New Rules for Condo Mortgages

Major updates from Fannie Mae and Freddie Mac have shifted how condo projects qualify for conventional financing. Here is a quick breakdown of the stricter lending standards.

- **Limited/streamlined reviews are gone** (effective August 3, 2026) – most loans now need a Full Review, unless the project has 10 or fewer units
- **Building safety and structural condition records** must now be included in the Full Reviews, not just association financials.
- **Reserve fund minimums rise** from 10% to 15% of assessment income by January 4, 2027 (or a reserve study can substitute)
- **The 50% investor-ownership cap is dropped** for established, fully reviewed projects
- **Master insurance policies** now face a $50,000-per-unit deductible cap (effective July 1, 2026) and must cover 100% of the replacement cost

Why it matters: Expect longer approval times, more paperwork on HOA finances, and possible denials for underfunded buildings.

Quote of the Month

Autumn carries more gold in its hand than all the other seasons

~ Jim Bishop ~

Existing-Home Sales Data

Source: National Association of Realtors® as of 8/11/2026

TOTAL SALES	MEDIAN PRICE
4.06 million	$434,100

Seasonally Adjusted Annual Rate

John M. Lehotyak II
Owner / Broker
NMLS ID # 2588090
402-205-7618
john@rockbrookmortgage.com
rockbrookmortgage.com
11330 Q Street, Suite 225 - Omaha, Ne 68137

ROCKBROOK Mortgage Inc.