To be eligible for Condominium Project Approval, the Condominium Project must:

- be primarily residential in nature and not be intended for Rental for Transient or Hotel Purposes;
- consist only of one-family Dwelling Units;
- be in full compliance with all applicable federal, state, and local laws with respect to zoning, fair housing, and accessibility;
- be complete and ready for occupancy;
- be reviewed and approved by the local jurisdiction;
- have an owner occupancy of at least 50% of total units, or 35% if at least one year old, and no more than 10% of the units are in arrears (not including late fees or administrative expenses);
- have a low individual owner concentration:
  - for projects with 20 or more Units, no individual owner can own more than 10% of the units;
  - for projects with fewer than 20 Units, no individual owner or related owner can own more than 1 unit.
- carry appropriate insurance, including hazard, liability and fidelity insurance, and flood insurance, if applicable;
- have commercial/non-residential space no more than 35-49% of total floor area;
- have an FHA insurance concentration no more than 50%; and
- not be subject to pending litigation in which the project sponsor is named as a party that relates to the safety, structural soundness, habitability, or functional use of the condominium project.

Condominium must provide:

1. Recorded documents (legal, project and governing documents that are required to operate legally as required by state and local law)
2. Financial documents that itemize and address income and expenditures that are sufficient and pertinent to the Condominium Project. These include:
   - an operating income that demonstrates a stable income stream over the past two years with decreases of no higher than 15%;

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1 Owner Occupied includes:
- any unit that is occupied by the owner as his or her place of abode for any portion of the calendar year and that is not rented for a majority of the calendar year;
- any unit listed for sale, and not listed for rent, that was previously occupied by the owner as his or her place of abode for any portion of the calendar year and that is not rented for a majority of the calendar year;
- any unit sold to an owner who intends to occupy the Unit as his or her place of abode for any portion of the calendar year and has no intent to rent the Unit for a majority of the calendar year.
- ability to cover the cost of insurance coverage and deductibles;
- a reserve account for capital expenditures and deferred maintenance that is funded with at least 10% of the aggregate monthly Unit assessments, unless a lower amount is deemed sufficient based upon an acceptable reserve study;
- evidence that the budget provides for the periodic funding to maintain the reserve account balance of at least 10% of the aggregate monthly unit assessments, unless a lower amount is deemed sufficient based upon an acceptable reserve study;
- evidence that no more than 15% of the total units are in arrears (does not include late fees or other administrative expenses); and
- financial records that are consistent with the application package, including special assessments, loans, or other financial variations.

3. Certificates of insurance (including hazard, liability, fidelity for projects with more than 20 units, & flood insurance, if required).

4. Form 9992, explaining the project -

**Submitting Documents for Approval**

The application package for Condominium Project approval must be submitted to the Jurisdictional Homeownership Center (HOC) via CD-ROM or USB flash drive. Incomplete packages will not be processed. Your HOC jurisdiction can be determined here:
https://www.hud.gov/program_offices/housing/sfh/sfhocs

If you have questions, reach out to the HOC Processing and Underwriting Division Directors:

- **Philadelphia** (Northeast including Michigan to Virginia): Andrew Cianci - 215-861-7687
- **Atlanta** (Southeast): Valerie Williams - 678-732-2741
- **Denver** (Mountain States, Texas & Oklahoma): Amy Trujillo - Denver 800-225-5342, Ext: 5058
- **Santa Ana** (West Coast including Nevada): Don Doan: 714-955-0705

**Documents should be submitted in this order:**

1. Cover Letter
2. Form 9992
3. Legal Documents
4. Financial Documents
5. Contracts
6. Insurance
7. Commercial/Non-Residential allocation
8. Live/Work agreement (if units are permitted for both living and operating a business)
9. Litigation

The full requirements can be found in HUD’s single family handbook (starting on page 510):