

## Manufactured Home Pilot Program – for existing manufactured homes

The Pilot Program is for existing manufactured homes that are not older than January 1, 2006.

This program will only allow MFH to be financed as a purchase if the property is located in these states: Colorado, Iowa, Louisiana, Michigan, Mississippi, Montana, Nevada, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

According to the current RD 3555 Handbook, the only acceptable MFH that they will finance is a newly manufactured home that has been set up/constructed within the most recent 12 months. This program allows for this requirement to be waived within the approved states.

To be eligible for financing under this pilot, existing manufactured homes (including new units that have been on a dealer's lot more than 12 months) must meet the following pilot conditions in addition to all other program requirements that have not been waived.

- The unit must have been constructed on or after January 1, 2006, in conformance with the Federal Manufactured Home Construction and Safety Standards (FMHCSS), as evidenced by an affixed Housing and Urban Development (HUD) Certification Label.
- The unit inspection is required using one of two methods:
  - Form HUD-309, "HUD Manufactured Home Installation Certification and Verification Report" completed in accordance with 24 CFR 3286.511 by a qualified party as follows:
    - A manufactured home or residential building inspector employed by the local authority having jurisdiction over the site of the home, provided that the jurisdiction has a residential code enforcement program;
    - A professional engineer;
    - A registered architect;
    - A HUD-accepted Production Inspection Primary Inspection Agency (IPIA) or a Design Approval Primary Inspection Agency (DAPIA); or
    - An International Code Council (ICC) certified inspector.
- Obtain a certification that the foundation design meets HUD Handbook 4930.3, "Permanent Foundations Guide for Manufactured Housing (PFGMH)." The foundation certification must be from a licensed professional engineer, or registered architect, who is licensed/registered in the state where the manufactured home is located and must attest to current guidelines of the PFGMH. The certification must be site specific and contain the engineer's or registered architect's signature, seal and/or state license/certification number. This certification can

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	<p>take the place of Form HUD 309.</p> <ul style="list-style-type: none"> <li>• The unit must not have had any alterations or modifications to it since construction in the factory, except for porches, decks or other structures which were built to engineered designs or were approved and inspected by local code officials.</li> <li>• Guaranteed loan applications submitted under the pilot must be manually underwritten. Agency staff will need to select "MANUFACTURED (PILOT)" for "Construction Type" in the Property Information section in GLS. This will allow for the proper identification of pilot loans for tracking and monitoring purposes.</li> </ul> <p>The applicant and property must meet all other criteria set forth in 7 CFR Part 3555 and HB-1-3555 for Guaranteed loans, as applicable. These criteria include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>• The unit must have a floor area of not less than 600 square feet;</li> <li>• the unit must meet the Comfort Heating and Cooling Certificate Uo Value Zone for the location;</li> <li>• the towing hitch and running gear must have been removed;</li> <li>• the manufactured home must be classified and taxed as real estate;</li> <li>• the remaining economic life of the property must meet or exceed the 30 year term of the proposed loan;</li> </ul> <p>and the unit replacement cost coverage must be equal to the insured value of the improvements or the unpaid principal balance with deductible(s) of up to but not exceeding the greater of \$1,000 or one percent (1 %) of the policy</p>
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