; all required documents and the completed review must be uploaded in the file submission to Arc Home.



## Non-Warrantable Condos

- Eligible within the Access Non-QM, Edge Non-QM and Foreign National programs ONLY; review the [Condominium Approval](#) topic below for detailed requirements.
- Refer to the [Arc Underwriting Guide](#) for the list of eligible non-warrantable condo features, and Access, Edge or Foreign National program matrix for the non-warrantable condo eligibility restrictions, as applicable.
- A Full Review is required for all non-warrantable condos.

## Condominium Approval

The details noted below are intended to outline the condo approval validation options available by program; it does not identify all condo requirements and/or guidelines. Refer to the applicable guidelines/matrix to verify complete condo approval requirements for the program selected, as well as the Wholesale [Condo Review Job Aid](#) or Non-Delegated Correspondent [Condo Review Job Aid](#) to assist in determining the eligible condominium review type, by product.

Loan Program	Eligible Review Types	Guideline Requirements	Miscellaneous
Fannie Mae	<ul style="list-style-type: none"> <li>• Fannie Mae Limited Review</li> <li>• Fannie Mae Full Review</li> </ul>	<ul style="list-style-type: none"> <li>• Must meet Fannie Mae warrantable review requirements; refer to <a href="#">Fannie Mae Selling Guide</a> (Chapters B4-2, B7-3, and B7-4)</li> </ul>	<ul style="list-style-type: none"> <li>• For Fannie Mae Full Review, the Fannie Mae Condo Project Manager (CPM) must be used to validate current condo project approval. <ul style="list-style-type: none"> <li>▪ If the Condo Project Manager (CPM) tool indicates restrictions for a specific project (such as occupancy, LTV, etc.), only loans that comply with the restrictions may proceed with the “Approved by Fannie Mae” designation in lieu of a new Full Review.</li> <li>▪ The insurance must be verified and documented to meet all Fannie Mae insurance requirements, as Fannie Mae does NOT review insurance policies as part of the CPM review/approval process. See <a href="#">Fannie Mae Selling Guide</a> Chapters B7-3 and B7-4 for complete details.</li> <li>▪ <b>Important Note:</b> The Condo Project Manager (CPM) tool requires Fannie Mae access credentials.</li> <li>▪ <b>Resources:</b> <a href="#">CPM FAQs</a>, <a href="#">CPM Training</a></li> </ul> </li> </ul>
Freddie Mac	<ul style="list-style-type: none"> <li>• Freddie Mac Limited Review</li> <li>• Freddie Mac Full Review</li> </ul>	<ul style="list-style-type: none"> <li>• Must meet Freddie Mac warrantable review requirements; refer to Freddie Mac Selling Guide Chapters <a href="#">5701</a> and <a href="#">4703</a></li> </ul>	<ul style="list-style-type: none"> <li>• Freddie Mac Condo Project Advisor (CPA) must not show the project as “Not Eligible”.</li> <li>• In lieu of a new Full Review, a condo project identified as “Approved by Fannie Mae” within the Fannie Mae Condo Project Manager (CPM) may be used to validate current condo project approval for Freddie Mac transactions. See <a href="#">Fannie Mae</a> topic.</li> </ul>
FHA	<ul style="list-style-type: none"> <li>• For non-Streamline loans, the condo project must be reflected within the <a href="#">HUD Approved</a> list.</li> <li>• For Streamline loans, the condo must meet the FHA Streamline guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to FHA Handbook <a href="#">4000.1</a></li> </ul>	N/A



Loan Program	Eligible Review Types	Guideline Requirements	Miscellaneous
VA	<ul style="list-style-type: none"> <li>For non-IRRRL loans, the condo project must be reflected within the <a href="#">VA Approved</a> list.</li> <li>For IRRRL loans, the condo must meet the VA IRRRL guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to VA Handbook <a href="#">26-7</a></li> </ul>	<ul style="list-style-type: none"> <li><b>Important Note:</b> VA LGY Access credentials required to access VA Approved list</li> </ul>
USDA (Wholesale only)	<ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a> Limited Review</li> <li><a href="#">Fannie Mae</a> Full Review</li> <li><a href="#">Freddie Mac</a> Limited Review</li> <li><a href="#">Freddie Mac</a> Full Review</li> <li>FHA <a href="#">HUD Approved</a></li> <li><a href="#">VA Approved</a></li> </ul>	<ul style="list-style-type: none"> <li>Refer to USDA <a href="#">HB-1-3555</a></li> </ul>	<ul style="list-style-type: none"> <li>In lieu of a new Full Review, a condo project identified as “Approved by Fannie Mae” within the Fannie Mae Condo Project Manager (CPM) may be used to validate current condo project approval for USDA transactions. See <a href="#">Fannie Mae</a> topic.</li> </ul>
Access Non-QM	<ul style="list-style-type: none"> <li><b>Warrantable:</b> <ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a> Limited Review</li> <li><a href="#">Fannie Mae</a> Full Review</li> </ul> </li> <li><b>Non-Warrantable:</b> <ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a> Full Review</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Refer to <a href="#">Arc Underwriting Guide</a> Chapter 5.4 (Condominiums) <ul style="list-style-type: none"> <li><b>Warrantable:</b> Must meet Fannie Mae warrantable review requirements; refer to <a href="#">Fannie Mae Selling Guide Chapter B4-2</a></li> <li><b>Non-Warrantable:</b> Must meet Fannie Mae Full Review requirements (refer to <a href="#">Fannie Mae Selling Guide Chapter B4-2</a>) AND allowable Access Non-QM non-warrantable features</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Fannie Mae Condo Project Manager (CPM) must be used to validate current condo project approval for Access Non-QM transactions. See <a href="#">Fannie Mae</a> topic. Refer to Non-Warrantable guidelines if CPM shows project is “unavailable”.</li> <li>For projects that require a <a href="#">Project Eligibility Review Service (PERS)</a> approval, Fannie Mae guidelines must be followed for the project to be considered warrantable. <ul style="list-style-type: none"> <li>If a PERS approval cannot be obtained, then a Fannie Mae Full Review will be required for the Non-Warrantable condo.</li> </ul> </li> </ul>
Edge Non-QM	<ul style="list-style-type: none"> <li><b>Warrantable:</b> <ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a> Limited Review</li> <li><a href="#">Fannie Mae</a> Full Review</li> </ul> </li> <li><b>Non-Warrantable:</b> <ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a> Full Review</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Refer to <a href="#">Arc Underwriting Guide</a> Chapter 5.4 (Condominiums) <ul style="list-style-type: none"> <li><b>Warrantable:</b> Must meet Fannie Mae warrantable review requirements; refer to <a href="#">Fannie Mae Selling Guide Chapter B4-2</a></li> <li><b>Non-Warrantable:</b> Must meet Fannie Mae Full Review requirements (refer to <a href="#">Fannie Mae Selling Guide Chapter B4-2</a>) AND allowable Access Non-QM non-warrantable features</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Fannie Mae Condo Project Manager (CPM) must be used to validate current condo project approval for Access Non-QM transactions. See <a href="#">Fannie Mae</a> topic. Refer to Non-Warrantable guidelines if CPM shows project is “unavailable”.</li> <li>For projects that require a <a href="#">Project Eligibility Review Service (PERS)</a> approval, Fannie Mae guidelines must be followed for the project to be considered warrantable. <ul style="list-style-type: none"> <li>If a PERS approval cannot be obtained, then a Fannie Mae Full Review will be required for the Non-Warrantable condo.</li> </ul> </li> </ul>
Foreign National Non-QM	<ul style="list-style-type: none"> <li><b>Warrantable:</b> <ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a> Limited Review</li> <li><a href="#">Fannie Mae</a> Full Review</li> </ul> </li> <li><b>Non-Warrantable:</b> <ul style="list-style-type: none"> <li><a href="#">Fannie Mae</a> Full Review</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Refer to <a href="#">Arc Underwriting Guide</a> Chapter 5.4 (Condominiums) <ul style="list-style-type: none"> <li><b>Warrantable:</b> Must meet Fannie Mae warrantable review requirements; refer to <a href="#">Fannie Mae Selling Guide Chapter B4-2</a></li> <li><b>Non-Warrantable:</b> Must meet Fannie Mae Full Review requirements (refer to <a href="#">Fannie Mae Selling Guide Chapter B4-2</a>) AND allowable Foreign National non-warrantable features</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Fannie Mae Condo Project Manager (CPM) must be used to validate current condo project approval for Foreign National Non-QM transactions. See <a href="#">Fannie Mae</a> topic. Refer to Non-Warrantable guidelines if CPM shows project is “unavailable”.</li> <li>For projects that require a <a href="#">Project Eligibility Review Service (PERS)</a> approval, Fannie Mae guidelines must be followed for the project to be considered warrantable. <ul style="list-style-type: none"> <li>If a PERS approval cannot be obtained, then a Fannie Mae Full Review will be required for the Non-Warrantable condo.</li> </ul> </li> </ul>



Loan Program	Eligible Review Types	Guideline Requirements	Miscellaneous
<p><b>Elite QM</b></p>	<ul style="list-style-type: none"> <li>• <a href="#">Fannie Mae</a> Limited Review</li> <li>• <a href="#">Fannie Mae</a> Full Review</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to <a href="#">Arc Underwriting Guide Chapter 5.4 (Condominiums)</a></li> <li>• Must meet Fannie Mae warrantable review requirements; refer to <a href="#">Fannie Mae Selling Guide Chapter B4-2</a></li> </ul>	<ul style="list-style-type: none"> <li>• Fannie Mae Condo Project Manager (CPM) must be used to validate current condo project approval for Elite QM transactions. See <a href="#">Fannie Mae</a> topic. CPM must verify project is not “unavailable”.</li> </ul>
<p><b>Conventional Investment</b></p>	<ul style="list-style-type: none"> <li>• <a href="#">Fannie Mae</a> Limited Review</li> <li>• <a href="#">Fannie Mae</a> Full Review</li> <li>• <a href="#">Freddie Mac</a> Limited Review</li> <li>• <a href="#">Freddie Mac</a> Full Review</li> </ul>	<ul style="list-style-type: none"> <li>• Must meet Fannie Mae OR Freddie Mac warrantable review requirements (per AUS used); refer to applicable guidelines in <a href="#">Fannie Mae Selling Guide Chapter B4-2</a> or <a href="#">Freddie Mac Selling Guide Chapter 5701</a></li> </ul>	<ul style="list-style-type: none"> <li>• For Fannie Mae Full Review, the Fannie Mae Condo Project Manager (CPM) must be used to validate current condo project approval for Conventional Investment Property transactions. See <a href="#">Fannie Mae</a> topic.</li> </ul>
<p><b>FNMA/FHLMC Second Home &amp; Investment</b></p>	<ul style="list-style-type: none"> <li>• <a href="#">Fannie Mae</a> Limited Review</li> <li>• <a href="#">Fannie Mae</a> Full Review</li> <li>• <a href="#">Freddie Mac</a> Limited Review</li> <li>• <a href="#">Freddie Mac</a> Full Review</li> </ul>	<ul style="list-style-type: none"> <li>• Must meet Fannie Mae OR Freddie Mac warrantable review requirements (per AUS used); refer to applicable guidelines in <a href="#">Fannie Mae Selling Guide Chapter B4-2</a> or <a href="#">Freddie Mac Selling Guide Chapter 5701</a></li> </ul>	<ul style="list-style-type: none"> <li>• For Fannie Mae Full Review, the Fannie Mae Condo Project Manager (CPM) must be used to validate current condo project approval for FNMA/FHLMC Second Home &amp; Investment Property transactions. See <a href="#">Fannie Mae</a> topic.</li> </ul>

