

Compliance with Laws	The condominium project has been created and exists in full compliance with the state law requirements of the jurisdiction where the condominium project is located and all other applicable laws and regulations.
Limitations on Ability to Sell / Right of First Refusal	Any right of first refusal in the condominium project documents will not adversely impact the rights of a mortgagee or its assignee to: <ul style="list-style-type: none"> • Foreclose or take title to a condominium unit pursuant to the remedies in the mortgage; • Accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or • Sell or lease a unit acquired by the mortgagee or its assignee.
Amendments to Documents	<ul style="list-style-type: none"> • The project documents must provide that amendments of a material adverse nature to mortgagees be agreed to by mortgagees that represent at least 51 percent of the votes of unit estates that are subject to mortgages. • The project documents must provide for any action to terminate the legal status of the project after substantial destruction or condemnation occurs or for other reasons to be agreed to by mortgagees that represent at least 51 percent of the votes of the unit estates that are subject to mortgages. • The project documents may provide for implied approval to be assumed when a mortgagee fails to submit a response to any written proposal for an amendment within 60 days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail, with a “return receipt” requested.
Rights of Condo Mortgagees and Guarantors	The project documents must give the mortgagee and guarantor of the mortgage on any unit in a condominium project the right to timely written notice of: <ul style="list-style-type: none"> • Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage; • Any 60-day delinquency in the payment of assessments or charges owed by the owner of any unit on which it holds the mortgage; • A lapse, cancellation, or material modification of any insurance policy maintained by the owners’ association; and • Any proposed action that requires the consent of a specified percentage of mortgagees.
First Mortgagee’s Rights Confirmed	No provision of the condominium project documents gives a condominium unit owner or any other party priority over any rights of the first mortgagee of the condominium unit pursuant to its mortgage in the case of payment to the unit owner of insurance proceeds or condemnation awards for losses to or a taking of condominium units and/or common elements.
Unpaid Dues	Any first mortgagee who obtains title to a condominium unit pursuant to the remedies in the mortgage or through foreclosure will not be liable for more than six months of the unit’s unpaid regularly budgeted dues or charges accrued before acquisition of the title to the unit by the mortgagee. If the condominium association’s lien priority includes costs of collecting unpaid dues, the lender will be liable for any fees or costs related to the collection of the unpaid dues

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