



Conventional Manufactured Home – DU Only

PRIMARY RESIDENCE

PURCHASE AND RATE & TERM REFINANCE

LTV	CLTV	Maximum HCLTV
95%	95%	95%

CASH OUT REFINANCE (term cannot exceed 20 years)

65%	65%	65%
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SECOND HOME

90%	90%	90%
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General Information

General Description	<ul style="list-style-type: none"> Fixed rate, fully amortizing loan designated specifically for Manufactured (Mobile) Housing. Manufactured Housing is defined as any dwelling unit built on a permanent chassis and attached to a permanent foundation system. 																														
Assumability	<ul style="list-style-type: none"> Not assumable 																														
Flood Insurance	<ul style="list-style-type: none"> Refer to CWL Mortgage Conventional Guidelines for requirements. 																														
Forms / Documents Required	<ul style="list-style-type: none"> Note: Multistate or state specified, if applicable. Rider to Mortgage: For Second Homes, FNMA Form 3890 Second Home Rider Security Instrument: In all states, use the state-specific FNMA Mortgage/Deed of Trust 3000 series 																														
Mortgage Insurance	<ul style="list-style-type: none"> Required on all loans exceeding an 80% LTV <table border="1"> <thead> <tr> <th>Term</th> <th>80.01 – 85%</th> <th>85.01 – 90%</th> <th>90.01 – 95%</th> <th>95.01 – 97%</th> </tr> </thead> <tbody> <tr> <td colspan="5" style="text-align: center;">MH Advantage</td> </tr> <tr> <td>≤ 20 Year</td> <td>6%</td> <td>12%</td> <td>25%</td> <td>35%</td> </tr> <tr> <td>> 20 Year</td> <td>12%</td> <td>25%</td> <td>30%</td> <td>35%</td> </tr> <tr> <td colspan="5" style="text-align: center;">Standard Manufactured Homes (not MH Advantage)</td> </tr> <tr> <td>ANY</td> <td>12%</td> <td>25%</td> <td>30%</td> <td>N/A</td> </tr> </tbody> </table> <p>Acceptable MI companies (Note: DTI > 45% requires minimum 700 Fico Score regardless of AUS)</p> <ul style="list-style-type: none"> MGIC Genworth Radian (Note: fico score overlay applies to Single Premium MI only) 	Term	80.01 – 85%	85.01 – 90%	90.01 – 95%	95.01 – 97%	MH Advantage					≤ 20 Year	6%	12%	25%	35%	> 20 Year	12%	25%	30%	35%	Standard Manufactured Homes (not MH Advantage)					ANY	12%	25%	30%	N/A
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Prepayment Penalty	<ul style="list-style-type: none"> None 																														
QM Requirements	<ul style="list-style-type: none"> All loans need to be locked prior to being submitted to Underwriting. 																														
Supporting Documentation	<ul style="list-style-type: none"> All supporting documentation must be dated within 120 days of the Note Date (existing and new construction) 																														
Special Feature Code	<ul style="list-style-type: none"> Must use SFC 235 when delivering a loan secured by manufactured housing. MH Advantage loans must be delivered with SFC 859. 																														
Temporary Buydowns	<ul style="list-style-type: none"> Not allowed 																														
Underwriting	<ul style="list-style-type: none"> DU Approval Required Manual underwrites are not allowed 																														

Borrower Eligibility			
Borrower Eligibility	<p>Maximum of 4 borrowers</p> <ul style="list-style-type: none"> • US Citizen • Permanent Resident <ul style="list-style-type: none"> ◦ Provide Alien Registration Card (USCIS Form I-551) • Non-Permanent Resident <ul style="list-style-type: none"> ◦ Must be a legal resident as evidenced by social security number. ◦ Borrower must be employed in the U.S. and provide a copy of valid work permit. ◦ Tax Identification Number (TIN) is not acceptable. <p>Ineligible:</p> <ul style="list-style-type: none"> • Foreign Nationals • Trailing Income Borrowers • Co-Signors/Non-occupying co-borrowers 		
Co-Borrowers / Co-Signers	<ul style="list-style-type: none"> • Non occupying co-borrower and/or co-signers are not allowed. 		
Higher Priced Mortgage Loans (HPML)	<p>QM Higher Priced Mortgage Loans</p> <ul style="list-style-type: none"> • Must follow guidelines stated in the Rebuttable Presumption Section below <p>Section 35 Higher Priced Mortgage Loans</p> <ul style="list-style-type: none"> • Must follow guidelines stated in the Rebuttable Presumption Section below; and • Escrow account must be established and maintained for at least five (5) years; and <ul style="list-style-type: none"> ◦ Master Insurance Policy Exemption: Insurance premiums are exempt for units in a condominium or PUD when the unit's property is covered by a master insurance policy. 		
Rebuttable Presumption	<p>If the APR is 1.5 percentage points or more higher than the APOR the loan has a Rebuttable Presumption of Compliance with ATR and will require borrower to provide Fully Executed Budget Letter and meet Residual Income Requirements. Refer to General QM Final Rule Job Aid for specific requirements.</p>		
Real Estate Owned (REO)	<p>Maximum # of Properties Financed</p> <ul style="list-style-type: none"> • See Multiple Financed Properties Section below <p><u>Borrowers Vacating Current Residence</u></p> <p>When borrowers are vacating their current residence the following guidelines must be met accordingly</p> <table border="1" style="width: 100%; margin: 10px 0;"> <tr> <td style="background-color: #92d050; text-align: center;">DU</td> </tr> <tr> <td>Follow partial or no rental history on the Income Job Aid for converting residence into investment property. Reserve requirements may still apply. Refer to Reserve Section.</td> </tr> </table> <p><u>Principal Residence Pending Sale</u></p> <p>If the borrower's current residence is pending sale, but the transaction will not close with title transfer to the new owner prior to the subject transaction, and the borrower is purchasing a new principal residence, the current PITIA and the proposed PITIA must be used in qualifying the borrower for the new loan.</p> <p>However, Fannie Mae will not require the current principal residence's PITIA to be used in qualifying the borrower as long as the following documentation is provided:</p> <ul style="list-style-type: none"> • The executed, non-contingent sales contract for the current residence; AND • Executed, contingent sales contract and confirmation that any financing contingencies have been met. 	DU	Follow partial or no rental history on the Income Job Aid for converting residence into investment property. Reserve requirements may still apply. Refer to Reserve Section.
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Financing Types			
Maximum Loan Amount	<ul style="list-style-type: none"> • Conforming limits only. • The mortgage amount cannot include the financing of furniture or mortgage life insurance. 		
Multiple Financed Properties	<p>If the mortgage is secured by the borrower's primary residence there are no limitations on the number of other financed properties the borrower has. If the mortgage is secured by a second home, the multiple financed properties policy below will apply:</p> <p>1-6 Financed Properties</p> <ul style="list-style-type: none"> • Standard manufactured home eligibility guidelines apply (i.e., LTV, minimum fico, etc.). <p>7-10 Financed Properties</p> <ul style="list-style-type: none"> • Minimum 720 Fico Score. All other standard manufactured home eligibility guidelines apply. • Manual Underwrite not allowed. <p>Financed Property Limit</p>		

<p>Multiple Financed Properties (cont.)</p>	<ul style="list-style-type: none"> • Applies to the number of one- to four-unit residential properties where the borrower is personally obligated on the mortgage(s); • Applies to the total number of properties financed, not to the number of mortgages on the property or the number of mortgages sold to Fannie Mae; includes the borrower's principal residence, if financed; and • Is cumulative for all borrowers (through jointly financed properties are only counted once). <table border="1" data-bbox="354 296 1498 1297"> <thead> <tr> <th data-bbox="354 296 1192 352">Type of Property Ownership</th> <th data-bbox="1192 296 1498 352">Counted in Financed Properties</th> </tr> </thead> <tbody> <tr> <td data-bbox="354 352 1192 384">Commercial Real Estate</td> <td data-bbox="1192 352 1498 384">No</td> </tr> <tr> <td data-bbox="354 384 1192 415">Multifamily property consisting of more than four units</td> <td data-bbox="1192 384 1498 415">No</td> </tr> <tr> <td data-bbox="354 415 1192 447">Ownership in a timeshare</td> <td data-bbox="1192 415 1498 447">No</td> </tr> <tr> <td data-bbox="354 447 1192 478">Ownership of a vacant lot (residential or Commercial),</td> <td data-bbox="1192 447 1498 478">No</td> </tr> <tr> <td data-bbox="354 478 1192 527">Ownership of a manufactured home on a leasehold estate not titled as real property (chattel lien on home)</td> <td data-bbox="1192 478 1498 527">No</td> </tr> <tr> <td data-bbox="354 527 1192 688">The borrower is personally obligated on mortgages securing two investment properties and the co-borrower is personally obligated on mortgages securing three other investment properties, and they are jointly obligated on their principal residence mortgage. The borrower is refinancing the mortgage on one of the two investment properties. Thus, the borrowers have six financed properties.</td> <td data-bbox="1192 527 1498 688">Yes</td> </tr> <tr> <td data-bbox="354 688 1192 884"> <p>The borrower and co-borrower are purchasing an investment property and they are already jointly obligated on the mortgages securing five other investment properties.</p> <p>In addition, they each own their own principal residence and are personally obligated on the mortgages. The new property being purchased is considered the borrowers' eighth financed property.</p> </td> <td data-bbox="1192 688 1498 884">Yes</td> </tr> <tr> <td data-bbox="354 884 1192 1079">The borrower is purchasing a second home and is personally obligated on his or her principal residence mortgage. Additionally, the borrower owns four two-unit investment properties that are financed in the name of a limited liability company (LLC) of which he or she has a 50% ownership. 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<p>Occupancy</p>	<ul style="list-style-type: none"> • Primary Residence • Second Home 																				
<p>Purchase</p>	<p>Purchase money transactions are those in which the mortgage proceeds are used to finance the purchase of the manufactured home or the manufactured home and the land. The land may be previously owned by the borrower, either free of any mortgage or subject to a mortgage that will be paid off with the new purchase money mortgage. Note: The borrower does not receive any cash back with a purchase money transaction.</p> <p>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:</p> <ul style="list-style-type: none"> • The sales price of the manufactured home plus: <ul style="list-style-type: none"> ○ 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. <p>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:</p>																				

Purchase (cont.)	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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).
Refinance	<p><u>Properties Held in Trust</u></p> <ul style="list-style-type: none"> • Refinance transactions are not eligible to be held in trust regardless of occupancy. <p><u>Rate and Term Refinance</u></p> <p>The transaction may involve the following scenarios:</p> <ul style="list-style-type: none"> • Payoff of an existing personal property lien on a new manufactured home (or an existing lien on the home and a mortgage on the land if encumbered by separate liens), or • Payoff of a first lien mortgage secured by an existing manufactured home and land (or existing mortgages for the home and land if encumbered by separate liens). <p>The maximum LTV ratio (and CLTV/HCLTV 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:</p> <ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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 as 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. <p>The proceeds may be used to:</p> <ul style="list-style-type: none"> • Pay off the outstanding principal balance of an existing personal property lien or first lien mortgage secured by the manufactured home and land (or existing liens if the home and land were encumbered by separate first liens); • Pay off the outstanding principal balance of an existing subordinate mortgage or lien secured by the manufactured home and/or land, but only if it was used to purchase the manufactured home and/or land; • Finance cost of construction; • Finance closing costs (including prepaid expenses); and • Provide cash back to the borrower in an amount not to exceed the lesser of 2% of the balance of the new refinance mortgage or \$2,000. • Properties that have been listed for sale must be taken off the market prior to disbursement date, and the borrower must provide written confirmation of their intent to occupy as their primary residence • Borrower cannot have taken cash-out within the last 6 months. • Any refinance where the borrower paid off non-purchase money second in the past 6 months is considered cash out. <p><u>Cash Out Refinance</u></p> <ul style="list-style-type: none"> • Payoff of an existing first lien mortgage secured by the manufactured home and land (or existing liens if the home and land were encumbered by separate first liens); or • Obtain a mortgage on a property that does not already have a mortgage lien against it, and take equity out of the property in the form of mortgage proceeds that may be used for any purpose. • The borrower must have owned both the manufactured home and land for at least 12 months preceding the date of the loan application. • LTV/CLTV/HCLTV is based on the current appraised value of the manufactured home and land. • Term must be ≤ 20 Years. <p><u>Ineligible</u></p> <ul style="list-style-type: none"> • One time close construction-to-permanent loans

Credit

Bankruptcy	<p>Seasoning requirement is defined as the date of event (Agencies don't require a copy of BK docs when the BK discharge date is reflected on the credit report, would only be required to clarify) to disbursement date.</p> <p>Chapter 7 and 11:</p> <ul style="list-style-type: none"> • Requires 4 years seasoning with re-established credit. <p>Chapter 13:</p> <ul style="list-style-type: none"> • Discharged BK 2 years seasoning • Dismissed BK 4 years seasoning <p>Note: Refer to Foreclosure Section regarding waiting periods when a mortgage debt was discharged through a bankruptcy. Must have evidence the borrower surrendered the home and did not reaffirm. If the borrower reaffirmed with intention to stay in the home, the 7 year waiting period must be met.</p> <p>Multiple Bankruptcies: A 5-year elapsed time period is now required to re-establish credit from the most recent discharge or dismissal date for borrowers who have more than one bankruptcy filing in the past 7 years.</p>
Charge Offs	<p>Past-Due, Collection, and Charge-off of Non-Mortgage Accounts Accounts that are reported as past due (not reported as collection accounts) must be brought current.</p> <ul style="list-style-type: none"> • 1 unit, principal residence properties: Borrowers are not required to pay off outstanding collections or non-mortgage charge-offs, regardless of the amount. <ul style="list-style-type: none"> ○ Note: Collection accounts marked as "Paid by Close" in the online loan application will receive a message in the DU Underwriting Findings report stating that the collection must be paid. • Second home properties: Non-mortgage charge-offs totaling more than \$5,000 must be paid in full prior to or at closing. <p>Charge-off of a Mortgage Account A charge-off of a mortgage account, including first liens, second liens, home improvement loans, HELOCs and manufactured home loans, occurs when a creditor has determined that there is little likelihood that the mortgage debt will be collected. When a charge-off of a mortgage account exists:</p> <ul style="list-style-type: none"> • A 4 year waiting period from completion date as reported on the credit report or other documentation provided by the borrower is required.
Credit	<ul style="list-style-type: none"> • 620 Minimum Fico Score (Refer to MI Section for fico score requirements when DTI > 45%) • Credit Report expires after 120 days (existing and new construction) • Tri Merge Credit Report must be ordered <ul style="list-style-type: none"> ○ Minimum 1 FICO score required for each borrower (if that's all that is available) • Refreshed Credit Report is required within 5 business days of the Note date. • Refer to CWL Conventional Guidelines for additional Credit requirements.
Foreclosure / Deed-in-Lieu / Pre- Foreclosure Sale / Short Sale	<p><u>Foreclosure</u> 7 years seasoning from the completion date to credit report date with re-established credit.</p> <ul style="list-style-type: none"> • If a mortgage debt was discharged through a bankruptcy, the bankruptcy waiting periods may be applied so long as appropriate documentation to verify that the mortgage obligation was discharged in the bankruptcy is provided. Otherwise, the greater of the applicable bankruptcy or foreclosure waiting periods will apply. <p>Note: A timeshare account should be treated as an installment debt regardless of how it is reported on the credit report or other documentation (that is, even if reported as a mortgage loan).</p> <p><u>Pre-Foreclosure / Short Sale / Deed-in-Lieu of Foreclosure</u></p> <ul style="list-style-type: none"> • 4 years seasoning from completion to disbursement date maximum financing allowed • Credit can be re-run after 4 years has elapsed prior to loan documents
Housing Payment History	<ul style="list-style-type: none"> • Max 0x60 days reported within 12 months prior to the credit report date. <p>Note: For purposes of complying with the housing payment history requirements, timeshare accounts identified as mortgage trade lines are not required to meet the requirements described above, and are considered to be installment accounts.</p>
Qualifying Ratios	<ul style="list-style-type: none"> • Determined by AUS • Refer to CWL Conventional Guidelines for Qualifying Ratio requirements.

Income

Employment / Income

- All loans require IRS Form 4506-C
 - Form 4506-C must be processed per AUS.
- A verbal VOE is required for all borrowers within 10 days prior to Note date.
- Paystub reflecting year to date earnings regardless of AUS
- Full income documentation is required regardless of the AUS finding
- Refer to Income Job Aid for calculation requirements
- DU Validation Services (Day 1 Certainty) is acceptable. Refer to CWL Conventional Guidelines for requirements.

Note: Income derived from an activity that is deemed illegal by federal or state law (for example, income derived from a business that is legal by state law but illegal by federal law cannot be considered).

Assets

Borrower Minimum Contribution

Minimum Borrower Contribution

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

- The LTV or CLTV is $\leq 80\%$;
- 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; or
- The property meets the MH Advantage requirements and the loan meets the requirements for LTV ratios of 95.01-97%. In this case, the borrower must contribute a minimum down payment of 3%, from his or her own funds unless the loan meets the gift, grant, or funds from an employer policy referenced above.

The borrower's own equity in the land is considered the borrower's 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 (or equity requirement for a refinance). 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, • 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 lien(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.

Trade Equity

- Standard FNMA guidelines for gifts apply.
- Trade equity from the borrower's existing manufactured home may be used as part of the borrower's minimum down payment requirement. The maximum equity contribution from the traded manufactured home is 90% of the retail value for the traded manufactured home based on the *NADA Manufactured Housing Appraisal Guide*; **except**,
 - If the borrower has owned the traded manufactured home for less than 12 months preceding the date of the loan application, the maximum equity contribution is the lesser of 90% of the retail value or the lowest price at which the home was sold during that 12 month period.
 - Any costs associated with the removal of the traded home or any outstanding indebtedness secured by liens on the home must be deducted from the maximum equity contribution.
- For traded manufactured homes, a lien search is required in the appropriate real property and personal property records to verify ownership and to determine whether there are any existing liens on the manufactured home and land, or on the home and the land if they are encumbered by separate liens. The seller of the new manufactured home must provide proof of title transfer and satisfaction of any existing liens on the traded manufactured home.

Contributions by Interested Parties	<ul style="list-style-type: none"> Borrower may not be affiliated with the builder, developer, or seller of the subject property if it is a purchase transaction. A gift, including a gift of equity, from a related person who is also the seller of the subject property is not subject to FNMA's Interested Party Contribution restrictions provided that: <ul style="list-style-type: none"> The Related Person is not, and has no affiliation with, the builder, real estate agent or any other interested party to the transaction; and A signed gift letter is provided; and The gift of equity is listed on the ALTA Settlement Statement 																																								
Reserve Requirements Based on PITIA	<ul style="list-style-type: none"> Additional reserves may be required by DU. Subject Property – 1 Unit Primary Residence: Follow DU findings <p>Note: When the borrower owns multiple financed properties, DU is unable to determine the reserve requirements for the transaction. In these instances, a manual calculation will be required. To calculate, add the amount of the Total funds to be verified (as specified on the DU underwriting findings report) to the minimum reserve requirements specified below. The total amount of assets to be verified must be reflected in the asset section of the loan application.</p> <p>Calculating reserve requirements when subject property is 2nd home and other financed properties are owned (regardless of the number).</p> <ul style="list-style-type: none"> When subject property is 2nd home: 2 months PITIA for subject + applicable UPB formula listed below for all additional financed investment properties or 2nd home. <p>Unpaid Principal Balance (UPB) calculation for all additional financed 2nd home or investment properties. Note: Principal residence is counted in number of financed properties; however, is not required to be included in the UPB formula.</p> <ul style="list-style-type: none"> 2% of the aggregate UPB if the borrower has 1-4 financed property (including principal residence) 4% of the aggregate UPB if the borrower has 5-6 financed properties (including principal residence) <p>The aggregate UPB calculation does not include the mortgages and HELOCs that are on:</p> <ul style="list-style-type: none"> The subject property The borrower's principal residence Properties that are sold or pending sale Accounts that will be paid by closing <p>The example below is for total number of financed properties owned equal to 4 including primary residence and subject property. See above requirement for 5-6 financed property percentage requirements.</p> <table border="1" data-bbox="337 1150 1510 1444"> <thead> <tr> <th colspan="5">Examples</th> </tr> <tr> <th>Subject Property – Second Home</th> <th>Outstanding UPB</th> <th>Monthly PITIA</th> <th colspan="2">Reserve Calculation</th> </tr> </thead> <tbody> <tr> <td>Subject – 2nd home</td> <td>\$78,750.00</td> <td>\$776.00</td> <td>2 Months PITIA</td> <td>\$1,552.00</td> </tr> <tr> <td>Principal Residence</td> <td>(\$250,000.00)</td> <td>(\$2,500.00)</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>Investment Property</td> <td>\$87,550.00</td> <td>\$787.00</td> <td>\$87,550.00 x 2%</td> <td>\$1,751.00</td> </tr> <tr> <td>Investment Property</td> <td>\$142,500.00</td> <td>\$905.00</td> <td>\$142,500 x 2%</td> <td>\$2,850.00</td> </tr> <tr> <td>Total Calculation</td> <td>\$230,050.00</td> <td>N/A</td> <td colspan="2">\$230,050 x 2% = \$4,601 + \$1552 =</td> </tr> <tr> <td>Total Reserves</td> <td></td> <td></td> <td colspan="2">\$6,153.00</td> </tr> </tbody> </table> <p>Reserve requirement will be based on the payment associated with the second home.</p> <p><u>Reserve Requirements (Definition of PITIA)</u></p> <ul style="list-style-type: none"> Principal and interest Hazard, flood, and mortgage insurance premiums (as applicable) Real estate taxes Ground rents Special assessments Owners' association dues (excluding individual unit utility charges) Monthly cooperative corporation fees (less the pro rata share of the master utility charges for servicing individual units attributable to the borrower's unit), and Subordinate finance payments on mortgages secured by the subject property. 	Examples					Subject Property – Second Home	Outstanding UPB	Monthly PITIA	Reserve Calculation		Subject – 2 nd home	\$78,750.00	\$776.00	2 Months PITIA	\$1,552.00	Principal Residence	(\$250,000.00)	(\$2,500.00)	N/A	N/A	Investment Property	\$87,550.00	\$787.00	\$87,550.00 x 2%	\$1,751.00	Investment Property	\$142,500.00	\$905.00	\$142,500 x 2%	\$2,850.00	Total Calculation	\$230,050.00	N/A	\$230,050 x 2% = \$4,601 + \$1552 =		Total Reserves			\$6,153.00	
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Accessory Units	<p>Properties with accessory units are not eligible</p> <ul style="list-style-type: none"> An accessory unit is defined as an additional living area with a kitchen and bathroom which may be attached to or detached from the primary dwelling. Examples include a living area over a garage, a converted garage, a basement unit, guest quarters, guest home, etc. 										
Appraisal Requirements	<p>The appraisal must be on a Manufactured Home Appraisal (Form 1004C) and include the following:</p> <ul style="list-style-type: none"> Manufacturer's name, Trade or Model Number, Year of Manufacture, Serial/VIN Number, Certification label number(s) from either HUD Data Plate or Certification Label(s). If HUD Data Plates are missing, verify at http://www.ibts.org/services/services-in-the-public-good/cert-label-verification.html Type of foundation and utility connections, <ul style="list-style-type: none"> A foundation certificate may be required if there are any apparent foundation issues, if the appraiser makes any negative comments or states that the foundation is 'unknown'. Detailed and supported cost approach, Construction quality and property condition, Opinion of the market value of the site, Property's conformity to the neighborhood. 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. The value conclusion cannot include any non-realty items including, but not limited to, insurance, warranties, and furniture. Solely using the cost approach is unacceptable. Modifications made to an existing manufactured home must be approved by a licensed professional engineer of the local, State or Federal authority and appraiser must support value given to additions. <p>Comparable Selection Requirements (excluding MH Advantage)</p> <ul style="list-style-type: none"> A minimum of two comparable sales of similar manufactured homes. <ul style="list-style-type: none"> If there is not a third manufactured home comp, there must be an explanation as to why one was not available, and make and support appropriate adjustments in the appraisal report. Comparable sales cannot be created by combining vacant land sales with the contract purchase price of the home. <p>MH Advantage Appraisal Comparable Selection Requirements</p> <ul style="list-style-type: none"> For MH Advantage properties, appraisers must use other MH Advantage homes, when available, for the comparable sales. If fewer than three MH Advantage sales are available, then the appraiser must supplement with the best and most appropriate sales available, which may include site-built homes. <p>Note: Termite Inspections are only required in geographic markets where termite infestation is a known phenomenon, and if:</p> <ul style="list-style-type: none"> Purchase Agreement requires, or Appraiser requires as a condition of the appraisal, or Underwriter discretion if documentation in the file indicates there may be a potential problem. 										

Property Requirements	✓	Manufactured Home Requirements
		Must be constructed on or after June 15, 1976. (Manufactured homes produced before this date are unacceptable).
		The manufactured home must be one-unit dwelling comprised of multiple sections (multi-wide manufactured home) that is legally classified as real property – No single wide.
		Must be at least 12 feet wide and have at least 600 square feet of gross living area. Except for MH Advantage properties, FNMA does not specify other minimum requirements for size, roof pitch, or any other specific construction details for HUD-coded manufactured homes.
		Maximum 10 acres
		Must have a HUD Certification Label permanently affixed in a way that makes it part of the real property.
		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 and the anchoring system must comply with HUD codes. The dwelling must assume the characteristics of site-build housing.
		The borrower must own the land on which the manufactured home is situated in fee simple.
		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.
		If the property is not situated on a publicly dedicated and maintained street, then it must be situated on a street that is community owned and maintained, or privately owned and maintained. There must be adequate vehicular access and there must be an adequate and legally enforceable agreement for vehicular access and maintenance.
		Mortgages secured by <i>existing</i> manufactured homes that have incomplete items, such as a partially completed addition or renovation, or defects, or needed repairs that affect safety, soundness, or structural integrity, are not allowed until the necessary work is completed.
		Manufactured homes that have an addition or have had a structural modification are eligible under certain conditions. If the state in which the property is located requires inspection by a state agency to approve modifications to the property, then the lender is required to confirm that the property has met the requirement. However, if the state does not have this requirement, then the structural modification must be inspected and be deemed structurally sound by a third party who is regulated by the state and is qualified to make the determination. In all cases, a satisfactory Structural Engineer Report is required and must be retained in the loan file.
	PUD projects consisting of double-wide manufactured homes acceptable.	

Property Requirements (cont.)	MH Advantage Property Eligibility Requirements	
	Lender	<ul style="list-style-type: none"> • Ensure the property meets the MH Advantage requirements by reviewing appraisal photos evidencing the presence of the MH Advantage Sticker (placed in proximity to the HUD Date Plate), HUD Data Plate, and HUD certification labels. • Verify through appraisal or final inspection photos <ul style="list-style-type: none"> ○ The presence of a driveway leading to the home (or to the garage or carport, if one is present). The driveway must consist of blacktop, pavers, bricks, concrete, cement, or gravel, and; ○ The presence of a sidewalk connecting either the driveway, or a detached garage or carport, to a door or attached porch of the home. The sidewalk must consist of blacktop, pavers, flagstone, bricks, concrete, or cement. • For new construction, the lender is responsible for compliance with Fannie Mae's standard appraisal requirements for appraisals based on plans and specifications. This will ensure site improvements that are not attached to the home, such as detached garages, are complete.
	Appraisal	Standard valuation requirements for manufactured homes apply. The Manufactured Home Appraisal Report (1004C) or Appraisal Completion Report (1004D) must include photos of the MH Advantage Sticker , HUD Data Plate, HUD certification labels, and the site showing all driveways, sidewalks, and detached structures located on the site.
	<p>Unless stated otherwise, loans secured by manufactured homes that meet the MH Advantage criteria are subject to the same requirements that apply to all manufactured homes.</p> <p>Note that loans secured by MH Advantage properties are afforded a number of flexibilities over standard manufactured housing, including higher LTV ratios, standard mortgage insurance, and reduced LLPA.</p> <p>Not Eligible</p> <ul style="list-style-type: none"> • Leasehold Estates (leased land) • Condo • Construction to perm/One-time close • Loans in which there is a chattel lien on the home plus a real property lien on the land. • PUD project composed of single-width manufactured homes. • Properties with wells, cisterns, spring fed water systems, or hauled water, etc. 	
Shared Roads, Wells and Septic Systems	<ul style="list-style-type: none"> • Roads, wells and septic systems that are not publicly governed and maintained must have a recorded maintenance agreement or easement that runs with the land (i.e., is expressly stated to belong to the successors or assigns of the owner), assures the mortgagor or owner and future owners of subject property the right to access and use of the road, well and/or septic system as long as the mortgagor or owner and future owners fulfill reasonable conditions. This agreement must provide for mutual upkeep of the road, well or septic system. 	
Closing		
Closing Requirements	<p>General Requirements include:</p> <ul style="list-style-type: none"> • Owner of manufactured home must also own the land on which home is situated. • Manufactured home must be attached to a permanent foundation on the land and comply with state and jurisdictional requirements for permanent affixation. • The security instrument accurately describing both the land and the manufactured unit in such a way as to be considered a fixture filing under the UCC. At a minimum, the unit description should include the Manufactures Name, Model Year, Model Name, and Model Number, Serial Number and the length and width of the unit along with the description of the land. • If applicable state law permits, any Certificate of Title must be surrendered to the state. Documentation must be included in the loan file showing that the Certificate of Title has been surrendered. If the Certificate of Title has not been surrendered, the loan is not eligible. • The title policy must identify the manufactured unit as a part of the real property and contain an ALTA Form 7 or equivalent endorsement. • Insured Closing Protection letter unless prohibited by state law or regulation. 	
Work Completion Escrows	<ul style="list-style-type: none"> • Escrows for completion of any of the site or dwelling improvements are not allowed. All properties must be complete at time of closing. 	