

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOME MORTGAGE INSURANCE
CONDOMINIUM UNITS
SECTION 234 (c)

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PROGRAM PARTICIPANTS AND HUD STAFF

A HUD HANDBOOK

HOUSING PRODUCTION AND MORTGAGE CREDIT-FEDERAL HOUSING ADMINISTRATION

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FOREWORD

This Handbook covers the individual unit phase, Section 234(c), of a condominium which was newly constructed or rehabilitated in accordance with the requirements of the Mortgage Insurance Handbook for Condominium Housing Insured Under Section 234(d) of the National Housing Act, (see Reference (1) of the Foreword, which contains the basic instructions for creating a condominium.) This Handbook explains how condominiums are created, how the documents are reviewed, and how initial management is established. It contains all of the organizational documents used to create condominiums. It also contains the requirements and instructions for converting a project that was insured under any other Section of the Act (except Section 213 Management or Sales Type Cooperative) to individual condominium estates, the mortgages of which would be insurable under Section 234(c). In addition, the Handbook contains procedures for insuring mortgages encumbering existing one-family condominium units in conventionally financed projects.

Model forms and documents pertinent to the insurance of individual unit mortgages are arranged in numerical order in the Appendix.

References:

- (1) 4580.1 - Mortgage Insurance for Condominium Projects
Section 234(d) Handbook
- (2) 4210.1 - Homeownership for Lower Income Families Section
235(i) Handbook
- (3) 4110.1 - Fiscal and ADP Handbook

- (4) 4115.1 - Administrative Instruction and Procedures Handbook
- (5) 4135.1 - Procedures for Approval of Single Family Proposed
Construction Applications in New Subdivisions
- (6) 4450.1 - Cost Estimation/Cost Data for Project Mortgage Insurance
- * (7) 4190.1 - Single Family Reports and Forms Catalog
- (8) 4165.1 - Endorsement for Insurance for Home Mortgage Programs
- (9) 4150.1 - Valuation Analysis for Home Mortgage Insurance
- (10) 4155.1 - Mortgage Credit Analysis for Mortgage Insurance
on One-to-Four Family Properties. *