



## Manufactured Home Program Guide FHA, VA and USDA

Non-Delegated Lending  
December 14, 2015

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Definition	A manufactured home (MH) is a home that is built in a factory, transportable in one or more sections, designed and constructed to the Federal Manufactured Home Construction and Safety Standards (FMHCSS), and so labeled regarding conformance with the MHCSS.		
Overview	<p>Manufactured homes are eligible for FHA,VA and <b>USDA</b> financing provided all of the following requirements are met:</p> <ul style="list-style-type: none"><li>• Home was built on or after June 15, 1976 as evidenced by the HUD Data Plate, the appraisal or title policy.</li><li>• Home must have been built to the FMHCSS as evidenced by having a HUD Certification Label/Tag attached to the MH or if the HUD Tag is missing, a HUD Tag Letter of Verification from the Institute for Building Technology and Safety (IBTS). See <a href="#">HUD Certification Label/Tag</a> for additional details.</li><li>• Home must be permanently affixed to the subject property in accordance with FHA, VA or <b>USDA</b> requirements.</li><li>• Subject must be legally classified by the state as real property.</li><li>• Subject is a single-family dwelling.</li><li>• Loan is underwritten in accordance with requirements of the applicable Loan Program Guide.</li><li>• Mortgage must cover both the home and the land.</li></ul>		
Manufactured Homes Eligible States	<ul style="list-style-type: none"><li>• Purchase transactions:<ul style="list-style-type: none"><li>▪ Refer to the <a href="#">State Requirements for Manufactured Homes</a> matrix.</li></ul></li><li>• Refinance transactions:<ul style="list-style-type: none"><li>▪ Allowed in all states approved for Pacific Union financing.</li><li>▪ If there is any indication that the MH has not been properly converted to real estate, the transaction is ineligible if the MH is not located in a state approved for MH purchase transactions.</li><li>▪ The manufactured home must be classified and taxed as real property.</li></ul></li></ul>		
Property Eligibility	<p><b>Eligible Properties:</b></p> <ul style="list-style-type: none"><li>• Single family manufactured homes</li><li>• Doublewide or wider manufactured homes</li><li>• Fee simple only</li></ul>		

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	<b>Ineligible Properties:</b> <ul style="list-style-type: none"> <li>Singlewide manufactured homes</li> <li>2-4 unit properties</li> <li>Condo projects</li> <li>Cooperative</li> <li>Leasehold Estates</li> <li>Manufactured homes in "Parks" not held in fee simple ownership, commonly known as "Mobile Home Parks"</li> <li>Manufactured homes in a PUD</li> <li>Properties with resale restrictions</li> <li>If FHA <b>and USDA</b>: A home that has been previously installed or occupied at any other site.</li> </ul>		
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>Primary residence</li> <li>Investment property or second home allowed if FHA Streamline refinance without an appraisal.</li> </ul>	<ul style="list-style-type: none"> <li>Primary residence only</li> <li>Investment property or second homes IRRRLs are not allowed</li> </ul>	<ul style="list-style-type: none"> <li>Primary residence only</li> </ul>
<b>Eligible Transactions</b>	<ul style="list-style-type: none"> <li>Purchase</li> <li>Refinance (Cash-out, Rate/Term and Streamlines).</li> <li>FHA Connection data entry requirements: <ul style="list-style-type: none"> <li>The Case Number Assignment Screen must contain the appropriate two-digit Program ID Code, as follows: <ul style="list-style-type: none"> <li>77 for manufactured home loans NOT processed as construction-to-permanent loans.</li> <li>36 for manufactured home loans processed as construction-to-permanent loans.</li> </ul> </li> </ul> </li> <li>Appraisal Logging Screen: enter "Y" for yes, as a MH indicator.</li> </ul>	<ul style="list-style-type: none"> <li>Purchase</li> <li>Refinance (Interest Rate Reduction Loan (IRRRL) and Cash-out).</li> </ul>	<ul style="list-style-type: none"> <li>Purchase of a new unit <ul style="list-style-type: none"> <li>Must be purchased through a RHCDs approved dealer/contractor.</li> </ul> </li> <li>Refinance (Streamline and Rate/Term) of Section 502 direct or guaranteed loans</li> </ul>
<b>Appraisal Request</b>	<ul style="list-style-type: none"> <li>The following exhibits must be provided to the appraiser: <ul style="list-style-type: none"> <li>Purchase contract(s). For new MHs there may be separate contracts for the land and the home.</li> </ul> </li> <li>For new or proposed construction - Plans and Specs (Floor plan of the unit; Description of materials; Design calculations, details for installation, anchorage and constructions details; Heat loss calculations; Elevation determinations; Plot Plan; Additional exhibits; Individual water supply and sewage systems details).</li> </ul>		

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	<ul style="list-style-type: none"> <li>The manufacturer, dealer or retailer invoice must be provided to the appraiser for all new construction (less than one year old).</li> <li>Structural Engineer's Report, except if HUD REO or FHA-to-FHA insured refinance transaction with no indication that alterations were made to the property.</li> </ul>	<ul style="list-style-type: none"> <li>No additional requirements.</li> </ul>	<ul style="list-style-type: none"> <li>No additional requirements.</li> </ul>
<b>Appraiser</b>	<ul style="list-style-type: none"> <li>Must inspect all mechanical, plumbing and electrical systems to ensure that they meet applicable minimum property standards.</li> <li>Must identify any property deficiencies, including grading and foundation, to ensure compliance with the applicable Agency, local and state building codes.</li> <li>The appraisal should indicate if alterations have been made to the manufactured home.</li> <li>Existing manufactured homes in place over one year, must be inspected by an appraiser for evidence of permanent concrete footing with tie-downs anchored to the footing (pier) by either a cable, rebar welded to the frame rail or similar fashion.</li> </ul>	<ul style="list-style-type: none"> <li>The appraiser must enter the MH unless it is new and has not been delivered to the site. If the appraiser is unable to access and/or inspect the new MH, the appraiser must obtain the following documents: <ul style="list-style-type: none"> <li>MH plans: design or floor plans showing room layout and exterior dimensions for MH unit, and elevations plans;</li> <li>Specifications: information on all standard items of inclusion such as flooring, heating, plumbing, electrical equipment, and appliances;</li> <li>Supplemental information on any selected options or upgrades included in the subject sale; and</li> <li>Foundation plans.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The appraisal should indicate if alterations have been made to the manufactured home.</li> </ul>
<b>Appraisal Reports</b>	<ul style="list-style-type: none"> <li>Fannie Mae 1004C, Manufactured Home Appraisal Report, is required.</li> <li>Form 1004D, Appraisal Update and/or Completion Report, if needed to document repair completion.</li> <li>At least two of the comparable sales must be manufactured homes (Overlay for VA).</li> <li>Completion of the cost approach is only required for proposed or under construction</li> </ul>	<ul style="list-style-type: none"> <li>At least two of the comparable sales must be manufactured homes.</li> <li>Completion of the cost approach is not required.</li> </ul>	<ul style="list-style-type: none"> <li>All comparable sales must be manufactured homes.</li> <li>Completion of the cost approach is required for new construction only.</li> </ul>

<b>Structural Engineer's Report (also known as Engineer's Certification on Foundation Compliance Report)</b>	<ul style="list-style-type: none"><li>• A new Structural Engineer's Report is required, except if HUD REO or FHA-to-FHA insured refinance transaction, attesting to the properties compliance with the PFGMH.</li><li>• The report may be obtained from the borrower, broker, or builder.</li><li>• The Engineer's Report must be forwarded to the appraiser and the appraisal must indicate a copy of the report was provided.<ul style="list-style-type: none"><li>▪ If a copy of the Engineer's Report is not available prior to completion of the appraisal, the report must still be sent to the appraiser. The appraiser must provide an Appraisal Update and/or Completion Report (1004D) as confirmation of foundation compliance. The Underwriter cannot sign off on the foundations compliance with HUD requirements without conformation from the appraiser on the original appraisal or an appraisal update.</li></ul></li><li>• The report must be completed as follows:<ul style="list-style-type: none"><li>▪ By a licensed professional engineer or registered architect, who is licensed/registered in the state where the manufactured home is located.</li><li>▪ The report must be site specific and contain the engineer's or registered architect's signature, seal and/or state license/certification number.</li><li>▪ The report must include verification that the property has not been moved from another location.</li><li>▪ A copy of the foundation certification from a previous FHA-insured mortgage on the subject property may be used if the certification shows that the foundation met PFGMH guidelines that were in effect at the</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Not required.</li></ul>	<ul style="list-style-type: none"><li>• A new Structural Engineer's Report is required, except if refinance transaction, attesting to the properties compliance with the PFGMH.</li><li>• The report must be completed as follows:<ul style="list-style-type: none"><li>▪ By a licensed professional engineer or registered architect, who is licensed/registered in the state where the manufactured home is located and must attest to the current guidelines in the PFGMH.</li><li>▪ The report must be site specific and contain the engineer's or registered architect's signature, seal and/or state license/certification number.</li><li>▪ The report must include verification that the property has not been moved from another location.</li><li>▪ Note: If the foundation is non-compliant to HUD standards, the appraiser will provide a non-compliant letter, with recommendations on how to bring the foundation up to HUD compliance standards.</li></ul></li></ul>
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	FHA	VA	USDA
	<p>time of certification and provided there are no alterations and/or observable damage to the foundation since the original certification.</p> <ul style="list-style-type: none"> <li>▪ <b>Note:</b> If the foundation is non-compliant to HUD standards, the appraiser will provide a non-compliant letter, with recommendations on how to bring the foundation up to HUD compliance standards.</li> </ul>		
<b>Existing Construction</b>	<ul style="list-style-type: none"> <li>• To be considered “existing”, a property must be one year or older from the date of the certificate of occupancy.</li> <li>• Max 90% LTV allowed for MHs that have been occupied for one year or less and were not approved by HUD or DE lender prior to construction.</li> <li>• Maximum financing is permitted if the property is covered by a 10-year protection plan and has never been occupied.</li> <li>• Existing manufactured homes require evidence that the home was assembled in accordance to HUD guidelines and has not been moved from its initial installation location. <ul style="list-style-type: none"> <li>▪ For FHA-to-FHA refinance transactions without an appraisal, a borrower provided certification stating if there has been any modifications and/or improvements to the existing structure is required. If there is any indication of alterations, a Structural Engineer’s Report is required.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Standard VA policies apply.</li> </ul>	<ul style="list-style-type: none"> <li>• To be considered “existing”, a MH must not have been installed or occupied on any other site or location. The MH must have only been moved from the manufacturers or dealer’s lot to the site on which the loan is secured for.</li> <li>• An existing MH is eligible if the purchase agreement is dated within 12 months of the date the unit was manufactured. <ul style="list-style-type: none"> <li>▪ The manufacturers date is available on the factory installed HUD plate/tag. If the manufactured date exceeds 12 month from the purchase agreement contract date, the MH is not eligible for financing.</li> </ul> </li> <li>• If alterations or modification have been made to the original structure, the MH is not eligible for financing.</li> <li>• Manufacturer’s warranties required. The warranty must identify the unit by its serial number.</li> <li>• The dealer must certify that the unit did not sustain hidden damages during transport.</li> </ul>

<b>Proposed or Under Construction Certifications</b>	<ul style="list-style-type: none"><li>• Defined as new (never occupied) manufactured homes that are transported directly from the manufacturer or directly from the dealership to the site, are eligible for financing.</li><li>• Limited to 90% LTV unless:<ul style="list-style-type: none"><li>▪ Initial foundation inspection is completed prior to the DE Lender issuing the Conditional Commitment; or</li><li>▪ HUD has issued an early start letter; or</li><li>▪ A 10-year protection plan is provided by the builder</li></ul></li><li>• Initial foundation inspection (waived if 10-year protection plan obtained)</li><li>• Final installation inspection by a fee inspector required unless appraisal was completed after the installation</li><li>• Builder's Certification of Plans, Specifications, &amp; Site, Form HUD-92541, is required.</li><li>• Agreement to execute a Builder's Warranty of Completion of Construction, HUD Form 92541-A</li><li>• Warranty of completion Form HUD 92544-A</li><li>• Plans and Specs (Floor plan of the unit; Description of materials; Design calculations, details for installation, anchorage and constructions details; Heat loss calculations; Elevation determinations; Plot Plan; Additional exhibits; Individual water supply and sewage systems details) – not required if MH is less than a year old.</li><li>• 5-year termite soil treatment required if located in an area of the country where it is necessary to control termites.</li></ul>	<ul style="list-style-type: none"><li>• A qualified and properly identified individual (such as a builder, architect, engineer, etc.) must provide a signed and dated certification that the structure/property meets all local code requirements and conforms with VA MPR, including the energy conservation standards of the 1992 Council of American Building Officials' Model Energy Code and the requirement for lead-free water piping. The certification must identify the property by house type, lot, block, subdivision and etc.<ul style="list-style-type: none"><li>▪ HUD Form 92541 may be provided, instead of certification above. If Form 92541 is utilized, the identifying information at the top of the form must be completed, as well as Items 2 and 4 or Items 5, 6, 9, 10, 12 and 13.</li></ul></li><li>• A one-year warranty on VA Form 26-1859, Warranty of Completion of Construction, must be provided by the builder/contractor responsible for the construction of the foundation and other on-site features.</li><li>• Evidence of satisfactory completion:<ul style="list-style-type: none"><li>▪ If the local authority performs the required foundation, framing and final inspections and issues a Certificate of Occupancy (CO) or equivalent, VA will accept the CO for the property as evidence satisfactory completion.</li><li>▪ If the local authority performs the required three inspections but does not issue a CO or equivalent, VA will accept copies of the inspection reports, which verify full compliance with local building codes, or a written statement from the local authority that states that the required inspections were performed satisfactory</li></ul></li></ul>	<ul style="list-style-type: none"><li>• N/A</li></ul>
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		<ul style="list-style-type: none"><li>▪ If the local authority does not perform the required inspections, the property must be covered by a ten-year insured protection plan warranty that is acceptable to HUD and a one-year VA builder's warranty.<ul style="list-style-type: none"><li>♦ Pacific Union must certify that the property is 100% complete (both onsite and offsite improvements) and meets VA MPR for existing construction.</li></ul></li></ul>	

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<b>New Unit for Proposed construction</b>	<ul style="list-style-type: none"><li>Manufacturer’s warranties required.</li></ul>	<ul style="list-style-type: none"><li>The manufacturer must provide the borrower with a one-year warranty on VA Form 26-8599, Manufactured Home Warranty.</li></ul>	<ul style="list-style-type: none"><li>For proposed construction, the following documentation must be obtained prior to loan approval and retained in the permanent loan file:<ul style="list-style-type: none"><li>An itemized cost breakdown of the total package, including:<ul style="list-style-type: none"><li>The base unit;</li><li>Eligible options;</li><li>Site development;</li><li>Installation;</li><li>Set-up;</li><li>Lot costs; and any credits for wheels and axles.</li></ul></li><li>Verification that the label number of the unit is shown on the data plate on the exterior of each section.</li><li>The dealer must provide a statement:<ul style="list-style-type: none"><li>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 borrower.</li><li>Confirming that the proposed cost is the full price of the unit and if furniture is being purchased by the borrower with personal funds, that lien will not be filed against the security property.</li><li>Confirming that thermal requirements in effect at the time of purchase are met.</li></ul></li></ul></li><li>Manufacturer’s warranties required. The warranty must identify the unit by its serial number.</li><li>The dealer must certify that the unit did not sustain hidden damages during transport.</li></ul>

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<b>Used Unit for Proposed construction</b>	<ul style="list-style-type: none"><li>Only permitted if unit has never been previously installed or occupied on another site</li></ul>	<ul style="list-style-type: none"><li>The dealer must provide the borrower with a six month warranty on VA Form 26-8730, Used Manufactured Home Limited Warranty, that certifies that the mechanical equipment, electrical, gas and heating systems, and water and plumbing systems are in operating condition and the roof is weather tight.<ul style="list-style-type: none"><li>VA Form 26-8730 may not be used for sales not involving a dealer</li><li>A used manufactured home sale that does not involve a dealer and when the home was moved to the purchaser's lot to be affixed to a permanent foundation, require the following manufactured home inspection reports and certifications completed by a qualified third-party inspector after the installation and setup of the manufactured home on the lot:</li></ul></li><li>Water-Plumbing Systems Inspection Report, VA Form 26-8731a; and</li><li>Electrical System Inspection Report, VA Form 26-8731b; and</li><li>Fuel and Heating System Inspection Report, VA Form 26-8731c, and</li><li>Certification that the roof was coated after set-up on the site.<ul style="list-style-type: none"><li>Qualified licensed third party inspectors may include:</li></ul></li><li>Plumber</li><li>Electricians</li><li>Heating and air-conditioning contractor</li><li>Manufactured home service personnel (qualified to perform all required inspections)</li><li>A Roofer for roof coating certification</li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>

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Alterations	<ul style="list-style-type: none"><li>• An alteration is defined as the replacement, addition, modification, or removal of any equipment or installation, after sale by a manufacturer to retailer, but prior to sale by the retailer to a purchaser, which may affect the construction of the property (i.e. fire safety, occupancy, or plumbing, heating, or electrical systems).</li><li>• The appraisal should indicate if alterations have been made to the manufactured home. Alterations not addressed in the foundation certification will require:<ul style="list-style-type: none"><li>▪ An inspection by the State Administrative Agency for verification of compliance with the HUD Manufactured Home Construction Safety and Standards (MHCSS); or</li><li>▪ Certification of the structural integrity from a licensed structural engineer if the state does not employ inspectors.</li></ul></li><li>• Existing manufactured homes that have incomplete items such as partially complete additions or renovation, or defects, or needed repairs that affect livability are NOT ELIGIBLE until the necessary work is completed.</li></ul>	<ul style="list-style-type: none"><li>• Properties that have been altered/modified are eligible. VA standard manufactured home guidelines apply. VA guidelines do not specifically address MHs that have been altered/modified.</li></ul>	<ul style="list-style-type: none"><li>• <b>Purchase:</b> Alterations or remodeling of the unit is allowed when the initial loan is made and must meet FMHCSS.</li><li>• <b>Refinance:</b> MH that have had additions or structural modifications made to the original home, are not eligible for financing.</li></ul>

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<b>HUD Certification Label/Tag</b>	<ul style="list-style-type: none"> <li>• The Federal Manufactured Home Construction and Safety Standards require manufactured homes have a HUD Certification Label/Tag (also known as a HUD Seal or HUD Label) affixed to the exterior of the property.</li> <li>• The HUD Tag is an aluminum plate, approximately 2 in. by 4 in, that is permanently attached to each transportable section of the manufactured home in a manner that renders it difficult to remove without defacing it.</li> <li>• The label number is etched or stamped with a 3-letter designation that identifies the production inspection agency.</li> <li>• Each HUD Tag must be marked with a 6-digit number furnished by a label supplier. If the home is a multi-wide unit, each unit must have a HUD certification label/tag, numbered sequentially.</li> <li>• The HUD Tag must be located at the tail-light end of each transportable section of the manufactured home approximately one foot up from the floor and one foot in from the roadside, or as near that location on a permanent part of the exterior of the manufactured home unit as practicable.</li> <li>• The roadside is the right side of the manufactured home when one views the manufactured home from the tow bar end of the manufactured home.</li> <li>• Appraisal report must include the appraiser's certification that the HUD Tag is affixed to the exterior or that the HUD Tag is missing.</li> <li>• If the HUD Tag is missing, the appraiser should either reject the property or notify the lender and condition the appraisal for documentation verifying HUD labels were issued for the manufactured home.</li> <li>• For a fee, a HUD Tag Letter of Verification can be obtained from the Institute for Building Technology and Safety (IBTS) and must be included in the file submitted to HUD. The following website provides details regarding the cost and procedures for obtaining a HUD Tag Letter of Verification: <a href="http://www.ibts.org/services/services-in-the-public-good/cert-label-verification.html">http://www.ibts.org/services/services-in-the-public-good/cert-label-verification.html</a></li> <li>• <b>Note:</b> Either the HUD tag or the HUD Tag Letter of Verification must be included in the loan file.</li> </ul>		
<b>HUD Data Plates (Manufacturer's Data Plate)</b>	<ul style="list-style-type: none"> <li>• The Data Plate is a paper label affixed inside the home and is the size of a standard sheet of paper (8 ½ x 11") that can be found in a kitchen cabinet, an electrical panel, or a bedroom closet. The Manufactured Home Appraisal Report (Fannie Mae 1004C) must include the appraiser's certification that the HUD Data Plate is affixed inside the property or indicate when they are unable to locate the Data Plate.</li> <li>• If the Data Plate is not available, the appraiser must notate on the appraisal that it is missing. No additional action required.</li> </ul>		

<b>Maximum Base Loan Amount</b>  <b>Proposed or Under Construction</b>	<p><b>Purchase:</b></p> <ul style="list-style-type: none"><li>When the MH has been affixed to the property for over 12 months, standard FHA maximum loan amount calculations apply.</li></ul> <p><b>Proposed or Under Construction:</b></p> <ul style="list-style-type: none"><li>For purposes of calculating the maximum mortgage, all proposed or under construction properties or existing construction less than 12 months old are considered purchase transactions even when the borrower owns the land.</li><li>FHA Connection should indicate 'CP' as purpose if loan transaction.</li><li>Max loan is the lower of<ul style="list-style-type: none"><li>Total cost or the value including the land (itemized value)</li><li>Maximum allowable LTV; or</li><li>Existing indebtedness.</li><li><b>Note:</b> Formulas for determining the maximum mortgage amount on a MH CP loan are located in the HUD 4155.1 2.B.8.</li></ul></li><li>Itemized value should be applied when the manufactured home unit, the land, or both have been owned for 6 months or more, and fewer than 12 months. If either the unit or the land has been owned for fewer than 6 months, the lesser of total cost or itemized value should be applied.</li><li>Evidence must be provided to certify how long the borrower has owned the land and/or manufactured unit. A contract or payoff statement for the land is required</li></ul>	<p><b>Purchase:</b></p> <ul style="list-style-type: none"><li>A loan for a property that has already been permanently affixed and is currently taxed as real property, calculate the mortgage following standard VA requirements.</li></ul> <p><b>Proposed or Under Construction:</b></p> <ul style="list-style-type: none"><li>If purchasing the MH to affix to a lot owned by the veteran, the lesser of:<ul style="list-style-type: none"><li>The sum of the purchase price plus the cost of all other real property improvements, or</li><li>The total reasonable value of the unit, lot, and real property improvements</li></ul></li><li>If purchasing the lot to which the manufactured home will be affixed, the lesser of:<ul style="list-style-type: none"><li>The total price of the manufactured home and the lot plus the cost of all other real property improvements, or</li><li>The purchase price of the manufactured home unit plus the cost of all other real property improvements plus the balance owed by the veteran on a deferred purchase money mortgage or contact given for the purchase of the lot, or</li><li>The total reasonable value of the unit, lot, and property improvements.</li></ul></li></ul>	<ul style="list-style-type: none"><li>The base loan amount may include the following:<ul style="list-style-type: none"><li>The cost of the base unit;</li><li>Eligible options;</li><li>Site development (if not already owned);</li><li>Installation;</li><li>Set-up;</li><li>Lot costs; and</li><li>Credit for wheels and axles.</li></ul></li></ul>
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	if it is currently encumbered by a lien payable by the borrower.		
<b>Purchase</b>	<ul style="list-style-type: none"> <li>When the MH has been affixed to the property for over 12 months, standard FHA maximum loan amount calculations apply.</li> </ul>	<ul style="list-style-type: none"> <li>A loan for a property that has already been permanently affixed and is currently taxed as real property, calculate the mortgage following standard VA requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Loan amount must cover both the manufactured home and the lot. Financing may include: <ul style="list-style-type: none"> <li>Related site development work on a site owned or purchased by the borrower or a leasehold meeting the provisions of 1980.314;</li> <li>Transportation and set-up costs; and</li> <li>If included in the sales price, wall-to-wall carpeting, refrigerators, ovens, ranges, washing machines, clothes dryers, heating or cooling equipment, or other similar equipment.</li> </ul> </li> <li>The loan amount MAY NOT include: <ul style="list-style-type: none"> <li>Purchasing the site without also financing the new unit;</li> <li>A unit that does not meet FMHCSS;</li> <li>Repairs not associated with a transfer or REO sale; or</li> <li>Furniture, including movable articles of personal property, such as drapes, beds, bedding, chairs, sofas, divans, lamps, tables, televisions, radios, stereo sets, and other similar items of personal property.</li> </ul> </li> </ul>
<b>Refinance</b>	<ul style="list-style-type: none"> <li>When the MH has been affixed to the property 12 months or more prior to case number assignment, standard FHA maximum loan amount calculations apply.</li> </ul>	<ul style="list-style-type: none"> <li>To refinance a loan for a property that has already been permanently affixed and is currently taxed as real property, calculate the mortgage following standard VA requirements.</li> </ul>	<ul style="list-style-type: none"> <li>MH that have had additions or structural modifications made to the original home, are not eligible for refinancing.</li> </ul>

<b>Unit</b>	<ul style="list-style-type: none"> <li>In traveling mode, the home must be eight feet or more in width, forty feet or more in length, built on a permanent chassis and designed to be used as a dwelling when connected to the required utilities.</li> <li>Measurement is based on the overall length, including living areas and other projections that area at least seven feet in height. The length and width should not include bay windows, roof overhangs, drawbars, coupling or hitches.</li> </ul>	<ul style="list-style-type: none"> <li>Must substantially confirm with the same VA Minimum Property Standards as a stick built home.</li> </ul>	<ul style="list-style-type: none"> <li>A new manufactured home must be purchased through a RHCDS approved dealer-contractor.</li> <li>Financing not allowed for if additions or structural modifications were made to the original structure.</li> <li>Loans may not be guaranteed for: <ul style="list-style-type: none"> <li>An existing unit and site unless it is already financed by a Section 502 direct or guaranteed loan, is being sold from RHCDS inventory, or is being sold from a Lender's inventory provided the Lender acquired possession of the unit through a loan guaranteed as follows: <ul style="list-style-type: none"> <li>The purchase of a site without also financing the unit.</li> <li>Existing debts owned by the borrower.</li> <li>A unit without an affixed certification label indicating the unit was constructed in accordance with the FMHCSS.</li> <li>Alterations or remodeling of the unit when the initial loan is made.</li> <li>Any unit not constructed to the RHCDS thermal standards as identified by an affixed label for the winter degree day zone where the unit will be located.</li> </ul> </li> </ul> </li> </ul>
<b>Land Value</b>	<ul style="list-style-type: none"> <li>If the property is located on more than 10 acres, max land value is 30% of the total appraised value. <ul style="list-style-type: none"> <li>A second level review is required.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>A second level review is required for properties located on more than 10 acres.</li> </ul>	<ul style="list-style-type: none"> <li>A second level review is required for properties located on more than 10 acres.</li> </ul>



<b>Site</b>	<ul style="list-style-type: none"> <li>• An all-weather roadway must serve the site. Dirt roads are not allowed.</li> <li>• All improvements must be completed prior to closing.</li> <li>• Site preparation for delivery of the manufactured home must be completed.</li> <li>• Attachment of the manufactured home to the permanent foundation system must be completed.</li> <li>• Site must be served by and connected to permanent water and sewer facilities approved by the local municipal authority, if available at the site. Cisterns (receptacle with a waterproof lining, built to catch and store rainwater) and hauled water are not acceptable.</li> <li>• Minor items that do not affect the ability to obtain an occupancy permit and that are delayed due to adverse weather conditions, completion may be permitted after closing: <ul style="list-style-type: none"> <li>▪ Landscaping</li> <li>▪ Driveways</li> <li>▪ Walkways</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Site development must conform to the standards imposed by the state and local government.</li> <li>• The unit must be placed on a permanent foundation that meets the guidelines published in PFHMH. The foundation plan must be retained in the permanent loan file.</li> </ul>
<b>Foundation</b>	<ul style="list-style-type: none"> <li>• When erected on site, the home must comply with the following: <ul style="list-style-type: none"> <li>▪ Built and remains on a permanent chassis. The axles and tongue must be removed from the unit.</li> <li>▪ Designed to be used as a dwelling with a permanent foundation built to FHA criteria.</li> </ul> </li> <li>• Permanent foundations must be constructed of durable materials, i.e. concrete, mortared masonry, or treated wood, and be site built. <ul style="list-style-type: none"> <li>▪ The foundation shall have attachment points to anchor and stabilize the manufactured home to transfer all loads, herein defined, to the underlying soil or rock.</li> <li>▪ The permanent foundation shall be structurally developed in accordance with the Permanent Foundation Guide or be structurally designed by a licensed professional engineer for the following: <ul style="list-style-type: none"> <li>♦ Vertical Stability</li> <li>♦ Lateral Stability</li> </ul> </li> </ul> </li> <li>• The manufactured home 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.</li> </ul>	<ul style="list-style-type: none"> <li>• When erected on site, the home must comply with the following: <ul style="list-style-type: none"> <li>▪ Built and remains on a permanent chassis. The axles and tongue must be removed from the unit.</li> <li>▪ Designed to be used as a dwelling with a permanent foundation built to FHA criteria.</li> </ul> </li> <li>• Permanent foundations must be constructed of durable materials, i.e. concrete, mortared masonry, or treated wood, and be site built. <ul style="list-style-type: none"> <li>▪ The foundation shall have attachment points to anchor and stabilize the manufactured home to transfer all loads, herein defined, to the underlying soil or rock.</li> <li>▪ The permanent foundation shall be structurally developed in accordance with the Permanent Foundation Guide or be structurally designed by a licensed professional engineer for the following: <ul style="list-style-type: none"> <li>♦ Vertical Stability</li> <li>♦ Lateral Stability</li> </ul> </li> </ul> </li> </ul>

<b>Existing</b>	<ul style="list-style-type: none"><li>• The towing hitch or running gear must have been removed (including tongues, axles, brakes, wheels, and lights) greater than one year.</li><li>• There must be adequate backing, such as concrete, masonry, or treated wood, to permanently attach and support or reinforce the skirting, if the perimeter enclosure is non-load bearing skirting comprised of lightweight material.</li></ul>	<ul style="list-style-type: none"><li>• If the fee appraiser has reasonable doubts as to the acceptability of the foundation system where there are no local requirements, a statement from a registered professional engineer is acceptable.</li></ul>	<ul style="list-style-type: none"><li>• For refinance transactions only:<ul style="list-style-type: none"><li>▪ The towing hitch or running gear must have been removed (including tongues, axles, brakes, wheels, and lights) greater than one year.</li><li>▪ There must be adequate backing, such as concrete, masonry, or treated wood, to permanently attach and support or reinforce the skirting, if the perimeter enclosure is non-load bearing skirting comprised of lightweight material.</li></ul></li></ul>
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<b>Proposed or Under Construction</b>	<ul style="list-style-type: none"><li>For new construction, the crawl space must be enclosed by a continuous foundation-type construction designed to resist all forces to which it is subjected without transmitting forces to the building superstructure.<ul style="list-style-type: none"><li>The enclosure shall be constructed of material that conform to the PFGMH, and to HUD's Minimum Property Standards (MPS), such as concrete, masonry, or treated wood.</li></ul></li><li>The crawl space must be properly enclosed, the perimeter enclosure must be:<ul style="list-style-type: none"><li>A continuous wall (weather bearing or non-load bearing).</li><li>Adequately secured to the perimeter of the unit.</li><li>If the skirting is wood, the wood must be properly treated to prevent decay.</li><li>Separate the crawl space from backfill.</li><li>Designed to keep out vermin and water, while allowing proper ventilation.</li></ul></li></ul>	<ul style="list-style-type: none"><li><b>Load-bearing piers and footing</b> must:<ul style="list-style-type: none"><li>Be of sufficient size and number to distribute the weight of the manufactured home evenly; and</li><li>Be of materials acceptable to the building authority having jurisdiction; and</li><li>Where applicable, have footing which extends below the frost line.</li></ul></li><li><b>Concrete slabs or continuous footings</b> are acceptable in areas where their use is permitted by local building authorities. Steel anchorage devised must be cast into the concrete slab or footing and be capable of providing holding strength to resist horizontal and uplift forces.</li><li><b>Anchoring devices</b>, adequate to resist all loads, must be:<ul style="list-style-type: none"><li>Attached to the main frame of the unit by a bolted, welded, or mechanical connector; and</li><li>Be placed at every supporting pier or as specified by the manufacturer; and</li><li>Extended into the pier footing.</li><li>Anchoring straps or cables affixed to ground anchors, other than pier footing, <b>will not</b> meet this requirement <b>unless</b> specially allowed by the building authority of jurisdiction.</li></ul></li><li><b>Properties located in Wind Zone II or III</b> (wind speeds in excess of 80 mph) must be provided with diagonal hurricane ties which have been properly engineered for the location and comply with the requirements of the building authority having jurisdiction.<ul style="list-style-type: none"><li>Important: The installation procedures included in both the manufacturer's foundation instructions and NCS BCS Handbook A225.1 are <b>not</b> generally adequate for manufactured homes in these areas.</li></ul></li></ul>	<ul style="list-style-type: none"><li>N/A</li></ul>
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<b>Property Insurance</b>	<ul style="list-style-type: none"><li>• Standard requirements apply</li><li>• If any portion of property improvement for both new and existing manufactured home is located within a special flood hazard area (SFHA) zone A or V, the property is not eligible for FHA mortgage insurance without:<ul style="list-style-type: none"><li>▪ A final Letter of Map Amendment (LOMA) or Letter of Map Revision (LOMR) obtained from Federal Emergency Management Agency (FEMA) that removes the property from the SFHA location; or</li></ul><b>If FHA or USDA:</b> An elevation certificate (FEMA Form 81-31), prepared by a licensed engineer or surveyor stating that the finished grade beneath the manufactured home is at or above the 100-year return frequency flood elevation.</li></ul>		

<p><b>Title Requirements</b></p>	<ul style="list-style-type: none"> <li>The title policy must evidence that the following: <ul style="list-style-type: none"> <li>The manufactured home is attached to the land;</li> <li>The manufactured home is classified and taxed as real estate; and</li> <li>The title to the manufactured home has been surrendered or purged in accordance with the applicable jurisdictional requirements. <ul style="list-style-type: none"> <li>For FHA to FHA or VA to VA refinance transactions, if there is any indication that the MH has not been properly converted to real estate, the transaction is ineligible if the property is not located in a state approved for MH purchase transactions.</li> </ul> </li> </ul> </li> <li>State's Approaches to Titling: <ul style="list-style-type: none"> <li>Certificate of title "surrender" states: Certificate of title issued upon purchase of manufactured home, but is surrendered after the home is affixed to the foundation and becomes real property. <ul style="list-style-type: none"> <li>Ensure that certificate of title is surrendered following state's procedures.</li> </ul> </li> <li>Certificate of title "no surrender" states: Certificate of title is issued and remains outstanding (it is not surrendered or canceled). <ul style="list-style-type: none"> <li>Ensure the MH lien (and no other lien) is indicated on the certificate of title.</li> <li>Retain certificate of title in loan file.</li> <li>Ensure that home and land have the same ownership.</li> </ul> </li> <li>Non-certificate of title states: No certificate of title is issued. <ul style="list-style-type: none"> <li>Retain in loan file evidence that no certificate of title was issued.</li> <li>Ensure that MH is recognized as real property.</li> </ul> </li> <li>Refer to the <a href="#">State Requirements for Manufactured Homes</a> document for additional details.</li> </ul> </li> <li>Manufactured home must be covered by standard real estate fee simple title insurance policy. <ul style="list-style-type: none"> <li>Endorsement (ALTA 7, 7.1, or 7.2) or equivalent endorsement is required as insurance that the manufactured home is part of real property that secures the loan.</li> <li>One clear title at closing is required that states the manufacture home and land are classified as real estate.</li> </ul> </li> <li>Affidavit of Affixation, a required recorded signed written statement acknowledging that the manufactured home is attached and classified as real property securing the mortgage.</li> </ul>		
<p><b>Trade-In</b></p>	<ul style="list-style-type: none"> <li>An acceptable source of borrower cash investment commonly associated with manufactured homes is the sale or trade-in of another manufactured home that is not considered real estate. Trade-ins for cash funds are considered a seller inducement and are not permitted.</li> </ul>	<ul style="list-style-type: none"> <li>Manufactured home trade-in transactions are allowed. VA guidelines do not specifically address trade-in transactions.</li> </ul>	<ul style="list-style-type: none"> <li>Trade-in transactions are not allowed.</li> </ul>