Manufactured Homes

Single Family Housing Guaranteed Loan Program (SFHGLP)

November 2020
EXPANDING Affordable HOMEOWNERSHIP
Units Must:

- Have a site that conforms to state and local standards.
- Be a new unit in stock that has never been installed or occupied at any other site or location.
- Have a floor area of not less than 400 square feet.
- Be placed on a permanent foundation.
- Meet or exceed the FMHCSS standards for the geographic area the unit will be placed.
Manufactured Homes: Loan Restrictions

7 CRF Part 3555.208, HB-1-3555 Chapter 13.7

The Agency Will Not Guarantee:

- The purchase of a unit without an eligible site.
- Repairs not associated with a unit already financed by USDA.
- Furniture or any other movable articles of personal property.
  - Wall to wall carpeting, refrigerators, ovens, washing machines, etc. are allowed.
- Additions or modifications other than structures built to engineered designs.
The Agency Will Not Guarantee:

- The purchase of a unit moved from a site other than a dealer’s lot.
- Units older than 12 months from date of purchase agreement.
- A unit with a tow hitch or running gear remaining.
Lender’s Permanent File Must Contain:

- An itemized cost breakdown of the total package.
- Dealer certification that no cash back will be paid directly to the applicant.
- Dealer certification that proposed cost is the full price of the unit.
Lender’s Permanent File Must Contain:

- Foundation plan that meets HUD Handbook 4960.3 guidelines.
- Plot and site development plans.
- Inspections required per HB-1-3555, Chapter 12.
- Contractor certification that units were properly joined and sealed and sustained no damage during transportation and set up.
Additional Closing Requirements:

- **Warranty**: Dealer must provide the borrower with a copy of all manufacturer warranties.

- **Certifications**: Attachments 13-A and 13-B may be used to document manufactured dealer and contractor certifications.

- **Real Estate Tax**: Unit and site must be classified, zoned, and taxed as real estate.

- **Title and Lien**: Both the unit and the site must be evidenced by a recorded mortgage or deed of trust.
Manufactured Homes: Pilot Program

Unit must...

- Have been constructed on or after January 1, 2006.
- Meet all other criteria set forth in 7 CFR Part 3555 and HB-1-3555.
- Have no alterations or modifications 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 are acceptable.

States included in the pilot are: CO, IA, LA, MI, MT, NV, NH, NY, ND, OH, OR, PA, SD, TN, TX, UT, VT, VA, WA, WV, WI, and WY.
(MS will be added soon!)

Unnumbered Letter: [https://www.rd.usda.gov/sites/default/files/RDUL-Sec502-Pilot_0.pdf](https://www.rd.usda.gov/sites/default/files/RDUL-Sec502-Pilot_0.pdf)
LEARNING CHECKS

7 CFR Part 3555 / HB-1-3555
The purchase of a site to place a new manufactured housing unit with a permanent foundation is an eligible loan purpose.

A. TRUE      B. FALSE
3555.208(a)(2) and HB 13.6

A. TRUE

- The site and unit must both be part of the collateral.
- Loans without a site are ineligible.
A manufactured housing unit purchase will also include household furnishings such as sofas and bedroom suites.

This is an eligible loan purpose.

A. TRUE  B. FALSE
3555.208(b)(2), HB 13.7

B. FALSE

• Moveable furniture and other similar articles are ineligible.
• Appliances, carpeting, and heating and air units are eligible.
Manufactured housing units must have a minimum of _________ square feet to be eligible for a guarantee.

A. 750  
B. 500  
C. 400  
D. 1000
3555.208(c)(1) and HB 13.6

C. 400 square feet

• Units must have a minimum of 400 square feet of living area.
• The unit may be single or double wide.
Permanent foundations for manufactured housing units must meet___________.

A. Federal Manufactured Home Construction and Safety Standards (FMHCSS)
B. International Residential Code
3555.208(c)(4) and HB 13.6

A. FMHCSS

Additional unit considerations include:

• Meet HUD heating and cooling requirements for the state.
• Any alterations, such as garages, must also meet FMHCSS.
• All wheels, axles, towing hitches, and running gear must be removed.
A manufactured home is considered new when the purchase agreement is dated within ________ months of the unit’s manufacture date.

A. 36  
B. 24  
C. 12  
D. 18
C. 12 months

- Purchase agreements must be dated within 12 months of the manufacture date of the unit.
- Units may not be moved from a site other than the dealer’s lot.
Way to Go!
LEARNING CHECK COMPLETED!
Lender Toolkit
PART 3555—GUARANTEED RURAL HOUSING PROGRAM

Contents

Subpart D—Underwriting the Applicant

§3555.151 Eligibility requirements.
§3555.152 Calculation of income and assets.
§3555.153-3555.199 [Reserved]
§3555.200 OMB control number.

HB-1-3555 SFH GUARANTEED LOAN PROGRAM TECHNICAL HANDBOOK

A consolidated version of the handbook is available. HB-1-3555 is a large document and may take sometime to load.

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Have a question on POLICY?
Contact the PAC team!

Need TRAINING?
Contact the LPA team!

Have a question on a SPECIFIC FILE?
Contact the OPD!
Lender Webpage

Monitor posted turn times daily

Don't forget to sign up for GovDelivery updates

COVID-19

An Important notice for servicers with loans insured or guaranteed by the Rural Housing Service CARES Act.

Forbearance Fact Sheet for Mortgaged Servicers

Loan Status

We are currently reviewing new loan applications and conditions received on or before 06/15/2020

Subscribe to Notifications

Critical program information such as policy updates, funding states, and automation changes are sent by email through GovDelivery. Sign up to receive Critical Updates.

Overview

On February 16, 2020 we integrated the Guaranteed Loan Program into a single integrated national team! For more information, please reference our Integration Information sheet.

USDA Rural Development’s Guaranteed Loan Program assists approved lenders in providing up to 100% financing for eligible borrowers (households that do not exceed 115% of the Median Household Income) purchasing homes in eligible rural areas. Automated underwriting assistance through GUS (Guaranteed Underwriting System) allows for expanded ratios and flexible credit.

We now have Single Loan Construction-to-Permanent Financial & single-close loan combines the features of a...
Thank you.
USDA Rural Development
U.S. DEPARTMENT OF AGRICULTURE

www.rd.usda.gov
1 (800) 800-670-6553
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