

FHA Delays New Condominium Requirements

The FHA has announced that it will again delay the implementation of the new regulations governing condominium mortgage insurance until December 7th, 2009. The new regulations were initially proposed in June and would change the approval process and the criteria used to determine if a mortgage for a unit in a condominium association qualifies for FHA mortgage insurance. The proposal would replace the current spot approval process with a new comprehensive approval process under which approvals would be good for two years. More details can be found in this [article](#).

On October 23, 2009, CAI met with officials from the FHA and presented a list of concerns along with suggestions on ways to improve the proposed regulations in a manner that would both mitigate FHA exposure to bad mortgage debt and set realistic benchmarks for condominium associations to qualify for project approval under FHA financing mechanisms. That [letter](#) and [commentary](#) may be found here.

CAI will continue to work with FHA, Congress and other federal entities to ensure they understand the concerns and can benefit from the input of residents and professionals associated with community associations. CAI will keep our members updated on this issue in the coming weeks.