Properties – Eligible Non-Warrantable Condos	• **Non-Warrantable Condominiums** (attached/detached). **Full Review required. Maximum 80% LTV/CLTV for a non-warrantable condo (excluding ICF; non-warrantable condo max 75% LTV)**
	• A condo project is considered non-warrantable when project features do not meet specific Fannie Mae requirements. Condo projects that are non-warrantable are eligible when the reason for the project being non-warrantable is for one of the reasons listed below. **The project can only have one feature that makes it non-warrantable; multiple features are not acceptable**:
	- **PERS Approval:** A condo project that would normally require a PERS review may be approved using a Full Review
	- **Investment not meeting Fannie Mae owner-occupancy**: An investment condo unit where the project meets the presale requirements but does not meet Fannie Mae's owner-occupancy requirement
	- **Investment – first closing**: An investment condo that will be the first closing of an investment condo unit. Fannie Mae's 70% presale requirement of owner-occupied and second homes in the project must be met.
	- **A single entity owns more units than allowed by Fannie Mae.** A single entity may own up to 25% of the units in the project (cap does not apply to the sponsor/builder in the initial marketing phase)
	- **The commercial space exceeds what is allowed by Fannie Mae**. A project comprised of 40% commercial space is acceptable provided it is common and customary for the area
	- **Project not meeting Fannie Mae pre-sale:** Projects with a 40% presale are eligible if the appraiser addresses that the average marketing time does not exceed the average marketing time for similar condo projects
	- **The project budget does not meet Fannie Mae requirements**. A project that has less than 10% of budgeted reserves may be eligible when:
	    - The project has a minimum of 20% of the annual HOA dues in reserves, **AND**
	    - No capital improvement projects are pending that would individually or collectively amount to > 10% of the annual HOA dues, **AND**
	    - The HOA must provide the most recent two (2) years financials (audited if available) and must address how they will fund future capital improvements
	- **Short-term rentals:** If the existence of short-term rental units within the project (e.g. Airbnb, VRBO) is the **only reason** the project is non-warrantable, the project is acceptable
	- **Rent stabilized units:** Projects that do not meet Fannie Mae presale or owner-occupancy requirements due to a high number of rent stabilized units within the project are acceptable. The rent stabilized units may be excluded when completing the pre-sale or owner-occupancy calculations. The number of **unsold** units is limited to a maximum of 20%
	Example:
	• Project has 100 total units and 50 are rent stabilized
	• Deduct the 50 rent stabilized from the 100 units
	• If 40 of the 50 non-rent stabilized units are sold, the percentage of units sold is 80% so unsold units are 20% which meets the requirement