

Caliber's CPL Non-Warrantable Condominium Guidelines		
Program Eligibility	Program Eligibility	Non-Warrantable Condos are allowed on all products, except for Fresh Start, Professional Elite, and Investor Access. (On Fresh Start, Professional Elite and Investor Access, the condominium must be warrantable as defined by Fannie Mae)
Lender Exposure	Caliber	For projects with > 4 units, Caliber Home Loans will not finance more than 25% of the units in any one project
Primary Residence & Second Homes		
Primary and Second Home Loan Eligibility	Maximum DTI	45% max DTI
	Minimum FICO	Min 680 FICO required
	Maximum LTV	Reduce respective program max LTV by 5% New Construction Condos require an additional 5% LTV reduction from respective program max
Investment		
Investment Loan Eligibility	Maximum DTI	43% max DTI
	Minimum FICO	Min 680 FICO required
	Maximum LTV	Reduce respective program max LTV by 5% New Construction Condos require an additional 5% LTV reduction from respective program max
Project Characteristics Common to both Limited and Full Reviews	Occupancy	No minimum owner occupancy requirements for either limited or full review
	Commercial /Non- residential Space	Subject property unit must be 100% residential. Project/building commercial % must be ≤ 50%. When commercial space exists, must be "typical for market & have no negative impact on marketability". Commercial % is determined by appraiser. No further assessment required. Commercial space in the building/project exceeding 50% will be reviewed on a single loan exception basis.
	Zoning	Legal conforming and Legal non-conforming allowed (per Fannie Mae guidance)- allowed via limited & full project review
	Mandatory Membership Fees	Upfront, annual or monthly fees required of unit owners to pay for amenities owned by 3rd party or builder/developer. Examples are: golf course, tennis courts, club house, pool.Allowed via limited & full project review.
	Minimum Sq. Footage	Units must be at least 475 square feet
	Non-Incidental Business Income	Derived from an HOA offering products/services to the unit owners and/or public that exceeds 10% of the project's total income are permitted via limited & full project review
	HOA lien priority States	Allowed - up to 12 months HOA dues if within lien priority state, document via HOA cert
Master HOA Insurance	Follows Agency Guidelines (or follows FNMA Guidelines if we haven't received approval for both)	
Non Warrantable Condominium Project Allowances and Documentation Requirements		
Project Review Types	Project Review Documentaion	Limited Project Review
		Full Project Review
Project Characteristics with requirements based on Limited or Full Review Type	Single entity ownership	≤ 50% single entity ownership allowed via limited & full project review
	Pending Litigation	HOA is named as Plaintiff in suit - allowed via limited & full project review Examples of allowable pending litigation: • HOA is named as the Plaintiff in a foreclosure action, or as a Plaintiff in an action for past-due HOA assessments
		50.1% - 75% single entity ownership allowed with the following requirements • Only allowed for established / existing project type (as defined by Fannie Mae) • Project may not have insufficient budgetary reserves
		Other pending litigation - will be considered on case by case basis, document via HOA cert and subject to additional documentation based on condo team assessment Pending litigation not allowed under any circumstance when • Litigation involves structural items or items that impact marketability or safety

Project Financials	HOA Budget / Replacement Reserve Requirements	≥ 5% allocation of replacement reserves - allowed	3-5% allocation of replacement reserves - annual budget required < 3% allocation of replacement reserves - annual budget required & reserve study completed by a professional • Projects with excessively insufficient budgetary reserves are allowed on a case by basis with a reserve study completed within the last 5 years by professional (Engineer, Architect, CPA, General Contractor, or Property Manager w/ 3yrs experience)
	HOA Dues - Maximum Delinquency Percentage	25% of HOA dues > 60 days' delinquent - allowed	> 25% of HOA dues > 60 days' delinquent = excessively insufficient
Project Type Requirements based on Limited or Full Review Type	Condo Conversion	Not allowed via limited project review	Condo conversion full gut - allowed via full project review Condo conversion non- or partial-gut - considered on case by case via full project review, must provide an engineer's report/architect's report
	New Condominium	Not allowed via limited project review	0% Presale. Closing on the first unit in the project is allowed as long as the subject unit is 100% complete & remaining units in the building include sheetrock.
	Condotel - Affiliated with a nationally recognized hotel chain (Westin, Four Seasons, Ritz, etc.) - allowed via limited and full project review based on which review requirements they meet.	Non-affiliated condotels - allowed via limited review and must meet the following requirements: • Project has been established for a minimum of 3 years. • ≤ 15% of HOA dues allowed to be > 60 days' delinquent • ≥ 5% replacement reserves • No special assessments allowed for repair/replacement of major components (Special assessments for non-mandatory items, e.g., lobby redesign and updating or front entrance beautification are acceptable.) • Project must be in at least average condition with no project deferred maintenance cited by the subject unit's appraisal report • Condotels that require mandatory rental requirements or include occupancy restrictions will only be allowed as investment properties.	Non-affiliated condotels - that do not meet limited criteria may be considered with the following requirements: • Project has been established for a minimum of 3 years. • < 35 of HOA dues allowed to be > 60 days' delinquent • > 1% replacement reserves • Reserve study completed by a professional within the last 5 years required • No special assessments allowed for repair/replacement of major components (Special assessments for non-mandatory items, e.g., lobby redesign and updating or front entrance beautification are acceptable.) • Project must be professionally managed by either a property management company or an individual property manager holding a designation such as: CAM, CPM etc.) • Condotels that require mandatory rental requirements or include occupancy restrictions will only be allowed as investment properties.
Ineligible Project Types & Characteristics	Manufactured Homes		
	Common Interest Apartments, Tenants-in-Common or Continuity Interest Apartment		
	Continuing Care Retirement Communities (CCRC)		
	Deed Restriction Communities (age restricted communities permitted)		
	Multi Dwelling Units (allowed within project by not allowed on subject property unit)		
	Live/Work Projects		
	Private Transfer Fees		
Units w/less than full kitchens.(All kitchens must have appliances for year-round occupancy			
Projects with time shares or fractional ownership			