

Friday, June 20, 2025

Bulletin #2025-R-003

## NOTICE TO RETAIL LOAN ORIGINATORS

### Fannie Mae Approved Projects and Desktop Underwriter (DU) Integration

Great news! Desktop Underwriter (DU) will now provide Condominium Project information from Fannie Mae's Condo Project Manager (CPM) in the Property and Appraisal Information section of the DU Underwriting Findings report starting with new DU loan submissions on or after June 23, 2025.

How will this work?

DU will retrieve the project eligibility status if the project is approved by Fannie Mae as noted in CPM and DU will return the following Fannie Mae status messages:

- **CPM Approved by Fannie Mae:** The message will specify that the project has an Approved by Fannie Mae status and that the lender must validate that the project and unit have the required insurance coverage (see details in the "Insurance Review for Projects with CPM Approved by Fannie Mae message in DU" further in this Bulletin). Note: Loans that receive a CPM Approved by Fannie Mae status message in DU will retain the Approved by Fannie Mae status up to the credit report expiration date specified on the DU Underwriting Findings report. If the lender changes the CPM ID, project name, address (state or zip code), or credit report in DU, the project eligibility status may change and result in the loss of the CPM Approved by Fannie Mae status message.
- **PERS Required for new projects in Florida:** The message will specify that the project is required to be submitted for consideration under the Project Eligibility Review Service (PERS) process and must have a valid Approved by Fannie Mae status in CPM as of the note date.
- **Unavailable:** The message will list the specific reason(s) the project has an Unavailable status in CPM. This project status will cause DU to issue an Ineligible recommendation.

If DU is unable to find the condominium approval in CPM, the following lender-specific status messages when there is no Fannie Mae decision in CPM will be returned by DU in the findings:

- **Not Certified by Lender:** The message will indicate that a Full Review with a valid Certified by Lender status is required.
- **Certified by Lender:** The message will indicate that the lender currently has an active Certified by Lender status.
- **Guide Ineligible:** The message will indicate that the lender currently has a Guide Ineligible status for this project in CPM, and a Full Review with a valid Certified by Lender status is required.
- **Guide Ineligible and Certified by Lender:** The message will indicate that the lender currently has Certified by Lender and Guide Ineligible statuses for different phases in this project, and a Full Review with a valid Certified by Lender status for the project or subject phase is required.

Reminder: CPM must also be used to certify new and established condo projects under the lender-delegated Full Review process. Also loans eligible for Limited Review that receive a CPM Approved by Fannie Mae message in DU will retain the Approved by Fannie Mae status through the credit report expiration date specified on the DU Underwriting Findings report.

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**Insurance Review for Projects with CPM Approved by Fannie Mae message in DU**

The loan originator is to submit to the Condo Review Department FLCBank's "Fannie Mae Approved Condominium Insurance Review" form (applicable only to loans with a CPM Approved by Fannie Mae message in DU) to confirm compliance with all applicable Fannie Mae insurance requirements regarding Property and Flood as well as Liability and Fidelity/Crime Insurance requirements (as applicable).

**Condo Project – Insurance Review Steps:**

1. The Loan Originator is to submit the completed new form attached (pages 1 and 2) to the Condo Review Department via email to [reviews@condoreviews.com](mailto:reviews@condoreviews.com) along with the DU findings report, the property insurance certificates, and the Flood Determination Certificate.
2. After the Condo Review Department reviews the documents and the answers to the questions on the second page, the Condo Review Department will sign the "Lender Confirmation of Compliance" at the bottom of page 2 of the form, and will send the "Fannie Mae Approved Condominium Insurance Review" Form to the submitter via email along with a copy of the unexpired CPM Certification to the Lender/Loan Originator.

Click [here](#) to access the new "Fannie Mae Approved Condominium Insurance Review" Form.

For additional details, please log in to the FLCBank [Resource Center](#) to access the Condo\_PUD Guidelines.

If you have any questions, please contact your [Account Executive or Client Relations Representative](#).