

FHA MANUFACTURED HOME

PRIMARY RESIDENCE					
PURCHASE					
Property Type	Loan Amount ¹	Max LTV	Max CLTV	Min FICO	Max DTI
Multi Width	FHA Loan Limits	96.5	N/A	620 w/AUS Approval	Per AUS ²
Singlewide				640 w/AUS Approval	45% ³
RATE / TERM REFINANCE					
Property Type	Loan Amount ¹	Max LTV	Max CLTV	Min FICO	Max DTI
Multi Width	FHA Loan Limits	97.75	N/A	620 w/AUS Approval	Per AUS ²
Singlewide				640 w/AUS Approval	45% ³
CASH-OUT REFINANCE					
Property Type	Loan Amount ¹	Max LTV	Max CLTV	Min FICO	Max DTI
Multi Width	FHA Loan Limits	75	N/A	640 w/AUS Approval	Per AUS ²
Singlewide					45% ³
¹ High Balance loan amounts are not allowed.					
² DTI > 50%: Requires credit score ≥ 640, or LTV is 5% below the maximum.					
³ Singlewide: Loans exceeding 45% DTI must complete an Exception Request Form and send to exceptiondesk@missionloans.com for review.					
MINIMUM / MAXIMUM LOAN AMOUNT (CONTINENTAL US ONLY)					
<ul style="list-style-type: none">Minimum Loan Amount \$75,000. Conforming loan amounts only.Maximum Base Loan Amount cannot exceed the FHA Statutory Mortgage Limits for each county.Find FHA Loan Limits at: https://entp.hud.gov/idapp/html/hicostlook.cfm					

GENERAL REQUIREMENTS	
Follow FHA Guidelines for topics not addressed in this matrix.	
General Description	Manufactured Housing is defined as any dwelling unit built on a permanent chassis and attached to a permanent foundation system.
Special Fees	<ul style="list-style-type: none">Manufactured Home Structural Engineer Certification, when required.Foundation Certification
Underwriting	<ul style="list-style-type: none">AUS Approve/EligibleSinglewide: Max 45% DTI. If DTI exceeds 45% an exception must be requested. Complete the Exception Request Form and send to exceptiondesk@missionloans.com for review.Loans must be underwritten by a DE UnderwriterAll loans must be submitted through FHA Total Scorecard <p>Ineligible</p> <ul style="list-style-type: none">Manual underwrites/downgradesOut of Scope
BORROWER ELIGIBILITY	
Occupancy	<ul style="list-style-type: none">1-Unit Primary Residence only
FINANCING TYPES	
Eligible Terms	<ul style="list-style-type: none">30-year fixed rate only
Loan Purpose	<p>Purchase</p> <ul style="list-style-type: none">New Manufactured Home: The maximum base loan amount is determined by applying the LTV (95% or 90%) to the sum of the following amounts:<ul style="list-style-type: none">130% of the sum of the wholesale (base) price of the home plus eligible itemized options, including the charge for freight, as detailed on the Manufacturer’s Invoice;Sales tax to be paid by the borrower, as described in the retail sales purchase contract;Dealer’s actual cost of transportation to the home site, set-up and anchoring, including the rental of wheels and axles (if not included in freight charges);Dealer’s actual cost for shirting, garage, carport, patio, or other appurtenance, and for purchase and installation of a central air conditioning system or heat pump (if not installed by the manufacturer); andFinanceable Fees and Charges.See below for New Construction requirements.Existing Manufactured Home: The maximum base loan amount is determined by multiplying the appropriate LTV factor (95% or 90%) to the lesser of:<ul style="list-style-type: none">The appraised value of the home as described in the sales contract, including any Eligible Options and Accessories itemized in the sales contract or documented in the file; or

Loan Purpose (cont.)	<div><div><div>○ the purchase price of the home, including costs to the borrower for all items described in the purchase contract and any Eligible Options and Accessories as documented in the file.</div></div><div><div>Eligible Options and Accessories</div><div>The following items may be considered when calculating the maximum loan amount, not to exceed actual costs:</div><div><div><div>• Skirting;</div><div>• Garage, carport, patio or other comparable appurtenance to the home; and</div><div>• Purchase and installation of a central air conditioning system or heat pump (if not already installed by the manufacturer).</div></div></div><div><div>Rate and Term Refinance</div><div><div><div>• Proceeds can be used to pay off an FHA or non-FHA first mortgage regardless of age.</div><div>• Proceeds can be used to pay off any junior liens related to the purchase of the subject property, or that are seasoned at least 12 months.</div><div>• Pay related closing costs and prepaid items.</div><div>• Cash disbursed to the borrower cannot exceed \$500.</div><div>• The manufactured home must have been permanently attached to its foundation for more than 12 months prior to case number assignment.</div><div>• A limited cash-out transaction involves the payoff of an existing mortgage secured by the manufactured home and land (or existing liens if the home and land were encumbered as separate liens). The maximum LTV ratio will be based on the lower of:<div><div><div>○ The current appraised value of the manufactured home and land; or</div><div>○ If the manufactured home was owned by the borrower for less than 12 months on the case number assignment date and:</div></div></div><div>• If the home and land are secured by separate liens, the lowest price at which the home was previously sold during that 12-month period plus the lower of the current appraised value of the land, or the lowest sales price at which the land was sold during that 12-month period (if there was such a sale), or</div><div>• 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.</div></div></div><div><div>New Construction (Existing for Less than One Year and 100% Complete)</div><div>Limited to 90% LTV unless the property meets HUD Pre-Approval Requirements in HUD Handbook 4000.1.</div></div><div><div>Required Documentation</div><div><div><div>• A copy of the CO (or equivalent); or</div><div>• A final inspection performed by the local authority with jurisdiction over the property or an ICC certified RCI or CI; or</div><div>• In the absence of a local authority with building code jurisdiction or ICC certified RCI or CI, the lender may obtain a final inspection performed by a disinterest third party, who is a registered architect or a structural engineer and has met state licensing and bonding requirements for the state the property is located in.</div></div></div><div><div>Cash Out Refinance</div><div><div><div>• Properties recently listed for sale: the listing must have expired or been withdrawn prior to the application date.</div><div>• The property securing the cash-out refinance must have been owned and occupied by at least one borrower as their principal residence for the 12 months prior to the case number assignment date.</div><div>• The manufactured home must have been permanently attached to its foundation for a minimum of 12 months, measured from date of affixation to case number assignment date.</div><div>• Borrower must be 0x30x12 on the subject mortgage history.</div><div>• Non-occupant co-borrowers may not be added in a cash out refinance transaction in order to meet FHA’s credit underwriting guidelines for the mortgage. Any co-borrower or co-signer being added to the note must be an occupant of the property.</div><div>• Income from a non-occupant co-borrower may not be used to qualify for a cash-out refinance.</div><div>• Cash Out Seasoning Requirements must be met.</div></div></div><div><div>Ineligible Financing Types</div><div><div><div>• Non-arm’s length transactions</div><div>• FHA Streamline Refinance</div><div>• High Balance</div><div>• ARM programs</div><div>• HUD REO</div><div>• Intra-family purchases</div><div>• Energy Efficient Mortgages</div><div>• Texas 50(a)(6)</div><div>• FHA 203(k)</div></div></div></div></div></div></div></div></div></div>
Temporary Buydowns	<div><div>• Not eligible</div></div>

CREDIT	
Credit	<ul style="list-style-type: none"> All borrowers must have a minimum of 1 valid credit score and AUS approval. <u>Loans with “0” FICO Score are ineligible.</u> Credit evaluated by AUS, subject to clear CAIVRS, LDP and GSA search results.
Manual Underwrite	<ul style="list-style-type: none"> Not eligible
INCOME	
Income	<ul style="list-style-type: none"> <u>Self-employed borrowers: most recent 1-year personal tax transcripts as applicable when tax returns are used to qualify (Business transcripts required if income is not validated on personal returns).</u> <u>If tax transcripts are not available (due to recent filing for the current year) a copy of the IRS notice showing “No record of return filed” is required along with documented acknowledgement receipt (such as IRS officially stamped tax returns or evidence that the return was electronically received) from the IRS and transcripts from the previous year.</u> <p>Ineligible</p> <ul style="list-style-type: none"> <u>Income derived from marijuana related businesses/employment are not allowed regardless if they are used for qualifying purposes.</u>
ASSETS	
Assets	<p>Borrower Investment - Purchase transactions with Maximum Financing</p> <ul style="list-style-type: none"> Minimum down payment is 3.5% <ul style="list-style-type: none"> The 3.5% cannot be met by borrowers-paid closing costs, prepaid expenses, commitment fees, discount points or premium pricing. <p>Ineligible</p> <ul style="list-style-type: none"> <u>Assets derived from marijuana related businesses/employment are not allowed regardless if they are used for qualifying purposes.</u>
Secondary Financing	<ul style="list-style-type: none"> <u>Loans with secondary financing, including down payment assistance, are ineligible.</u>
PROPERTY	
Appraisal Requirements	<ul style="list-style-type: none"> Full interior and exterior appraisal must be completed using Manufactured Home Appraisal Report Form 1004C or Form 70B. The appraisal must indicate evidence of both the HUD Data Plate/Compliance Certificate and the HUD Certification Label. Appraiser must use a minimum of two comparable sales of similar manufactured homes. A detailed and supported cost approach to value is required on all Manufactured Home appraisals. Additions or alterations must be addressed in the foundation certification. If not addressed, must obtain: <ul style="list-style-type: none"> an inspection by the state administrative agency that inspects manufactured housing for compliance or a certification of the structural integrity from a licensed structural engineer if the state does not employ inspectors. <p>The following are ineligible:</p> <ul style="list-style-type: none"> If the site or manufactured home is substantially non-conforming with the neighborhood Creating comparable sales by combining vacant land sales with the contract purchase price of the home. This may only be used as additional supporting documentation only.
Home Foundation Inspection Report	<ul style="list-style-type: none"> A foundation certification by a licensed professional engineer to validate the foundation meets all FHA/HUD codes. This inspection report must be in the file at time of underwrite.
Flood Zone	<ul style="list-style-type: none"> Flood Zone requirements: The finished grade level beneath the manufactured home or, if a basement is used, the grade beneath the basement floor must be at or above the 100-year return frequency flood elevation. If any portion of the dwelling, related structures or equipment essential to the property value and subject to flood damage for both new and existing manufactured homes are located within an SFHA, the property is not eligible for FHA mortgage insurance unless the following is obtained: <ul style="list-style-type: none"> A FEMA issued LOMA or LOMR that removes the property from the flood zone; or A FEMA National Flood Insurance Program (NFIP) Elevation Certificate (FEMA Form 086-0-33) 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, and insurance under the NFIP is obtained. <ul style="list-style-type: none"> When utilizing an elevation certificate, flood insurance is required, and the Appraiser must indicate the property is in a flood hazard area on the appraisal report. Refer to Flood Insurance Section below for requirements.
Private Transfer Fee	<ul style="list-style-type: none"> <u>Loans with private transfer fee covenant are ineligible.</u>

Property Requirements	<p>Must be a one-unit dwelling and</p> <ul style="list-style-type: none">• Meet all FHA manufactured home requirements.• Singlewide: must have a minimum square footage of 400 feet.• Multiple width: must have a minimum square footage of 700 square feet.• Must have been directly transported from the manufacturer or the dealership to the site.• Must not have been installed or occupied previously at any other location or site.• The land where the manufactured home rests must be owned by the borrower in fee simple.• Have the HUD Certificate Label affixed or have obtained a letter of label verification on behalf of HUD, evidencing the house was constructed on or after June 15, 1976, in compliance with the Federal Manufactured Home Construction and Safety Standards<ul style="list-style-type: none">◦ If the appraisal indicates the HUD Certification Label is missing from the unit, must obtain label verification from the Institute for Building Technology and Safety (IBTS).• Be classified as real estate (but need not be taxed as real property).• Be built and remain on a permanent chassis. Tow hitch, wheels, axles must be removed.• Must be located on publicly maintained road, be attached to a permanent foundation system and permanently connected to septic or sewage system, in addition to being permanently connected to all required utilities (water, electric, gas, etc.)• The manufactured home must assume the same characteristics of site-built housing. Including sufficient square footage/room dimensions to be acceptable to purchasers in the subject market area.• The perimeter enclosure must be properly enclosed by a continuous wall adequately secured to the perimeter of the unit. If the perimeter enclosure is non-load-bearing skirting comprised of lightweight material, the entire surface area of the skirting must be permanently attached to backing made of concrete, masonry, treated wood or a product with similar strength and durability.• Additions or alterations must be addressed in the foundation certification. If not addressed, must obtain:<ul style="list-style-type: none">◦ an inspection by the state administrative agency that inspects manufactured housing for compliance or◦ a certification of the structural integrity from a licensed structural engineer if the state does not employ inspectors. <p>Ineligible</p> <ul style="list-style-type: none">• Condo manufactured housing• Co-op manufactured housing• HUD Repo’s• Leasehold Property• 2-4 Units• Mobile homes• Working Farms and Ranches• Manufactured Home NOT affixed to the land or not real property• Located in a mobile home park or other area where the borrower does not own the land• Manufactured Home that has been moved from original installation (re-sitting)• Properties with wells, cisterns, spring fed water systems, or hauled water, etc.• <u>Mixed-use properties</u>• <u>Properties used for marijuana related activities.</u>• <u>Properties with water purification systems that require an account to be held for ongoing maintenance and managing contracts.</u>• <u>Manufactured homes that include an accessory unit.</u>
CLOSING	
Closing Requirements	<ul style="list-style-type: none">• Evidence of surrender of certificate of title or that no certificate was issued. Refer to individual state requirements.• Confirm the property is legally classified as real property, on a permanent foundation, and owner owns both land and manufactured home• ALTA Endorsement 7, 7.1, or 7.2 or any other endorsement required for manufactured homes to be treated as real property• Deed of Trust (or other security instrument) must include a comprehensive description of the manufactured home and the land in the property description section or on a separate attached rider. The description must include the serial or VIN number for each unit or section, make, model, size, and any other information required by applicable law to definitively identify the manufactured home.• Affidavit of Affixture – Borrower and Lender must sign and notarize acknowledging their mutual intent that the manufactured home be a permanent part of the real property securing the mortgage. Affidavit must be recorded simultaneously with security instrument.
Flood Insurance	<p>Special Flood Hazard Areas</p> <ul style="list-style-type: none">• Flood insurance under the National Flood Insurance Program (NFIP) is required when any portion of the home site or residential improvement is located in an SFHA identified by FEMA using the Life of the Loan Flood Certification and must be maintained for the life of the insured loan.• A property is not eligible if a home site on which a manufactured home is placed is located within SFHA Zone A, a Special Flood Hazard Area, or Zone V, a Coastal High Hazard Area, and insurance under the NFIP is not available in the community; or the home site is, or is proposed to be, located within a CBRS.