

Manufactured Housing Instructions & Programs

Explanation & General Guidance

Manufactured Housing: a type of prefabricated housing that is largely assembled in factories and then transported to sites of use. The definition of the term in the United States is regulated by federal law (Code of Federal Regulations, 24 CFR 3280): Manufactured homes are built as dwelling units of at least 320 square feet (30 m²) in size with a permanent chassis to assure the initial and continued transportability of the home. The requirement to have a wheeled chassis permanently attached differentiates "manufactured housing" from other types of prefabricated homes, such as modular homes.

We allow manufactured homes in all states we are licensed in except Washington DC.

Manufactured versus Modular – These are the differences between Manufactured and Modular:

1. **Modular Home Characteristics:**

- Constructed in the factory to whatever local building code is applicable for the location in which it will be installed.
- Built in sections at a factory and sections are transported to the building site on truck beds, then joined together by local contractors.
- Appraisal on form 1004

2. **Manufactured Home Characteristics:**

- Constructed in the factory to the federal HUD building code.
- Must have HUD certification label: known as a HUD seal or HUD tag, refers to a two-inch by four-inch aluminum plate permanently attached to Manufactured Housing.



- Built in a factory and on a non-removable steel chassis, sections are transported to the building site on their own wheels and segments are not always placed on a permanent foundation.
- Steel undercarriage still supporting home
- Interior pictures show sloped ceilings
- Exterior roof pitch—The flatter the roof = less material = More likely to be a manufactured home

Note: A completely flat roof would make the subject ineligible.

Ineligible Manufactured homes

- Singlewide
- Homes not permanently affixed to a foundation
- Homes not deeded as real estate
- Homes without HUD tags (no pre 1976 homes)
- Flat roof or homes without permanent utilities.



Loan Level Requirements

- FICO for Government Loans: 680
(changed from 640 to 680 November 2019)
- FICO for Conventional Loans: 660
- Must be AUS Approve/Eligible
- Primary Residence Transactions Only
- Typically not allowed on HFA programs – see information at end of this document for specifics
- Structural inspection required on Government Loans

Documents: Manufactured Homes require two documents:

1. Affidavit of Affixation - The borrower(s) and any lender with a personal property security interest in the manufactured home must sign an Affidavit that acknowledges their intent for the manufactured home to be permanently part of the real property that secures the mortgage free of any personal property security interest. The Affidavit must also contain any specific language that may be required by applicable law.

It is preferable that the signed Affidavit be recorded, and it must be retained in the loan file.

Note: Failure to include the Affidavit of Affixture in the loan file may result in the loan being ineligible for delivery to Fannie Mae.

2. Manufactured Home Rider

These documents should have information completed in Encompass prior to loan closing to ensure that the documents are fully complete when they are signed and recorded at loan closing.

Since manufactured home appraisals are always reviewed by the underwriter the data entry piece will also need to be completed by the underwriter.

Please note if the title commitment is not in the file at the time of appraisal review the underwriter should make a condition in ENC to reference the Certificate of Title in order to add the certification number prior to loan closing.

[Instructions on entering Manufactured Home data into Encompass by the Underwriter](#)

When the appraisal is in and the property is a manufactured home, enter the manufactured home information into ENC. The Certificate of Title Number will come from the Title company.

Once in ENC go to the eFolder and pull up the appraisal on one screen.

On your other screen go to **Forms > Property Information**

On the **Property Information** screen scroll down to the **Manufactured Housing Details** section. Enter info in each highlighted section (per screenshot below).

- Name of Lienholder – our name & address
- Original Principal Amount Secured – our total loan amount

It is **very important** that each highlighted section is completed because this information flows over to two forms that are signed and recorded at closing (Manufactured Home Rider and Manufactured Home Affidavit of Affixation).

Property Information

Custom "Other" Rider Description

Manufactured Housing Details

Make Palm Harbour **Anchored** ☐

Model PFS Madison WI **Serial #** 2623144C6

Year 2000 **HUD Label #** Front Tag - PFS684659 Rear Tag - PFS684660

New / Used Used ☐ **Cert of Title #** PH32OH0126231AB

Length 27 **Cert of Title Type** Home shall be covered by Certificate of Title ☐

Width 92

Manufacturer Palm Harbour

Street

City **State** **Zip**

Phone

A. **Name of Lien Holder** Equity Resources, INC

Street 25 N Park Pl

City Newark **State** OH **Zip** 43055

Original Principal Amount Secured \$ 70,400.00

B. **Name of Additional Lien Holder**

Street

City **State** **Zip**

Original Principal Amount Secured \$

On **Page 1** of the **appraisal** you will find the below line items:

- **Make** – This is the manufacture's name
- **Model**
- **Year** – Date of Manufacture
- **New/Used** – Determine by date of manufacture
- **Serial #**
- **HUD Label #**

| | | | | |
|----------------|---|--|--|--|
| HUD DATA PLATE | The HUD Data Plate/Compliance Certificate is located on the interior of the subject and contains, among other things, the manufacturer's name, trade/model name, year manufactured and serial number. The HUD Certification Label is located on the exterior of each section of the home. | | | |
| | Is the HUD Data Plate/Compliance Certificate attached to the dwelling? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, identify the location. If No, provide the data source(s) for the HUD Data Plate/Compliance Certificate information. Kitchen Cabinet | | | |
| | Is a HUD Certification Label attached to the exterior of each section of the dwelling? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, provide the data source(s) for the HUD Certification Label #'s | | | |
| | Front Tag PFS684659 | | | |
| | Rear Tag PFS684660 | | | |
| | Manufacturer's Serial #(s)/VIN #(s) 26231 44C6 | | | |
| | HUD Certification Label #(s) Front Tag PFS684659Rear Tag PFS684660 | | | |
| | Manufacturer's Name Palm Harbour Trade/Model PFS Madison WI Date of Manufacture 09/25/2000 | | | |
| | Do the Wind, Roof Load, and Thermal Zones meet the minimum HUD requirements for the location of the subject property? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, explain | | | |
| | South Zone | | | |

Freddie Mac Form 70B March 2005

Page 1 of 7

Fannie Mae Form 1004C March 2005

The **Length** and **Width** are at the **bottom on Page 2 on the appraisal** on the **Cost Approach** section (as you can see in this example we had two sections, if you see this on your loan simply add the two lengths and two widths together)

| | | | | |
|---|---|------------------------|----------------------------------|--|
| COST APPROACH | ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW | | | |
| | Source of cost data NADA Mfg Guide | | Effective date of cost data 2017 | Quality rating from cost service Average |
| | OPINION OF SITE VALUE \$ 15,000 | | | |
| | Section One | 621 Sq. ft. @ \$ 70.00 | \$ 43,470 | 13.5 X 46 = 621.0 Sq. ft. |
| | Section Two | 621 Sq. ft. @ \$ 70.00 | \$ 43,470 | 13.5 X 46 = 621.0 Sq. ft. |
| | Section Three | Sq. ft. @ \$ | \$ | X = Sq. ft. |
| | Section Four | Sq. ft. @ \$ | \$ | X = Sq. ft. |
| | | | | Total Gross Living Area: 1,242 Sq. ft. |
| | Other Data Identification | | | |
| | N.A.D.A. Data Identification Info: Edition Mo: Yr: | | | |
| | MH State: Region: Size: ft. x ft. | | | |
| | Cost Multiplier (if applicable): x | | | |
| | Modified Sub-total: 86,940 | | | |
| | Physical Depreciation or Condition Modifier: -11,589 | | | |
| | Functional Obsolescence (not used for N.A.D.A.): | | | |
| External Depreciation or State Location Modifier: | | | | |
| Delivery, Installation, and Setup (not used for N.A.D.A.): \$ | | | | |
| Other Depreciated Site Improvements: \$ | | | | |
| Market Value of Subject Site (as supported above): \$ 15,000 | | | | |
| Indicated Value by Cost Approach: \$ 90,351 Estimated Remaining Economic Life (HUD and VA only) 65 Years | | | | |
| Summary of Cost Approach Cost estimates were taken from local manufacturers costs and the appraisers files. | | | | |
| Remaining economic life = 65 yrs. | | | | |

The **Certificate of Title** will come with the title work from the title company. This would be in the **Title Report** document in the **eFolder** if the processor has received this. If you do not see the Certificate of Title in the title Report document, you need to email the processor and have them follow up with title.

For this example, the title company sent the Certificate of Title, but they also sent a document from the County Auditor that also has the Certificate of Title number on it (It is the underwriter's responsibility to determine if the Certificate of Title provided by title is acceptable. In some cases, they may allow only a document from the County showing the Certificate of Title number).



Doug Green
BROWN COUNTY AUDITOR

(937) 378-6398 (888) 244-6420

Declaration of Manufactured Home to Real Property

Name Of Owner: Roger K Potts

Mailing Address: 339 ST RT 125 Box 215

Property Location: 117 FAIRBANKS DR

Parcel Number: 19-039032.1100

Manufactured Home Description

Make: Palm Harbor Model: EVR344CS Year: 2001

Certificate of Title Number: PH 320H 126231AB Size: _____

No. of Bedrooms: 3 No. of Baths: 2 Central Air: NO

Fannie Mae Underwriting Guidelines & Product Information

What is a manufactured home?

Any dwelling unit built on a permanent chassis and attached to a permanent foundation. The manufactured home and the land on which it is situated must be titled as real property.

Eligible loan types for manufactured homes:

Primary Residence & 2nd Homes. NO investment properties. These must be 1st lien mortgages, fixed rate or fully amortizing adjustable-rate mortgages with initial fixed-rate periods of 7 years or 10 years.

| Manufactured Housing | | |
|--|---------------------------|----------------------|
| Principal Residence | | |
| Purchase Limited Cash-Out Refinance | 1 Unit | FRM: 95% ARM: 90% |
| Cash-Out Refinance | 1 Unit Term ≤ 20 years | FRM: 65% ARM: 60% |
| Second Homes | | |
| Purchase Limited Cash-Out Refinance | 1 Unit | FRM: 90% ARM: 80% |

Manufactured housing standards:

The mortgage loan must be secured by both the manufactured home **and** the land on which it is situated, and both the manufactured home and the land must be legally classified as real property under applicable state law.

Automated Underwriting:

*Must be underwritten thru DU, No manual underwrites. **Important:** when entering the property information into DU, the lender must correctly identify the property type as manufactured housing.

Sales Price & Loan Amount:

-The sales price of the manufactured home may include bona fide and documented transportation, site preparation, and dwelling installation at the site.

- Any personal property items (non-realty items) purchased in conjunction with the manufactured home must be deducted from the sales price and cannot be financed as part of the mortgage.

- In addition to the cost of the manufactured home and land, if applicable, the original loan amount may also include:

- financing of borrower-purchased mortgage insurance premiums
- cost of bona fide and documented transportation, site preparation, and dwelling installation at the site.

Down payment:

A minimum down payment of 5% must come from the borrower's own funds unless:

- the LTV or CLTV ratio is less than or equal to 80%; or
- the borrower is purchasing a one-unit principal residence and meets the requirements to use gifts, donated grant funds, or funds received from an employer to pay for some or all of the borrower's minimum contribution.

*Borrowers equity in land is considered borrowers own funds. Where the borrower holds title to the land on which the manufactured home will be permanently attached, the value of the land may be credited toward the borrower's minimum down payment requirement. The borrower's equity contribution will be the difference between any outstanding liens against the land and the market value of the land.

The following table describes how to determine the value of the land based on when and how the borrower acquired the land.

| Date of Land Purchase | Value of the Land | Documentation Requirements |
|---|---|--|
| More than 12 months preceding the loan application. | The current appraised value. | None. |
| 12 or fewer months preceding the date of the loan application. | The lesser of the sales price or the current appraised value. | The lender must document the borrower's cash investment by obtaining: <ul style="list-style-type: none"> a copy of the settlement statement, |
| Date of Land Purchase | Value of the Land | Documentation Requirements |
| | | <ul style="list-style-type: none"> a copy of the warranty deed that shows there are no outstanding liens against the property, or a copy of the release of any prior liens(s). |
| The borrower acquired the land at any time as a gift, inheritance, or other non-purchase transaction. | The current appraised value. | The lender must obtain appropriate documentation to verify the acquisition and transfer of ownership of the land. |

New manufactured homes:

The LTV ratio (and CLTV/HCLTV ratio, if applicable) for a loan secured by a newly built manufactured home that is being attached to a permanent foundation system in connection with a purchase transaction will be based on the **lower of**:

- the sales price of the manufactured home plus:
 - the lowest sales price at which the land was sold during that 12 month period if the land was purchased in the 12 months preceding the loan application date; or
 - the current appraised value of the land if the land was purchased more than 12 months preceding the loan application date.
- the "as completed" appraised value of the manufactured home and land.

Existing manufactured homes:

The LTV ratio (and CLTV/HCLTV ratio, if applicable) for a loan secured by a manufactured home that already exists on its foundation will be based on the **lowest of**:

- the sales price of the manufactured home and land;
- the current appraised value of the manufactured home and land; or

- if the manufactured home was built in the 12 months preceding the loan application date, the lowest price at which the home was previously sold during that 12-month period, plus the lower of:
 - the current appraised value of the land, or
 - the lowest price at which the land was sold during that 12 month period (if there was such a sale).

Limited cash-out refinance of manufactured home:

The maximum LTV ratio (and CLTV ratio, if applicable) for a limited cash-out refinance transaction for a loan secured by a manufactured home and land will be based on the lower of:

- the current appraised value of the manufactured home and land; or
- if the manufactured home was owned by the borrower for less than 12 months on the loan application date and:
 - if the home and land are secured by separate liens, the lowest price at which the home was previously sold during that 12-month period plus the lower of the current appraised value of the land, or the lowest sales price at which the land was sold during that 12-month period (if there was such a sale);
 - if the home and land are secured by a single lien, the lowest price at which the home and land were previously sold during that 12-month period.

Cash-out refinance of manufactured home:

To be eligible for a cash-out refinance, the borrower must have owned both the manufactured home and land for at least 12 months preceding the date of the loan application.

MH Advantage

MH advantage is a homeownership option that offers innovative and affordable financing on specially designated manufactured homes that feature site-built characteristics.

- Qualifying borrowers can finance up to 97% LTV. Standard MH LLPA is waived, and borrowers save more through reduced MI coverage comparable to site-built homes for fixed rate terms.
- An MH Advantage sticker will be affixed to homes that are designed to meet MH Advantage eligibility criteria, for easy identification by lenders and appraisers.
- Appraisers will use the best and most appropriate other sales available, which may include sales of site-built homes
- Examples of the physical characteristics for MH Advantage include:
 - Specific architectural and aesthetic features, such as distinctive roof treatments (eaves and higher pitch roofline)
 - Lower profile foundation, garages or carports, porches, and dormers
 - Construction elements, including durability features like durable siding materials
 - Energy efficiency standards (minimum energy ratings apply)



How is MH Advantage different from Fannie Mae's standard MH loan?

- MH Advantage may only be used to finance manufactured homes that have the MH Advantage sticker. Loans secured by MH Advantage properties feature a number of flexibilities compared with standard MH, including:
 - Higher loan-to-value (LTV) ratios, up to 97% (See Fannie Mae's Eligibility Matrix for specific details)
 - Waived standard MH 0.50% loan-level price adjustment (LLPA)
 - Reduced MI coverage required for fixed-rate terms ≤ 20 years

FHA Underwriting Guidelines & Product Information

What is Manufactured Housing?

Manufactured Housing is a Structure that is transportable in one or more sections. It may be part of a Condominium Project, provided the project meets applicable FHA requirements.

FHA Eligible Manufactured Homes:

To be eligible for FHA mortgage insurance as a Single Family Title II Mortgage, all Manufactured Housing must:

- be designed as a one-family dwelling;
- have a floor area of not less than 400 square feet;
- have the HUD Certification Label affixed or have obtained a letter of label verification issued on behalf of HUD, evidencing the house was constructed on or after June 15, 1976, in compliance with the Federal Manufactured Home Construction and Safety Standards;
- be classified as real estate (but need not be treated as real estate for purposes of state taxation);
- be built and remain on a permanent chassis;
- be designed to be used as a dwelling with a permanent foundation built in accordance with the Permanent Foundations Guide for Manufactured Housing (PFGMH); and
- have been directly transported from the manufacturer or the dealership to the site.

Required Documentation:

1. HUD certification label: known as a HUD seal or HUD tag, refers to a two inch by four inch aluminum plate permanently attached to Manufactured Housing.
2. PFGMH Certification (Permanent Foundations Guide for Manufactured Housing): The Mortgagee must obtain a certification by an engineer or architect, who is licensed/registered in the state where the Manufactured Home is located, attesting to compliance with the PFGMH. The Mortgagee may obtain a copy of the foundation certification from a previous FHA-insured Mortgage, showing that the foundation met the guidelines published in the PFGMH that were in effect at the time of certification, provided there are no alterations and/or observable damage to the foundation since the original certification. If the Appraiser notes additions or alterations to the Manufactured Housing unit, the Mortgagee must ensure the addition was addressed in the foundation certification. If the additions or alterations were not addressed in the foundation certification, the Mortgagee must obtain:

1. An inspection by the state administrative agency that inspects Manufactured Housing for compliance **OR**
2. certification of the structural integrity from a licensed structural engineer if the state does not employ inspectors.

Appraisal: Will be on Manufactured Home Appraisal Report-Form 1004C

Manufactured Housing (By Construction Status at Time of Appraisal) Inspection Requirements for Maximum Financing:

Under Construction (90% LTV Limit unless meet the Pre-Approval requirements or are covered with a HUD-accepted insured 10 year protection plan)

The Mortgagee must obtain a 10-year warranty and final inspection issued by the FHA Roster Inspector or certifying engineer or architect.

Existing for Less than One Year-100 Percent Complete (90% LTV Limit unless meet the Pre-Approval requirements or are covered with a HUD-accepted insured 10 year protection plan)

The Mortgagee must obtain a 10-year warranty and final inspection issued by the FHA Roster Inspector or certifying engineer or architect.

HUD will only accept inspections by a local building authority on Manufactured Housing Properties if there are no FHA Roster Inspectors available to perform these inspections. The Mortgagee must document efforts to obtain an FHA Roster Inspector.

Existing Construction for Manufactured Housing:

Existing Construction for Manufactured Housing refers to a Manufactured Home that has been permanently installed on a site for one year or more prior to the case number assignment date.

Cont: Existing: If the perimeter enclosure is non-load-bearing skirting comprised of lightweight material, the entire surface area of the skirting must be permanently attached to backing made of concrete, masonry, treated wood or a product with similar strength and durability.

- **Skirting**

Skirting refers to a non-structural enclosure of a foundation crawl space. Typically, but not always, it is a lightweight material such as vinyl or metal attached to the side of the Structure, extending to the ground (generally, not installed below frost depth).

- **Running Gear**

Running Gear refers to a mechanical system designed to allow the Manufactured Housing unit to be towed over public roads. The towing hitch and Running Gear must be removed.

- **Perimeter Enclosure**

The space beneath Manufactured Homes must be properly enclosed. The perimeter enclosure must be a continuous wall that is adequately secured to the perimeter of the unit and allows for proper ventilation of the crawl space.

- **Data Plate**

Data Plate refers to a paper document located on the interior of the Property that contains specific information about the unit and its manufacturer. Manufactured Homes have a Data Plate affixed in a permanent manner, typically adjacent to the electric service panel, the utility room or within a cabinet in the kitchen.

- **Flood Zone**

The Appraiser must stop work and contact the Mortgagee if the Appraiser determines that a Manufactured Home is located in FEMA Flood Zones A or V. The Appraiser may continue to work on the assignment if the Mortgagee provides a Letter of Map Amendment (LOMA) or Letter of Map Revision (LOMR) or flood elevation certification. If the Appraiser is provided with a LOMA or LOMR that removes the Property from the flood zone, the Appraiser does not need to indicate that the Property is in a flood zone. If provided with an elevation certificate, the Appraiser must indicate the Property is in a flood hazard area on the appraisal report.

Refinance:

For a transaction involving a Manufactured Home to be considered a refinance, the Manufactured Home must have been permanently erected on a site for more than twelve months prior to case number assignment.

[USDA Underwriting Guidelines & Product Information](#)

What is Manufactured Housing?

Manufactured housing units are single-or multi-width units constructed partially off-site and then transported to a site to be completed and attached to a permanent foundation. Manufactured homes are built to different construction standards and codes and have different inspection requirements than those manufactured structures generally referred to as “modular” or “panelized” homes.

USDA Eligible Guaranteed Manufactured Homes:

When a real estate mortgage or deed of trust covers the unit and the site, a loan to finance the following may be guaranteed.

- Site development work that conforms to the standards imposed by the state and local government.
- Purchase of an eligible new unit, transportation and set-up costs, and purchase of an eligible site if not already owned by the applicant.
- Manufactured units must be less than 12 months old and never occupied and will include the site. The date of the purchase agreement must be within one year of the manufactured date displayed on the plat attached to the unit. The following criteria outlines an eligible unit for guarantee with the SFHGLP:
 - To be an eligible unit, the new unit must have a floor area of not less than 400 square feet.
 - The unit must meet the Federal Manufactured Home Construction and Safety Standards (FMHCSS).

- The unit must be placed on a permanent foundation built to FHA guidelines in effect at the time of certification. Guidelines are presently published in the “Permanent Foundation Guide for Manufactured Housing” (HUD-4930.3G)
- Certification the foundation design meets HUD Handbook 4930.3, “Permanent Foundations Guide for Manufactured Housing (PFGMH).” The foundation certification must be from a licensed professional engineer, or registered architect, who is licensed/registered in the state where the manufactured home is located and must attest to current guidelines of the PFGMH. The certification must be site specific and contain the engineers or registered architect’s signature, seal and/or state license/certification number.
- The manufactured home must be classified and taxed as real estate. Lenders are responsible for ensuring the title has been purged and the manufactured home has been officially converted from chattel to real property, as state law allows.
- The mortgage must cover both the unit and its site.
- Purchase of a unit on hand that has not been installed, or occupied at any other site or location. Manufactured units may be moved only from the manufacturers or dealer’s lot to the site on which the unit will be guaranteed. This type of unit is eligible as long as the purchase agreement is dated within 12 months of the date the unit was manufactured. The date of manufacture is available on the factory installed plate on the unit. Manufactured home units with a manufacture date exceeding 12 months of the purchase agreement contract will be ineligible for a guaranteed loan.
- The Agency will not guarantee the purchase of an existing manufactured home that has been moved from another site.

Required Documentation:

- An itemized cost breakdown of the total package, including the base unit, eligible options, site development, installation, set-up, lot costs, and any credit for wheels and axles.
- A statement signed by the dealer indicating that any cash payment or rebate as a result of the purchase will be deducted from the price of the unit and not paid to the applicant.
- A statement signed by the dealer that the proposed cost is the full price of the unit and if furniture is being purchased by the applicant with personal funds, that a lien will not be filed against the security property.
- The label number of the unit shown on the FMHCSS data plate on the exterior of each section.
- A signed statement by the dealer confirming thermal requirements in effect at the time of purchase are met.

VA Underwriting Guidelines & Product Information

What is Manufactured Housing?

To be eligible for a VA loan term of 30 years, a manufactured home must be

- classified and taxed as real property
- properly affixed to a permanent foundation (Section 12.10)
- substantially conform with VA MPRs (Chapter 12), and
- conform with applicable building code and zoning requirements for real estate.

Existing Construction:

When the foundation for a manufactured home has been fully completed and the manufactured home unit has been installed, the home is considered to be “existing construction.”

There are two MPR-related requirements for these existing construction cases:

- The site, manufactured home unit, and other on-site improvements must meet VA MPRs for existing construction described in this Chapter.
- The manufactured home unit must be properly attached to a permanent foundation system which is constructed to withstand both supporting loads and wind-overturning loads, and is acceptable to the building authority having jurisdiction.

Any case in which the foundation has not been fully completed and the manufactured home unit installed is considered to be “proposed or under construction.”:

In those cases, each set of construction exhibits must include

- specifications for the foundation and a plot plan as required for conventional site-built homes
- in double-wide homes, a detail of the mating line piers, if applicable
- a foundation plan showing the location and a cross-sectional detail of the supporting piers. In all cases, include drawings of the foundation anchorage details.
- a floor plan of the unit and exterior elevation drawings/photographs of the front and rear of the home, unless the unit is physically located on the site to be appraised or the appraiser has access to the unit on the dealer’s lot. These may be provided in the manufacturer’s advertising or technical installation manual.
- in States or localities that require the underside of the unit to be completely enclosed, details of the perimeter enclosure that comply with those requirements.
- since site conditions vary considerably from location to location, any revision needed to information provided in the manufacturer’s technical installation manual in order to comply with local requirements.
- appropriate construction exhibits for any other on-site improvements, such as decks, enclosed patios, garages and carports, etc., to be financed with the loan proceeds.

Property & Appraisal Requirements for Manufactured Homes

Property Requirements for manufactured homes: The manufactured home must be built in compliance with the Federal Manufactured Home Construction and Safety Standards that were established June 15, 1976, as amended and in force at the time the home is manufactured; and additional requirements that appear in HUD regulations at 24 C.F.R. Part 3280.

***Compliance with these standards will be evidenced by the presence of both a HUD Data Plate and the HUD Certification Label.

-The HUD Data Plate/Compliance Certificate is a paper document located on the interior of the subject property that contains, among other things, the manufacturer’s name and trade/model number. In addition to the data required by Fannie Mae, the Data Plate includes pertinent information about the unit, including a list of factory-installed equipment. The HUD Certification Label, sometimes referred to as a HUD “seal” or “tag,” is a metal plate located on the exterior of each section of the home. The Manufactured Home Appraisal Report (Form 1004C) must show evidence of both the HUD Data Plate/Compliance Certificate and the HUD Certification Label.

-As an alternative to the original HUD Certification Label, the lender may be able to obtain a verification letter with the same information contained on the HUD Certification Label from the Institute for Building Technology and Safety. A duplicate HUD Data Plate/Compliance Certificate may be available from IBTS or by contacting the In-Plant Primary Inspection Agency (IPIA) or the manufacturer. (A list of IPIA offices is posted on HUD's website.)

- The unit must not have been previously installed or occupied at any other site or location, except from the manufacturer or the dealer's lot as a new unit.
- The towing hitch, wheels, and axles must be removed. The dwelling must assume the characteristics of site-built housing.
- The manufactured home must be at least 12 feet wide and have a minimum of 600 square feet of gross living area.
- Site preparation for delivery of the manufactured home must be completed.
- The manufactured home must be attached to a permanent foundation system in accordance with the manufacturer's requirements for anchoring, support, stability, and maintenance. The foundation system must be appropriate for the soil conditions for the site and meet local and state codes.
- The manufactured home must be permanently connected to a septic tank or sewage system, and to other utilities in accordance with local and state requirements.

Appraisal: Will be on Manufactured Home Appraisal Report-Form 1004C

Manufactured Housing Appraisal Requirements and Standards

The list below provides requirements and standards for manufactured housing appraisals.

- For purchase money mortgages, the lender must provide the appraiser with
 - a complete copy of the executed contract for sale of the manufactured home and land; or
 - a complete copy of the executed contract for both, if the manufactured home and land are purchased separately; and
 - a copy of the manufacturer's invoice if the manufactured home is new.The appraiser must analyze the contract(s) and the manufacturer's invoice for new manufactured homes, and provide a summary in the appraisal report.
- The appraiser must indicate a value conclusion based solely on the real property as completed consisting of the
 - manufactured home,
 - site improvements, and
- land on which the home is situated

Manufactured Housing Appraisal Comparable Selection Requirements

The comparable selection requirements for manufactured housing appraisals are as follows:

- The appraiser must select comparable sales of similar manufactured homes to address the marketability and comparability of a manufactured home, for example, multi-width homes to multi-width homes. The appraiser must use a minimum of two comparable sales of similar manufactured homes. The appraiser may use either site-built housing or a different type of factory-built housing as the third comparable sale. The appraiser must explain why site-built housing or a different type of factory-built housing is being used for the third comparable sale, and make and support appropriate adjustments in the appraisal report.

- An appraiser that is unable to locate sales of manufactured homes that are truly comparable to the subject property may decide it is appropriate to use either older sales of similar manufactured homes or sales of similar manufactured homes that are located in a competing neighborhood to establish a baseline for the “sales comparison analysis” and determine sound adjustments to reflect the differences between comparable sales that are available and the subject property.
- The appraiser must not create comparable sales by combining vacant land sales with the contract purchase price of the home. This type of information may be used as additional supporting documentation.

Manufactured Housing Appraisal Site Requirements

The appraisal site requirements for manufactured housing are as follows:

- The appraiser must base his or her opinion of value on the characteristics of the subject property, including the site area. The appraisal report must indicate whether or not the site is compatible with the neighborhood, and must comment on the conformity of the manufactured home to other manufactured homes in the neighborhood.
- The property site must be of a size, shape, and topography that is conforming and acceptable in the neighborhood. It must also have competitive utilities, street improvements, adequate vehicular access, and other amenities. Because amenities, easements, and encroachments may either detract from or enhance the marketability of a site, the appraiser must reflect them in his or her analysis and valuation. The appraiser must comment if the site has adverse conditions or is not typical for the neighborhood.

Property: MUST ensure that the manufactured home is attached to a permanent foundation system on the land, thus becoming part of the real property *Appraiser OR Title Company can verify this.

Data Plate

If appr did **not** find the data plate: we need the Data Plate/Performance Cert

If the appr did **not** find one or both label numbers: we need the Label Verification

If he found two label numbers via the HUD Cert Label attached to each sections exterior, and manufactured serial number, and the data plate = no IBTS is needed.



Label Verification

IBTS provides a verification letter by email to verify the following information on manufactured homes.

We do not provide verification services for **modular** homes or homes built before June 15, 1976. For more information see our [FAQ](#) section.

Please note that this certificate does NOT contain wind zone, roof load or thermal information.

The Label Verification is a letter that provides:

- Label number(s)
- Serial number (VIN #)
- Date of manufacture
- Name of the manufacturer and plant location
- Location of first destination (dealer/retail center)

Data Plate / Performance Certificate

IBTS may be able to provide a copy of the data plate/compliance certificate if your home has certification numbers.

Please note that in the absence of an original data plate, IBTS will send you a Compliance Certificate which can be substituted in place of the data plate.

This certificate does NOT show/confirm the label numbers. Label numbers are verified in the Label Verification process only

The Data Plate/Performance Certificate provides the following:

- Serial Number
- Date of manufacture
- Name of the manufacturer and plant location
- Wind zone, roof load zone and thermal zone

| | | | |
|---|--|---|---|
| The HUD Data Plate/Compliance Certificate is located on the interior of the subject and contains, among other things, the manufacturer's name, trade/model name, year manufactured and serial number. The HUD Certification Label is located on the exterior of each section of the home. | | | |
| Is the HUD Data Plate/Compliance Certificate attached to the dwelling? | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If Yes, identify the location. If No, provide the data source(s) for the HUD Data Plate/Compliance Certificate information. |
| | | Kitchen Cabinet | |
| Is a HUD Certification Label attached to the exterior of each section of the dwelling? | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If No, provide the data source(s) for the HUD Certification Label #'s |
| Manufacturer's Serial #(s)/VIN #(s) | | 210F60076968-000-H-9 | |
| HUD Certification Label #(s) | | PF8-947767/PFS 947768 | |
| Manufacturer's Name | | Dutch Housing | Trade/Model NA |
| | | | Date of Manufacture 02/02/2006 |
| Do the Wind, Roof Load, and Thermal Zones meet the minimum HUD requirements for the location of the subject property? | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | If No, explain |

Specialty Instructions

NCHFA Manufactured Home Requirements

Manufactured homes are permitted for government loans only. Conventional manufactured homes are not eligible.

- 660 credit score or higher
- New construction only (never previously occupied)
- Must be on permanent foundation and taxed as real estate
- Appraisal must be on Form 1004C
- ALTA 7.1-06 title endorsement required

MSHDA

Multi section manufactured homes on foundations permanently affixed to real estate fabricated after June 14, 1976 are allowed.

Min Score is 660 for manufactured homes.

PHFA

12. Manufactured Housing

PHFA will consider loans for properties which include a manufactured or factory-built home providing that it has been built under the Federal Manufactured Home Construction and Safety Standards that were established June 15, 1976. For details and guidance from the Pennsylvania Department of Community and Economic Development (DCED), please see <http://newpa.com/housing-and-development/manufactured-housing/>. The PHFA Manufactured Home Title Retirement Information Sheet ([Appendix M](#)) may also be a good reference for every manufactured home transaction.

The purchase package must contain evidence that the title was retired for loans on properties with manufactured homes (new and existing) by providing a completed and endorsed [PennDOT form MV-16](#). If the home was purchased new from a dealer and in the dealer's possession for less than 6 months, the original certificate of origin is required as proof it was never titled. In all cases, the VIN number should be referenced in the deed and the legal description of the mortgage. Loans should not be scheduled for closing until the proper documentation is obtained, as problems sometimes arise, especially with older homes. If the title was never retired, it must be located to determine the owner as of the date it was titled and if there is a lien on it. In some cases the original title and/or owner cannot be located. Additional steps are then required to retire it. This may require research through Penn DOT, and in some situations may even require a court order.

The PHFA Manufactured Home Rider ([Form 60](#)) must be completed and recorded with the Mortgage.

For all loan types, the lender is to follow the respective insurer/guarantor's guidelines for manufactured housing (FHA, VA, RD, Fannie Mae and/or the PMI company as applicable).

PHFA's guidelines for conventional loans are as follows:

- Home must be defined, deeded and taxed as fee simple real estate.
- The purchase of the land and the home must represent a single real estate transaction under applicable state law.
- The financing must be evidenced by a mortgage recorded in the land records. A combination of a chattel and real estate mortgage is not acceptable.
- Wheels, axles, and hitches must be removed when the home is placed on its permanent site.

- New manufactured homes must be permanently affixed to a foundation and in conformance with the [Pennsylvania Manufactured Housing Improvement Act 158 of 2004](#).
- Existing manufactured homes must be permanently affixed to one of the foundation requirements set forth below. See <http://newpa.com/housing-and-development/manufactured-housing/> for additional state guidance.
 - A foundation that has footings located below the frost line. If piers are used, they must be placed where the unit manufacturer recommends. If state law requires anchors, they must be provided. The foundation system must meet local codes and have been designed by an engineer to meet soil conditions of the site and assume the characteristics of site-built housing.
 - A "floating slab" foundation may be considered if they meet the minimum standards as described in [Appendix S](#) and there are no local or state codes that are more stringent. Specifications for the foundations must be provided to the lender by the contractor. It is the lender's responsibility to make sure they meet the appropriate specifications.
 - If the local code mandates that existing manufactured homes must be reinstalled in conformance with the state code, then it must meet the requirement listed above for new manufactured homes.
- Each home must have sufficient square footage and room sizes to be acceptable to typical purchasers in the market area. Except for single-section manufactured units (permitted only on FHA loans), the Agency does not have minimum requirements for width, size or roof pitch.
- If the property is a single-section manufactured home that will be insured by FHA because it meets all the FHA property requirements as well as the above bullet points, the Agency will consider it.
- The mortgage amount cannot include the financing of furniture, mortgage life insurance, property damage insurance, or any other form of insurance. However, the financing of kitchen and laundry appliances may be included in the mortgage.
- The appraiser must address both the marketability and comparability of manufactured homes. The materials and construction of the improvements must be acceptable in the subject market area. The appraiser should also comment on the sufficiency of the living areas of the home, interior room size, storage, adequacy of roof pitch and overhangs and the compatibility of the exterior finish. In addition, the appraiser must address the marketability and value of manufactured homes in the subject market area in comparison to the marketability of site-built housing in the area.
- The appraiser should use as comparable sales, similar manufactured homes, comparing multi-sectional homes with other multi-sectional homes. If comparable sales of similar homes are not available, the appraiser may use site-built housing as comparables as long as it is explained why it is being done. When there is a preference for site-built housing in the subject market area, the appraiser must adjust the site-built comparables to reflect the market's reaction to manufactured homes.

- Industrialized modular housing must meet all applicable building codes and have a Department of Community and Economic Development (DCED) insignia (shown below, not to size), in addition to the criteria above.



For Manufactured homes under the Fannie Mae HFA Preferred Risk Sharing™ or HFA Preferred™ program, the Participating Lender is responsible for ensuring that any and all additional requirements have been met per the Fannie Mae Selling Guide in effect at the time the loan was originated. These requirements include but may not be limited to the following items:

- Evidence of the HUD Data Plate/Compliance certification and HUD Certification label is required with the appraisal and must be in the pre-closing package.
- Manufactured homes with an addition and/or structural modification such as a deck (if attached to the home) must be inspected by a *licensed professional engineer* who can certify that the addition or structural changes were completed in accordance with the HUD Manufactured Home Construction Safety Standards. This satisfactory inspection must be included in the Pre-Closing package.
- Manufactured homes located in leasehold estates are not eligible.
- Single-width manufactured homes are not eligible.
- Manufactured homes in a condo or PUD project are not eligible.
- On Frame modular construction manufactured homes are not eligible.

Other Bond Programs

These bond programs do NOT allow manufactured homes:

- OHFA
- CHFA
- DCHFA
- FHFC
- SCH
- NHH

FNMA – MH Advantage Product

Manufactured Home with HomeReady Benefits:

- ❖ 97% LTV Manufactured Home Purchase with 25% MI Coverage & NO 50 basis point LLPA adjustment.

Property Eligibility Requirements:

- ❖ New Manufactured Homes: the property is MH Advantage as evidenced by MH Advantage Sticker; the HUD Data Plate and HUD certification labels are present; the presence of a driveway leading to the home (or to the garage or carport, if one is present); and the presence of a sidewalk connecting either the driveway, or a detached garage or carport

Construction Program

- Manufactured homes are an eligible property for FHA and Conventional construction loans.
- Manufactured homes are NOT an eligible property for FHA 203K or Conventional Renovation loans.

