



MANUFACTURED HOUSING

**Single Family Housing Guaranteed
Loan Program**

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Training Objectives

- Where is the topic located?
 - * 7 CFR Part 3555 and HB-1-3555
- Learning Checks
- Resources

2



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Things change!

- Every effort has been made to ensure training references are accurate at the time of publication.
- Always reference the most recent USDA publications available online.

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Guaranteed Loan Program Regulation

7 CFR Part 3555

- The regulation is the rule!
- 8 Subparts: A – H
- Appendix 1

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7 CFR Part 3555

<http://www.rd.usda.gov/publications/regulations-guidelines>

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Rural Development

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- Spanish Forms, Form Letters and Guide Letters
- Handbooks**
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- Unnumbered Letters
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Handbooks

- HB-1-3550 Direct Single Family Housing Loans and Grants - Field Office Handbook
- HB-2-3550 Direct Single Family Housing Loans and Grants - Centralized Servicing Center Handbook
- HB-4-3555 SFH Guaranteed Loan Program Technical Handbook**
- HB-1-3560 MFH Loan Origination Handbook
- HB-2-3560 MFH Asset Management Handbook
- HB-3-3560 MFH Project Servicing Handbook
- HB-1-3565 Guaranteed Rural Rental Housing Program Origination and Servicing Handbook
- Application Information Systems Support Handbook
- HB-1-3550 Direct Single Family Housing Loans and Grants - Field Office Handbook

HB-4-3555 SFH Guaranteed Loan Program Technical Handbook

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- Chapter 12 - Property and Appraisal Requirements
- Chapter 13 - Special Property Types
- Chapter 14 - Funding Priorities
- Chapter 15 - Submitting the Application Package
- Chapter 16 - Closing the Loan and Requesting the Guarantee
- Chapter 17 - Regular Servicing-Performing Loans
- Chapter 18 - Servicing Non-Performing Loans - Accounts with Repayment Problems
- Chapter 19 - Custodial and Real Estate Owned Property
- Chapter 20 - Loss Claims - Collecting on the Guarantee

Acronyms

Glossary

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7 CFR Part 3555

Subpart E: Underwriting the Property

- .201: Site requirements
- .202: Dwelling requirements
- .203: Ownership requirements
- .204: Security requirements
- .205: Special requirements for condominiums
- .206: Special requirements for community land trusts
- .207: Special requirements for Planned Unit Developments (PUD's)
- **.208: Special requirements for manufactured homes**
- .209: Rural Energy Plus loans

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7 CFR Part 3555

3555.208 Special requirements for manufactured homes.

- (a) Eligible costs.
- (b) Loan restrictions.
- (c) Construction and development.
- (d) Warranty requirements.
- (e) HUD requirements.
- (f) Title and lien requirements

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Guaranteed Loan Program Technical Handbook HB-1-3555

- Provides guidance to support the regulation
- HB is not the rule
- 20 Chapters

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HB-1-3555

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HB-1-3555

SECTION 2: MANUFACTURED HOMES

- 13.5 DEFINITION
- 13.6 AUTHORIZED LOAN PURPOSES
- 13.7 LOAN RESTRICTIONS
- 13.8 ADDITIONAL LOAN PROCESSING PROCEDURES FOR PROPOSED CONSTRUCTION INVOLVING A NEW MANUFACTURED HOME
- 13.9 ADDITIONAL LONA PROCESSING PROCESURES FOR EXISTING PROPERTIES INVOLVING A MANUFACTURED HOME
- 13.10 CONSTRUCTION AND SITE REQUIREMENTS
- 13.11 LOAN CLOSING FOR MANUFACTURED HOUSING
 - A. Warranty Requirement s
 - B. Certification Requirements
 - C. Lien Release Requirements
 - D. Real Estate Tax Requirements
 - E. Title and Lien Requirements
 - F. Eligibility of Manufactured Homes in SFHAs

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TIPS

- Underwriter = USDA Approved Lender
- USDA = not an underwriter
- Research Rule & HB questions: Table of Contents
- Research Rule & HB questions: Control + F

7 CFR Part 3555

supplemental social security income and Social Security benefits received in a lump sum.

(vii) Any earned income tax credit.

(viii) Adoption assistance in excess of any amount determined pursuant to HUD's definition of annual income at 24 CFR 5.609(c);

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7 CFR PART 3555 / HB-1-3555 LEARNING CHECKS

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Question Slide

“Topic”

- Question will be bulleted with scenario, or
- Include a statement/question

TRUE/FALSE or other answer options will be displayed

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ANSWER SLIDE

“Topic”
ANSWER: 7 CFR Part 3555 and HB-1-3555 references provided

X. Correct Response

- Additional guidance for clarification may be provided

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LET'S GET STARTED.

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Manufactured housing

The purchase of a site to place a new manufactured housing unit on a permanent foundation is an eligible loan purpose.

A. TRUE B. FALSE

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Manufactured housing

ANSWER: 3555.208(a)(1), HB 13.6

A. TRUE

- The site and unit must both be part of the collateral
- Loans without a site are ineligible: 3555.203(b)(1)
- Appraised value must support inclusion of debt

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Manufactured housing

A manufactured housing unit will include all household furnishings such as sofa, recliners, bedroom suites, etc. These are eligible loan purposes.

A. TRUE B. FALSE

19



Manufactured housing

ANSWER: 3555.208(b)(2), HB 13.7

B. FALSE

- Moveable furniture and other articles are ineligible
- Appliances, carpeting, and heating/AC units are eligible

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Manufactured housing

Manufactured housing units must have a minimum of _____ square footage to be eligible for guarantee.

A. 400 B. 900

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Manufactured housing

ANSWER: 3555.208(c)(1), HB 13.6

A. 400

- Units must have a minimum of 400 square feet of living area
- The unit may be single or double wide

22



Manufactured housing

Permanent foundations for manufactured housing units must meet _____.

- A. Federal Manufactured Home Construction and Safety Standards (FMHCSS)
- B. International Residential Code

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Manufactured housing

ANSWER: 3555.208(c)(4), HB 13.6

- A. FMHCSS

Additional unit considerations include:

- Meet HUD heating and cooling requirements for the State
- Any alterations (garage, etc.) must meet FMHCSS
- All wheels, axles, towing hitches, and running gear must be removed
- Unit must meet or exceed the International Energy Conservation Code in effect at time of construction

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Manufactured housing

The manufactured housing warranty must identify the unit by _____.

A. Model # B. Serial #

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Manufactured housing

ANSWER: 3555.208(d)(2), HB 13.6

B. Serial #

Lender must obtain from the dealer:

- Certification the unit sustained no damage
- All sections (if applicable) were sealed per manufacturers requirements
- Evidence the data plate is on the unit

Lender must retain all warranties in permanent loan file

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Attachment 13-A
Page 1 of 1

Manufactured housing

Attachment 13-A

Optional form

ATTACHMENT 13-A
Dealer Certification – New Manufactured Home

Name(s) of Purchaser/Owner	Manufactured Home Dealer Name, Address and Telephone
Property Address	
Manufacturer, model, data plates of unit purchased	

The undersigned hereby certifies that any cash payment or rebate as a result of the purchase of the manufacture unit identified has been deducted from the price of the unit and was not paid to the identified purchaser/applicant.

The proposed cost of the identified unit represents the full price of the unit, excluding any purchase with personal funds by the purchaser for furniture.

If furniture was purchased in conjunction with this transaction, we certify a lien will not be filed against the security property.

Thermal requirements in effect at the time of purchase have been met.

Signature	
Title	Date

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Attachment 13-B
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Manufactured housing

Attachment 13-B

Optional form

ATTACHMENT 13-B
Certification of Builder/Contractor

Name(s) of Purchaser/Owner	Builder/Contractor's Name, Address and Telephone
Property Address	
Manufacturer, model, data plates of unit purchased	

The undersigned hereby warrants:

- The manufactured unit identified has been erected on the subject identified property.
- The property development complies with construction plans.
- The unit, if manufactured in separate sections were properly joined and sealed according to the manufacturer's specifications.
- The manufactured home sustained no hidden damage during transportation and erection.

Signature:	
Title:	Date:

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Manufactured housing

Existing manufactured homes currently financed with FHA are eligible to be purchased with a guaranteed loan.

A. TRUE B. FALSE

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Manufactured housing

ANSWER: 3555.208(b)(3), HB 13.7

B. FALSE

Existing manufactured homes are only eligible if:

- Unit and site are already financed with a USDA loan
- Unit and site are sold from USDA or guaranteed lender REO, and
- Unit must be installed on an eligible permanent foundation

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Manufactured housing

A manufactured home is considered “new” when the _____ is dated within 12 months of the unit’s manufacture date.

A. Installation date B. Purchase agreement

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Manufactured housing

ANSWER: 3555.208(b)(3), HB 13.9

B. Purchase agreement

- Purchase agreements must be dated within 12 months of manufacture date of unit
- This indicates a “new” unit
- Units may not be moved from another site except the dealer lot

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Manufactured housing

A manufactured home may be taxed as personal property.

A. TRUE B. FALSE

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Manufactured housing

ANSWER: 3555.208(f), HB 13.11 D

B. FALSE

Unit must be:

- Taxed as real estate
- Properly recorded with unit and site
- Covered by standard real property title insurance and include all applicable endorsements

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WAY TO GO!

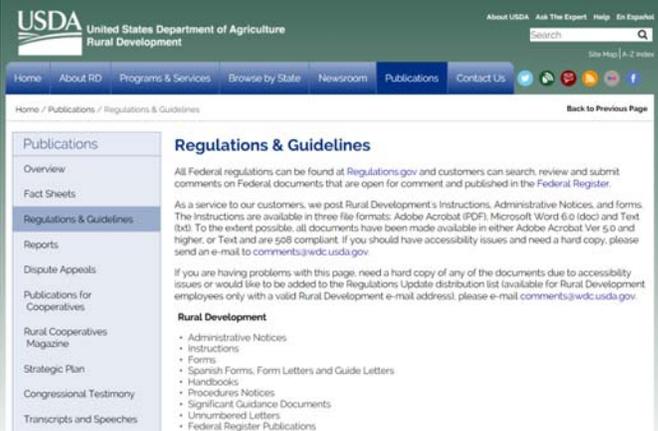
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Thank you for supporting the USDA Single Family Housing Guaranteed Loan Program!



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