

# Homeowners Association Certification Questionnaire

**Demonstration Lender**  
**363 W Drake, Suite 3**  
**Fort Collins, CO CO**  
**(970) 226-1324**

**Requestor:** John Lender

**Date:** 12/16/2010

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<b>Borrower:</b>	Stacey Anderson	<b>Loan #:</b>	12345-abcd
<b>Project Name:</b>	Sample Condominiums		
<b>Property Address:</b>	5555 Mountain View #100; Fort Collins, CO 80525		

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## Property Information

1. **Development filed with state as:** Condominium
2. **The property is:** Attached
3. **The style of the home is:** Apartment / Condo Style
4. **All homes complete?** ..... No  
**Date first available for sale:** 1/1/2010  
**Estimated completion date:** 12/31/2012  
**Explain:** They are in development right now and moving according to schedule.
5. **All common areas complete?** ..... No  
**Estimated completion date:** 12/31/2010  
**Explain:** The sidewalks / trails around the open spaces are not quite complete.
6. **All facilities complete?** ..... No  
**Estimated completion date:** 12/31/2010  
**Explain:** The community building needs carpeting, and will then be open for service.
7. **Part of a master?** ..... Yes  
**Name of master:** Sample Condominium Master Association  
**All common areas complete in master?** ..... No  
**Estimated completion date:** 12/31/2011  
**Explain:** There are many trees and much landscaping to be completed on master property.  
**All facilities complete in master?** ..... No  
**Estimated completion date:** 12/31/2011  
**Explain:** The pool will be done by year-end 2011.
8. **Further phasing planned?** ..... Yes  
**# phases:** 15                      **# units:** 100
9. **Further annexation planned?** ..... Yes  
**Explain:** The property immediately to the East is in negotiation for annexation.
10. **Project is existing building conversion?** ..... Yes  
**Year converted:** 2000  
**Age (in years) at that time:** 10

**Original use:** A portion of the buildings were originally apartments.

**11. Association controlled by developer or builder?** ..... Yes

**Anticipated or actual date turned over to owners:** Jan 2012

**12. Any space only for commercial / non-residential use?** ..... Yes

**# commercial units:** 1 **square footage:** 500 - 0.17 %

**# residential units:** 150 **square footage:** 300000 - 99.83 %

**Title to commercial units retained by:** Commercial unit owners

**Description of units and permitted uses:** There is a nail salon on the property.

## Structure

**1. Segmented-ownership project?** ..... No

**2. Two to four unit dwellings or two or more units secured by one deed?** ..... No

**3. Legal but non-conforming use?** ..... No

**4. Houseboat project?** ..... No

**5. Timeshare project?** ..... No

**6. Manufactured housing project?** ..... No

**7. Any leased recreational facilities or any common area leases?** ..... No

**8. Units' titles held as:** Fee Simple

**9. Unit rentals allowed on daily or < 30 day basis?** ..... Yes

**Approximate year beginning operation:** 2005

**Amenities:** Check-in Rental Desk, Mandatory Rental Pool, Restaurant / Food Service, Commercial (boutique, etc), Cleaning Service

**Rental service for leasing units available?** ..... Yes

**Is it mandatory?** ..... No

**9. Any restrictions on the term of lease or rental agreements?** ..... Yes

**Explain:** Yes, they must comply with requirements.

**10. Any restrictions on sales which limit free transferability of title (age restrictions, Right of First Refusal, other deed or income restrictions)?** ..... Yes

**Explain:** Yes, must be over 65 to transfer title.

**11. Project subject to "inclusionary zoning" containing governmentally regulated low and moderate-income housing units?** ..... Yes

**How many?** 5 - 1.10 %

**Describe terms and which units are affected by zoning restrictions:**

These units are set-aside for habitat for humanity.

**12. Legal documents or local zoning limit the amount of time owner can live in the unit?** ..... Yes

**Explain:** Local zoning limits some units to 30 days in six-month period.

13. Unit owners have sole ownership interest in and the rights to use facilities? ..... No

**Explain:** The tennis courts are owned by the local country club and used by their members.

14. Developer retains ownership interest in any facilities or common areas? ..... Yes

**Explain:** Developer owns the retention ponds.

## Insurance

1. **Insurance Company:** USA Insurance

2. **Phone Number:** (555) 555-5555

3. **Where is insurance policy information found?** www.AssociationOnline.com

## Ownership

### 1. Units

**Sold and conveyed:** 150 units

**Under contract:** 5 units

**Developer-owned:** 50 units

**Developer intends to retain:** 0 units

**Remaining to be built:** 250 units

**Total Units In Property:** 455

### 2. Occupancy

**# Owner Occupied:** 140 140 units - 93.33 %

**# Investor Owned:** 10 10 units - 2.20 %

**Total Units Sold/Presold:** 150

### 3. Investors Owning Multiple Units

1. Owner - 2 units - 1.33 %

2. Owner - 5 units - 3.33 %

3. Owner - 3 units - 2.00 %

## Financial

### 1. Dues

**Dues \$ / unit:** \$300.00, Frequency: Monthly

**Total Paying Dues:** 150 units

**Delinquent > 30 days:** 2 units - 1.33 %

**Total Delinquent \$:** \$500.00

**Title through foreclosure subject to unpaid dues:** No more than six months' accrued dues

**Financial information given to Board monthly:** ..... Yes

### 2. Budgeted Reserves

**Budget Year:** Jan - Dec

**Budgeted Annual Revenue:** \$540,000.00**Budgeted Annual Amount to Reserves:** \$60,000.00 - 11.11 %**Separate accounts for reserves?** Yes**Current Amount in Reserves:** \$100,000.00**3. Loans****Outstanding loans?** ..... Yes**Describe the type, purpose and collateral:** There is a loan on the community building, payable over seven years. Interest rate is 8% fixed, and final payment will be made October 2016.**4. Fees****Transfer Fee:** \$100.00**Document / Online Fee:** \$10.00**Working Capital Fee:** \$10.00**Transfer between buyer / seller ?** \$250.00**Status Letter Fee:** \$50.00**Other Specified Fee:** \$50.00**Other Specified Fee description:** An extra fee is charged for the FOB key for pool.**5. Special assessment pending or in process of collection?** ..... Yes**Amount per unit:** \$100.00 - \$200.00      **Total \$:** \$25,000.00**When due?** The special assessment is due by 12/31/2010.**Purpose of?** The special assessment will be used to add a playground.**Affect on current fair market value?** The playground is not expected to significantly increase fair market value of property, currently.**Affect on future fair market value?** The playground is not expected to significantly increase fair market value of property, in the future.**Affect on marketability?** The playground should increase the marketability of the homes because it is considered a great asset to the condo owners in this market.

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**Management****1. Managed by:** Outside Management Co**2. Manager related to developer?** ..... Yes**Explain:** Developer holds minority interest in management company.**3. Can manager be terminated with advance notice without penalty?** ..... No**Minimum amount of notice required:** 30 days**Penalty:** 3 mos management fee**Explain:** Contract may be cancelled with 30 days notice. However if the cancellation is less than 90 days, a fee of three months' management will be assessed and collected before records will be transferred.

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## Legal

1. **Any outstanding or pending litigation or public administrative actions against the HOA, officers or directors?** ..... Yes

**Background:** There is a pending lawsuit by a homeowner against the association for not allowing him usage of the pool after he was caught and charged with vandalism.

**Current status:** The homeowner has filed a suit. It has not been heard.

**Potential impact on property solvency:** It is expected that the suit will not result in any significant liability to the HOA and will not affect its solvency.

**Potential impact on property structure:** There is no expected impact on the property's legal structure.

**Potential impact on homeowners & rights:** There is no expected impact on homeowners and their rights.

**Potential impact on ability to transfer title:** There is no expected impact on the owners' ability to transfer title.

**Other pertinent information includes:** We are receiving information that the case will probably be dropped.

2. **Received notification of any violations of any government or land-use regulations (such as zoning ordinances and coastal tideland or wetland laws)?** ..... Yes

**Describe violations and any actions taken by the HOA and other parties:**

A play structure was placed on property that may have previously been deemed as a wetland. The situation is being investigated.

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## Certification

I, the undersigned, certify that to the best of my knowledge, the information and statements contained on this form are true and correct.

**Preparer:** Mike Manager

**Title:** Manager

**Company:** Managers are Great

**Address:** 1000 Main Street; Fort Collins, CO 80525

**Phone:** (970) 226-1324