

## Manufactured Homes – Product Description

<p><b>PRODUCT DESCRIPTION</b></p>	<ul style="list-style-type: none"> <li>• First lien, fully amortizing Fixed Rate for permanently affixed Manufactured Homes</li> <li>• 10, 15, 20, 25 or 30-year term</li> <li>• Conventional – MH Advantage NOT allowed</li> <li>• Must be two-time close (as single-close NOT allowed)</li> <li>• FNMA Home Ready NOT allowed</li> <li>• FHLMC Home Possible NOT allowed</li> <li>• FHA Section 203(b)</li> <li>• VA loans must have sufficient entitlement for a minimum of 25% guaranty (the lesser of the sales price or appraised value)</li> <li>• USDA (must be new, never occupied and less than 12 months old)</li> <li>• HUD Section 184</li> </ul>
<p><b>PRODUCT CODES</b></p>	<ul style="list-style-type: none"> <li>• Product codes will follow existing products already established for Conventional, FHA, VA, USDA, and HUD Section 184 products. Optimal Blue requires Property Type to be Manufactured Home.</li> </ul>
<p><b>MINIMUM PROPERTY REQUIREMENTS</b></p>	<ul style="list-style-type: none"> <li>• All Manufactured Homes must be classified as Real Property and must have the title converted from Chattel to Real Property as required by state law. Prior to or upon closing. May not occur post-closing.</li> <li>• All Manufactured Homes must be permanently affixed to an approved foundation.</li> <li>• Conventional – see Fannie Selling Guide B2-3-02 &amp; B5-2-02 and Freddie Selling Guide Chapter 5703.2</li> <li>• VA – See Lender Handbook Chapter 7 and 12</li> <li>• FHA – see Handbook 4000.1 – II.D.5 to be certified as a licensed structural engineer</li> <li>• Existing construction only for Conventional, FHA, VA</li> <li>• Manufactured units may be removed only from the manufacturer or dealer’s lot to the site on which the loan is being done.</li> <li>• Additional structures (garage, room addition covered porch attached on side and/or roofline) requires an engineer’s report</li> </ul>
<p><b>INELIGIBLE PROPERTY TYPES</b></p>	<ul style="list-style-type: none"> <li>• Single Wide manufactured home</li> <li>• MH Advantage</li> <li>• Manufactured Home Park and do not own the land</li> <li>• Multi Wide manufactured home greater than 20 years old or Agency guideline whichever is later</li> <li>• Appraisal condition rating C5 and C6</li> <li>• Properties in a Flood Zone requiring flood insurance</li> <li>• Condominium</li> <li>• Tribal Land</li> <li>• Leasehold</li> <li>• Working Farms</li> <li>• Trusts</li> <li>• Deed Restricted Properties</li> <li>• Resale Restricted Properties</li> <li>• Properties with less than 600 square feet of living space</li> <li>• Texas A6 Home Equity loan not allowed</li> <li>• USDA – existing construction not allowed (must be new, never occupied and less than 12 months old)</li> </ul>



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<b>MAXIMUM LOAN AMOUNTS</b>	<ul style="list-style-type: none"> <li>The maximum loan amount is determined by the Agency (Fannie, Freddie, FHA, VA, USDA) product descriptions.</li> </ul>
<b>BUYDOWNS</b>	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>
<b>MAXIMUM LTV</b>	<ul style="list-style-type: none"> <li>Conventional <ul style="list-style-type: none"> <li>Up to 95% LTV for Purchase and Rate/Term Refinance</li> <li>MH Advantage NOT allowed</li> </ul> </li> <li>HUD Section 184 – Maximum per HUD 184 Guideline</li> <li>USDA – Maximum per Agency Guideline</li> <li>FHA - Maximum allowed by FHA Guidelines</li> <li>VA – Maximum allowed by VA Guidelines. VA loans must have sufficient entitlement for a minimum of 25% guaranty (the lesser of the sales price or appraised value)</li> <li>Subordinate Financing not allowed</li> <li>Gifts of Equity are not allowed</li> </ul>
<b>LOAN PURPOSE</b>	<ul style="list-style-type: none"> <li>Purchase, Rate and Term Refinance allowed</li> <li>VA IRRRL and FHA Streamline NOT allowed</li> <li>Cash-out Refinance NOT allowed</li> </ul>
<b>OCCUPANCY</b>	<ul style="list-style-type: none"> <li>Owner Occupied allowed</li> <li>Second Home allowed (Conventional only)</li> <li>Investment Home NOT allowed</li> </ul>
<b>CREDIT SCORE</b>	<ul style="list-style-type: none"> <li>≥ 660 Credit Score</li> </ul>
<b>DTI</b>	<ul style="list-style-type: none"> <li>LP Accept/Accept or DU Approve/Eligible</li> <li>GUS Accept</li> <li>HUD 184 – 41% DTI and up to 43% DTI with compensating factors</li> </ul>
<b>ITIN OVERLAY</b>	<ul style="list-style-type: none"> <li>See Overlay Matrix for Borrower Type Restrictions and Eligibility.</li> </ul>
<b>MORTGAGE INSURANCE</b>	<ul style="list-style-type: none"> <li>Conventional loans – Mortgage Insurance will be limited to selected MI Companies: <ul style="list-style-type: none"> <li>ARCH</li> <li>MGIC</li> <li>National MI</li> <li>Radian</li> </ul> </li> </ul>
<b>ESCROWS / ESCROW HOLDBACKS</b>	<ul style="list-style-type: none"> <li>Escrow Waivers not allowed (NO EXCEPTIONS)</li> <li>Escrow Holdbacks not allowed</li> </ul>
<b>DOWN PAYMENT ASSISTANCE</b>	<ul style="list-style-type: none"> <li>Not allowed</li> </ul>
<b>MORTGAGE CREDIT CERTIFICATE (MCC)</b>	<ul style="list-style-type: none"> <li>With an MCC, the qualified home buyer is eligible to apply a portion of the annual interest paid on the mortgage as a special tax credit</li> <li>Follow MCC program guidelines for requirements and allowable fees</li> </ul>



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<p><b>UNDERWRITING</b></p>	<ul style="list-style-type: none"> <li>• Conventional - must have DU Approve/Eligible or LPA Accept/Accept status</li> <li>• Conventional – Manual underwrite is NOT allowed</li> <li>• Government (FHA and VA) – DU Approve/Eligible or LPA Accept/Accept</li> <li>• Government (USDA) – GUS Approve</li> <li>• Manual Underwriting allowed for HUD Section 184</li> <li>• In addition, follow Gateway Overlay Matrix</li> <li>• Fannie Mae loans are delivered with SFC 235</li> <li>• Gateway may purchase, at Gateway’s sole discretion and subject to the terms set forth below. To be eligible for purchase, each such loan must meet all underwriting guidelines as prescribed by applicable Agency and are subject to further restrictions as described in Gateway’s Overlay Matrix. All other terms and conditions applicable to the sale or repurchase of the loan remain in full force and effect. Gateway reserves the right to pass on the purchase of any such loan at Gateway’s sole and complete discretion.</li> </ul>
<p><b>REQUIRED MANUFACTURED HOME DOCUMENTS</b></p>	<ul style="list-style-type: none"> <li>• Listed below are required manufactured home documents to be completed and in the closed loan file delivered for purchase. <ul style="list-style-type: none"> <li>➤ Appraisal Form 1004C – must include a photo of the VIN tag</li> <li>➤ Manufactured Home Rider attached to Security Instrument</li> <li>➤ Application for Statement of Ownership and Location – signed at closing and recorded with Security Instrument</li> <li>➤ Manufactured Home Affidavit of Affixation – signed at closing and recorded with Security Instrument</li> <li>➤ Closing Instructions that advise closing agents to obtain and record the required documents to ensure the manufactured home is attached to a permanent foundation and becoming real property</li> <li>➤ Title Insurance Policy ALTA Endorsement 7, 7.11 or 7.2 or any other endorsement required in the applicable jurisdiction for manufactured homes to be treated as real property</li> </ul> </li> </ul>

Each loan must fully comply with all Agency Guide requirements unless otherwise specifically noted above. Clients with access to AllRegs can access the entire Fannie Mae Seller Guide and Freddie Mac Seller Guide. For your added convenience, specific Fannie Mae and Freddie Mac Guidelines may also be accessed from each Agency’s website at the following links:

- Fannie Mae Manufactured Home FAQs: <https://singlefamily.fanniemae.com/media/6181/display>
- Fannie Mae Manufactured Housing Product Matrix: <https://singlefamily.fanniemae.com/originating-underwriting/mortgage-products/manufactured-housing-product-matrix>
- Fannie Mae Manufactured Housing Underwriting: <https://selling-guide.fanniemae.com/Selling-Guide/Origination-thru-Closing/Subpart-B2-Eligibility/Chapter-B2-3-Property-Eligibility/1032991471/B2-3-02-Special-Property-Eligibility-and-Underwriting-Considerations-Factory-Built-Housing-12-16-2020.htm>
- Freddie Mac Manufactured Home FAQs: <https://sf.freddiemac.com/working-with-us/affordable-lending/duty-to-serve/manufactured-housing/manufactured-housing-faqs>
- Freddie Mac Manufactured Underwriting Reminders: [http://www.freddiemac.com/learn/pdfs/uw/manuf\\_home.pdf](http://www.freddiemac.com/learn/pdfs/uw/manuf_home.pdf)
- Freddie Mac Manufactured Property Eligibility: <https://guide.freddiemac.com/app/guide/section/5703.2>
- VA Lender Handbook Chapter 7: <https://benefits.va.gov/WARMS/docs/admin26/handbook/ChapterLendersHanbookChapter7.pdf>
- FHA Guidelines: [https://www.hud.gov/program\\_offices/administration/hudclips/guidebooks/4930.3G](https://www.hud.gov/program_offices/administration/hudclips/guidebooks/4930.3G)
- USDA Manufactured Homes: <https://www.rd.usda.gov/files/RD-SFH-ManufacturedHousingNotes.pdf>
- HUD Section 184 Manufactured Homes: [https://www.hud.gov/sites/documents/184PG\\_CH\\_7\\_REV\\_4\\_8\\_11.PDF](https://www.hud.gov/sites/documents/184PG_CH_7_REV_4_8_11.PDF)

