NEXA Lending

REALTOR GUIDE · REVIEWED NOV 2026

Manufactured & Modular Home Financing Guide

Mobile, manufactured or modular? How to tell them apart, why it changes the loan, what to check before you list or write an offer on a resale, and how FHA, VA, USDA, Fannie Mae and Freddie Mac compare, including the 2025–2026 rule changes. **New:** putting a new home on the buyer's land, with how the lender pays the dealer and typical site costs.

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WHAT MATTERS MOST

1. **"Mobile," "manufactured" and "modular" are three different things to a lender.** A **mobile home** was built before June 15, 1976 and can't get an agency mortgage. A **manufactured home** is built to the federal HUD code on a permanent chassis. A **modular home** is built to the state or local building code and is financed like a site-built house.
2. **The red HUD tags and the HUD data plate prove it's a HUD-code home.** Every section gets a metal HUD Certification Label outside, and there's a paper data plate inside. If they're missing, the lender can order a label verification letter from IBTS.
3. **Agency mortgages need real property.** FHA Title II, VA, USDA, Fannie Mae and Freddie Mac all require the home to be permanently affixed and legally treated as real estate with the land. A home still titled like a vehicle, or sitting on a rented lot in a park, usually needs a chattel loan or FHA Title I instead.
4. **The foundation and the move history make or break the deal.** FHA wants an engineer's certification that the foundation meets HUD's Permanent Foundations Guide. FHA, Fannie Mae and USDA reject homes moved from another site. Since Sept 2, 2026, Freddie Mac accepts a moved home after an engineer's inspection.
5. **2025–2026 opened doors.** USDA now guarantees loans on existing manufactured homes up to 20 years old (implemented May 2025). Freddie Mac cut its minimum size to 400 sq ft (Feb 2026). Fannie Mae allows 2–4 unit and multi-story manufactured homes under UAD 3.6. Freddie Mac accepts moved homes (Sept 2026). The MH Advantage and CHOICEHome standards were aligned (June 4, 2026).
6. **Buying a new home for their own land? One closing can pay for everything.** FHA, VA, USDA and Fannie Mae offer single-close (one-time close) construction-to-permanent loans that can include manufactured homes; Freddie Mac's manufactured-home rules also cover construction-to-permanent loans. The loan closes before the home is ordered or delivered, and the lender pays the dealer, factory and site contractors out of a controlled draw account. See section 5.

1 Mobile vs. manufactured vs. modular: the physical differences

These terms get mixed up in listings all the time. Lenders go by the building code and the labels on the home, not by what the MLS says.

Mobile home (pre-HUD code) — NOT ELIGIBLE

BUILT TO

No federal code. Built **before June 15, 1976**, when the HUD code took effect.

HOW TO SPOT IT

No HUD certification label. Often a single-wide on a steel frame; the year on the title or serial number is before 1976.

FINANCING

Not eligible for FHA, VA, USDA, Fannie Mae or Freddie Mac mortgages. Cash, a personal or chattel loan, or a land-value-only deal.

Manufactured home (HUD code) — HUD CODE

BUILT TO

Federal Manufactured Home Construction and Safety Standards (24 CFR 3280). Built on a **permanent steel chassis** and towed to the site in one or more sections.

HOW TO SPOT IT

Red/aluminum **HUD Certification Label** (2×4 in.) outside on each section, plus a paper **HUD Data Plate** inside (often in a kitchen cabinet, a bedroom closet or near the electrical panel).

FINANCING

Agency-eligible only when it's real property on a permanent foundation and meets each agency's rules (age, size, foundation, never moved). Otherwise chattel or FHA Title I.

Enhanced manufactured: MH Advantage® / CHOICEHome® / CrossMod™

BEST MH PRICING

BUILT TO

Still HUD code, built to the GSEs' aligned specs: roof pitch, eaves, energy efficiency, finishes, masonry or poured perimeter foundation, covered porch.

HOW TO SPOT IT

An **MH Advantage sticker** or **CHOICEHome label** next to the HUD data plate. "CrossMod" is an industry name, not an agency program, so it only gets these benefits if it carries one of those labels.

FINANCING

Fannie Mae: up to 97% LTV (1 unit), standard mortgage insurance, lower price adjustments. Appraisers compare it to other MH Advantage or CHOICEHome sales, or site-built homes when needed.

Modular home (state/local code)

LIKE SITE-BUILT

BUILT TO

Built in a factory to the **state or local building code** (typically the International Residential Code), then set on a site-built foundation by a contractor.

HOW TO SPOT IT

No HUD label. Usually a state modular label or certificate (often inside a cabinet or the electrical panel). Typically no permanent chassis, though some "on-frame" modulars have one.

FINANCING

Financed like a site-built house by Fannie Mae, Freddie Mac, FHA and VA. No minimum width; comparable sales can include site-built homes.

Physical difference	Mobile home (pre-1976)	Manufactured (HUD code)	Modular
Building code	None (before 6/15/1976)	Federal HUD code, 24 CFR 3280 (preempts local building codes)	State or local building code (typically IRC), same as site-built
Chassis	Steel frame	Permanent steel chassis that stays with the home	Usually none; set by crane on a foundation (on-frame modulars exist)
Tags and labels	No HUD label	Red HUD Certification Label on each section + HUD Data Plate inside	State modular label or certificate; no HUD label
How it gets there	Towed on its own wheels and axles	Towed in sections on its own running gear; wheels, axles and hitch removed when set	Trucked on flatbeds; sections craned onto the foundation
Foundation	Piers, blocks or runners; often tied down only	Piers and tie-downs, runners, slab, crawlspace or basement. Lenders want a permanent foundation (HUD PFGMH)	Site-built perimeter foundation, crawlspace, basement or slab per local code
Title	Vehicle-style certificate of title	Starts with a vehicle-style title (or statement of origin). Must be retired/surrendered or affixed per state law to become real property	Real property from the start, like a site-built house
Appraisal	Usually personal-property valuation	Form 1004C. At least 2 manufactured comparable sales (same width for single-wides)	Same form and comparable sales as site-built
Typical financing	Cash, personal or chattel loan	FHA, VA, USDA, Fannie Mae, Freddie Mac if real property; otherwise chattel or FHA Title I	Any program that finances site-built homes

Which home is it? 4-question identifier

Walk the property (or ask the seller) and answer. You'll get the home type and what it means for financing.

1. **HUD label or HUD data plate present?** Yes: it's a **HUD-code manufactured home** (go to step 2). No: go to step 3.
2. **MH Advantage sticker or CHOICEHome label by the data plate?** Yes: **enhanced manufactured home** (best conventional terms). No: **standard manufactured home**; agency loans need real property, a permanent foundation and agency age, size and move rules.
3. **State modular label, or plans and permits showing the state or local building code?** Yes: **modular**, financed like site-built. No: go to step 4.
4. **Built before June 15, 1976?** Yes: **pre-HUD mobile home**, not eligible for agency mortgages. Not sure: order an **IBTS label verification letter** using the serial number, or call James.

The identifier is a screening tool, not a lender determination. The appraiser and lender confirm the home type from the labels, data plate, title and county records.

2 How the differences affect financing

A modular home is financed like any site-built house. A manufactured home qualifies for a regular mortgage only when it is real property and meets the rules below.

Real property vs. personal property

Every agency mortgage must be secured by the home **and** the land as one real estate parcel. The vehicle title must be purged, surrendered or cancelled per state law (or the home must be exempt from titling), often with a recorded **affidavit of affixation**. **Taxes differ:** USDA requires the home to be taxed as real estate. FHA says it doesn't have to be. Fannie Mae requires legal real-property classification only. Freddie Mac says real-estate taxation isn't proof of conversion and allows personal-property taxation where state law requires it. Some lenders require real-estate taxation on every program.

Permanent foundation

FHA requires a foundation that meets HUD's **Permanent Foundations Guide for Manufactured Housing (PFGMH)**, certified by a licensed engineer or architect. A prior FHA certification can be reused if nothing has changed. Standard Fannie Mae and Freddie Mac loans need a permanent foundation built to the manufacturer's instructions and HUD and local codes, but **no PFGMH engineer letter**. MH Advantage and CHOICEHome need an engineered, certified PFGMH foundation with a masonry or poured concrete perimeter. Many lenders want an engineer's certification on VA and USDA loans too.

Age and the HUD code

All five agencies require HUD-code homes, which means built on or after **June 15, 1976**. USDA adds age caps: a new home must be manufactured within 12 months of closing, and an existing home within **20 years** of closing. Fannie Mae, Freddie Mac, FHA and VA publish no maximum age, but condition and comparable sales still matter.

Moved homes

FHA, Fannie Mae and USDA require that the home went straight from the factory or dealer to this site and was never installed anywhere else. Since Sept 2, 2026, Freddie Mac accepts a moved home if a licensed engineer (or the state) inspects it and the new site isn't in a tougher wind, roof-load or thermal zone; the loan can't pay moving or setup costs. VA's text is silent and lenders differ Verify. Many lenders still refuse moved homes on any program.

Land: owned vs. leased

Most agency loans need the buyer to own the land. Exceptions: FHA allows a leasehold (99-year renewable lease, or a lease running 10+ years past the loan). Fannie Mae allows leased land only in a PERS-approved condo or PUD. Freddie Mac allows multi-wide homes in ground-lease condo or PUD communities. USDA needs a leasehold with 45+ years left (shorter in nonprofit land-lease communities). In a typical rented-lot park, the home is personal property: chattel or FHA Title I.

Size and width

FHA and USDA: at least 400 sq ft. VA: 400 sq ft for a single-wide, 700 sq ft for a double-wide. Fannie Mae and Freddie Mac: at least 12 ft wide and 400 sq ft above grade. Freddie Mac lowered its minimum from 600 sq ft in Feb 2026. Single-wides face extra limits on conventional loans (primary residence only, no cash-out), and some lenders require a double-wide on every program.

Appraisal and comparable sales

Manufactured homes are appraised on Form 1004C, or on the redesigned URAR under UAD 3.6 (required for new conventional appraisals since Nov 2, 2026). Fannie Mae, Freddie Mac and FHA want at least two manufactured-home comparable sales, and a single-wide needs a single-wide comparable when available. A site-built home can be the third comparable sale. Appraisers can't build a comparable by adding a vacant lot sale to a home's price.

Modular = site-built

Modular homes are not "manufactured housing" to any agency. Fannie Mae and FHA tell appraisers to treat them like stick-built homes, and VA lets comparables include modular, site-built or manufactured homes. If a modular was delivered with transport hardware or has a vehicle title, the lender still needs the hardware removed and the title converted to real property.

3 Resale checklist: check these before you list or write the offer

Tick items off as you confirm them. Your progress saves in this browser. Most manufactured-home deals that fall apart do so over title, foundation, tags or a past move. All four can be found on day one.

Ownership, title and land

- [ ] **Real property or personal property?**
  Check the county records and the tax bill. Is the home part of the real estate, or is there still a vehicle-style title?

The home: tags, age and history

- [ ] **Title retired, surrendered or affidavit of affixation recorded**
  Get the DMV or state title status, the recorded affidavit of affixation or title-elimination form, and the deed. If a vehicle title is still active, plan time to retire it before closing.
- [ ] **Land owned vs. leased (park or community)**
  If the land is leased, get the full lease: term, renewals, rent increases, assignment rules and park rules. Owned land opens up every agency program.
- [ ] **Lot rent and land-lease terms (if leased)**
  FHA: renewable 99-year lease or 10+ years past the loan term. USDA: 45+ years left. Title I: lease of at least 3 years with 180-day notice of closure. Fannie Mae: only in a PERS-approved condo or PUD. Freddie Mac: multi-wide in a ground-lease condo or PUD.
- [ ] **Property tax status**
  Is it taxed as real estate or personal property? USDA (and some lenders) require real-estate taxation; FHA doesn't. Freddie Mac allows personal-property taxation if state law requires it.
- [ ] **HUD Data Plate inside the home**
  Usually in a kitchen cabinet, bedroom closet or near the electrical panel. Photograph it: manufacturer, serial number, date of manufacture, and the wind, roof-load and thermal zones.
- [ ] **Red HUD Certification Label on every section**
  A 2×4 in. aluminum plate at the tail-light end of each section, about a foot up and a foot in from the road side. Note every label number.
- [ ] **Missing tags? Order an IBTS label verification letter**
  IBTS issues a HUD Label Verification Letter (or a duplicate data plate) using the manufacturer and serial number. Order it at listing, not during escrow.
- [ ] **Built on or after June 15, 1976**
  Pre-HUD-code "mobile homes" can't get an agency mortgage. For USDA, an existing home must be no more than 20 years old at closing. Fannie Mae 2–4 unit or multi-story MH must be built on or after Sept 16, 2024.
- [ ] **Single-wide or multi-wide, width and square footage**
  400 sq ft minimum (FHA, USDA, Fannie Mae, Freddie Mac); VA needs 700 sq ft for a double-wide. Conventional loans need at least 12 ft of width.
- [ ] **Ever moved from another site?**
  Ask the seller and check the permit history. FHA, Fannie Mae and USDA reject a home moved after its first installation; Freddie Mac (since Sept 2026) needs an engineer's inspection. Many lenders reject moved homes outright.
- [ ] **Additions, alterations or structural changes**
  Garages, roofs over the home, room additions and removed walls. Lenders need a state inspection or a structural engineer's sign-off.
- [ ] **MH Advantage sticker or CHOICEHome label**
  Look next to the data plate. If it has one, the home may qualify for better conventional terms and better comparable sales.

Foundation and site

- [ ] **Foundation type**
  Pier and anchor/tie-down, runners, slab, crawlspace with a perimeter wall, or basement. Photograph under the home.
- [ ] **Engineer's foundation certification (HUD PFGMH)**
  Required for FHA and MH Advantage/CHOICEHome; many lenders also want it for VA and USDA. Ask the seller for an existing certification (FHA can reuse a prior FHA one if nothing has changed). Otherwise budget for a licensed engineer's inspection.
- [ ] **Wheels, axles and towing hitch removed**
  Required by FHA, VA, USDA, Fannie Mae and Freddie Mac. A tongue left in place is an easy, cheap fix to do before photos.
- [ ] **Skirting or perimeter enclosure**
  Continuous, vented and permanently attached. FHA: lightweight skirting on an existing home must be attached to concrete, masonry or treated-wood backing.

Market, condition and buyer fit

- [ ] **Comparable manufactured-home sales**
  Find at least two closed manufactured-home sales (single-wide comparables for a single-wide). Thin comparable data is the most common appraisal problem.
- [ ] **Condition: roof, floors, plumbing, marriage line**
  Soft floors, roof leaks, separated marriage lines (where sections join) and water heater issues come up often at inspection and appraisal.
- [ ] **Zoning and HOA or park rules**
  Confirm the zoning allows a manufactured home and check any age, rental or replacement restrictions.
- [ ] **Chattel or Title I backup for the buyer**
  If the home can't be real property (rented lot, active title), line up a chattel lender or FHA Title I before you price and market it.

- [ ] **Utilities permanently connected**
  Water, sewer or septic, and power must be permanently connected; check well and septic permits.
- [ ] **Flood zone and elevation**
  FHA: the grade under the home must be at or above the 100-year flood elevation. Otherwise you need a LOMA, LOMR or elevation certificate. Order the flood certificate early.

Green flags

- ✔ Home and land titled together as real estate; title retired
- ✔ HUD data plate and every HUD label present
- ✔ Built within the last 20 years (inside USDA's age limit too)
- ✔ Engineer's PFGMH foundation certification on file
- ✔ Multi-wide on owned land, never moved
- ✔ MH Advantage or CHOICEHome label

Red flags

- ✕ Built before June 15, 1976 (pre-HUD "mobile home")
- ✕ Vehicle title still active, or home on a rented lot in a park
- ✕ Moved from another site after its first installation
- ✕ Wheels, axles or tongue still attached; no skirting
- ✕ Unpermitted additions or structural changes
- ✕ In a flood zone with no elevation certificate

Common resale problems and how to fix them

"It's a modular" (but it isn't)

Sellers and listings often call a HUD-code home "modular." The appraiser will find the HUD label, and the loan, comparable sales and program change mid-escrow.

Fix: Find the HUD label and data plate (or the state modular label) before you list. Describe the home accurately in the MLS.

Title never retired

The vehicle title is still active, or the affidavit of affixation was never recorded, so the home is still personal property.

Fix: Order a title search plus the state DMV or titling-agency record at listing. Budget 2–6 weeks to retire the title, depending on the state Verify.

No foundation certification

FHA (and many lenders for VA and USDA) need an engineer's PFGMH certification. Piers and tie-downs alone may not pass, and repairs take time.

Fix: Order the engineer's inspection before you list. If upgrades are needed, price them in or complete them first.

Missing HUD tags or data plate

Labels get painted over, removed with siding work or lost in remodels. USDA requires both; Fannie Mae and Freddie Mac need one of them (or an alternative).

Fix: Order an IBTS label verification letter or duplicate data plate early; it isn't instant.

Additions and porches

Room additions, roofs over the home and enclosed porches need a state inspection or a structural engineer's report. USDA allows only engineered or inspected porches and decks on existing homes.

Fix: Collect permits and finals. If there's no paperwork, get the structural engineer's letter before going live.

Thin comparables

Too few recent manufactured-home sales (or single-wide sales) in the area can sink the appraisal or force a low value.

Fix: Give the appraiser recent manufactured-home sales, including older sales or ones from competing neighborhoods. Price with manufactured-home comparables, not site-built ones.

4 Financing differences: FHA, VA, USDA vs. Fannie Mae and Freddie Mac

Manufactured-home (HUD code) rules as of November 16, 2026. Modular homes follow each agency's regular site-built rules. Lender overlays may apply. Verify means the agency doesn't publish a specific rule, or we couldn't confirm it from an official source; James confirms these for each file. Where agencies disagree (moved homes, property-tax status, second-home LTV, foundation certification), each column shows that agency's own rule.

Rule	FHA (Title II)	VA	USDA Guaranteed	Fannie Mae (std / MH Advantage)	Freddie Mac (MH / CHOICEHome)
Program	FHA Title II (203(b)) forward mortgage. FHA Title I covers homes that stay personal property; see below.	VA-guaranteed loan for a home permanently affixed and classified as real estate Verify.	USDA Single Family Housing Guaranteed Loan (rural areas, income limits). Existing manufactured homes can now go through GUS.	Standard manufactured housing, plus MH Advantage. Desktop Underwriter (DU) required.	Standard manufactured homes, plus CHOICEHome.
Construction and age	HUD code, built on or after 6/15/1976 (HUD label, or an IBTS label verification letter).	Must meet HUD construction standards, so effectively 6/15/1976 or later Verify.	HUD code. **New** units: manufactured within 12 months of closing. **Existing** units: manufactured within **20 years** of closing.	HUD code, built on or after 6/15/1976. No maximum age. 2–4 unit or multi-story MH (UAD 3.6): built on or after Sept 16, 2024.	Built on or after 6/15/1976 to the HUD code. No maximum age.
HUD label and data plate	Appraiser reports the HUD label(s); an IBTS label verification letter substitutes for a missing label. A missing data plate is reported, not required.	Appraiser handles missing labels under VA minimum property requirements Verify.	HUD label **and** data plate; IBTS or IPIA alternatives allowed.	Existing homes: data plate **or** labels; new homes: both. If missing: IBTS letter or duplicate data plate, or the loan is ineligible.	New homes: both. If missing: IBTS Label Verification Letter, IBTS Performance Verification Certificate, or IPIA or manufacturer data plate copy.
Foundation	Permanent foundation per HUD PFGMH, **certified by a licensed engineer or architect** on every loan. A prior FHA certification can be reused if nothing has changed.	Permanent foundation meeting state and local requirements Verify. Lenders typically require a PFGMH engineer certification.	New units: PFGMH and HUD foundation rules. Existing units: permanent foundation with certification.	Standard MH: permanent foundation per the manufacturer, soil conditions and local codes. **No PFGMH engineer letter required.** MH Advantage: engineered, certified PFGMH foundation with a masonry or poured perimeter.	Permanent foundation per HUD codes (installs before 10/20/2008: manufacturer or engineer design). No PFGMH letter for standard MH. CHOICEHome: engineered PFGMH foundation with a masonry perimeter.
Title and real property	Home and land must be real estate at closing; any chattel title purged. **Doesn't have to be taxed as real estate.**	Home and site must be real estate under state law Verify.	Real-estate lien; title surrendered where state law allows (else lien noted on it). **Must be taxed as real estate.**	Home and land legally classified as real property. Title surrendered (or lien noted where the state doesn't allow surrender). Affidavit of Affixture; ALTA 7, 7.1 or 7.2.	Real property with title-surrender procedures and a recorded affidavit; ALTA 7 or 7.1. Real-estate taxation isn't proof of conversion; may be taxed as personal property if state law requires.
Minimum size and width	400 sq ft. No width rule.	400 sq ft single-wide; 700 sq ft double-wide Verify.	400 sq ft.	12 ft wide and 400 sq ft above grade.	12 ft wide and 400 sq ft above grade (was 600 sq ft until Feb 2026).
Units and occupancy	1 unit, primary residence.	Primary residence.	1 unit, primary residence.	Primary residence; second home only if multi-width; no investment. 2–4 units and multi-story only with UAD 3.6 appraisals.	1 unit only. Multi-wide: primary or second home. Single-wide: primary only. No investment.
Max LTV / down payment	Standard FHA: 96.5% (580+ score), 90% (500–579).	Up to 100% (subject to entitlement) Verify.	Up to 100% of appraised value, plus the financed guarantee fee.	Standard MH: **95%** purchase or limited cash-out (the matrix's 97% is MH Advantage only). MH Advantage: 97% (fixed rate, 1 unit). Second home 90%. 2–4 units 90% (MH Advantage 95%).	Standard MH: 95% (LPA Accept). Caution: 90%, or up to 95% on a 20-year term. **Second home 85%.** CHOICEHome 95%; 97% with Home Possible / HomeOne / HeritageOne.
MI / fees	Upfront MIP 1.75%; standard annual MIP. No MH add-on.	Standard VA funding fee Verify.	1% upfront guarantee fee; annual fee 0.35% Verify.	Standard MH: MI coverage 12/25/30% at 85/90/95% LTV, plus a 0.50% MH price adjustment Verify. MH Advantage: site-built MI coverage, no MH price adjustment.	Standard MI coverage (Guide 4701.1). 0.500% MH credit fee at all LTVs (from Oct 1, 2026); CHOICEHome exempt.

Rule	FHA (Title II)	VA	USDA Guaranteed	Fannie Mae (std / MH Advantage)	Freddie Mac (MH / CHOICEHome)
Appraisal	Form 1004C/70B. At least 2 manufactured comparable sales; MH Advantage or CHOICEHome: 2 similarly certified sales when available, otherwise site-built with justification.	VA appraiser under minimum property requirements Verify .	Manufactured-home appraisal; 30+ years remaining economic life.	1004C (UAD 2.6) or the new URAR (UAD 3.6). At least 2 manufactured comparable sales; same-configuration comparable for single-width. MH Advantage: MH Advantage or CHOICEHome sales; if fewer than 3, at least 2 site-built. No appraisal waivers.	At least 2 manufactured comparable sales of similar configuration, or the loan is ineligible; the third may be site-built. CHOICEHome: at least 1 CHOICEHome sale, otherwise site-built.
Single-wide	Eligible.	Eligible at 400 sq ft Verify.	Eligible.	Primary residence, purchase or limited cash-out only. MH Advantage single-wides eligible (Sep 2025).	Primary residence; purchase or no cash-out only; LPA Accept required. In a condo only with reciprocal project review.
Leased land	Allowed: renewable 99-year lease, or a lease running 10+ years past maturity.	Not addressed in VA's manufactured-home text Verify.	Leasehold needs 45+ years unexpired; new homes in nonprofit land-lease communities or on Tribal land: lease 2+ years past the loan term.	Only in a PERS-approved condo or PUD on leased land (borrower owns the home).	Multi-wide only, in a ground-lease condo or PUD community (Ch. 5706): purchase or no cash-out, 95% max.
Moved homes	**Not eligible**: must come directly from the factory or dealer.	Not addressed; lenders differ Verify.	**Not eligible.**	**Not eligible** (never installed or occupied elsewhere).	**Eligible since Sept 2, 2026** with an engineer or authority inspection, if not moved into a tougher wind, roof-load or thermal zone. Loan can't pay moving or setup costs.
Cash-out refinance	80% LTV; the home must have been permanently installed more than 12 months before case number assignment.	Cash-out with lot is covered in VA's manufactured-home tables Verify.	No cash-out Verify.	Multi-width only, 65% LTV; 12 months of ownership. No cash-out on single-widths.	Multi-wide only, 65% LTV; 12 months of ownership (6 months if owned free and clear).
Official guide	4000.1 + Update 18 PFGMH	M26-7 Ch. 7 & 12	7 CFR 3555.208 May 2025 rule	B2-3-02 B5-2-02 Matrix	Ch. 5703 Ch. 5706 CHOICEHome

When the home stays personal property: FHA Title I and chattel loans

FHA Title I manufactured home loans

Insured loans for a home that can stay **personal property**, including on a leased lot (lease of at least 3 years). Limits in HUD's handbook (case numbers on or after Mar 29, 2024; indexed annually, current-year figures Verify): home only $105,532 single-section / $193,719 multi-section; lot only $43,377; home + lot $148,909 / $237,096. Up to 95% LTV (90% for scores of 500 or below); 2.25% upfront and 1.00% annual insurance premium. Max terms: 20 years + 32 days (home only), 15 years + 32 days (lot), 25 years + 32 days (multi-section home + lot). Few lenders offer it Verify.

Chattel (personal-property) loans

Many lenders finance a manufactured home as personal property: a rented lot, a home that keeps its vehicle title, or a home that fails agency foundation rules. These are **not** FHA Title II, VA, USDA, Fannie Mae or Freddie Mac mortgages. Expect shorter terms, higher rates and larger down payments than real-estate loans Verify.

VA manufactured-home loans (not affixed)

VA's handbook directs lenders on homes that are **not** permanently affixed to call VA for instructions; the funding fee on these is 1.00% Verify. Lenders rarely offer them.

Lender overlays may apply. Lenders can be stricter than the agencies, and many are with manufactured homes. Rules some lenders add: double-wide minimum, real-estate taxation on every program, no moved homes even on Freddie Mac loans, no leased land or manufactured-home condos, an engineer's foundation certification on every loan, 12 months of seasoning on any refinance, shorter cash-out terms, higher credit-score minimums, or no conventional ARMs. Some exclude certain states. James checks which lender fits the home before you list or write the offer.

5 New home on the buyer's land: process, payments and site costs

How a **new** manufactured (HUD-code) or modular home gets financed, paid for, delivered and set on land the buyer owns or is buying, including how the lender pays the dealer and factory before the home moves. Sources checked November 17, 2026. Lender overlays may apply. Verify means we couldn't confirm it from an official source or it depends on the lender.

$ HOW THE MONEY MOVES

Every payment comes out of a lender-controlled account, needs the buyer's sign-off, and is matched to the cost breakdown and an inspection. The home itself is often the largest single payment, and it can be released to the factory or floorplan lender before the home leaves the plant, but only on terms the lender sets. Buyer deposits paid directly to the dealer are counted in the draw math (in NCF's guide, deposits over $1,000 are credited against the first draw). Don't let a buyer wire a large deposit until the lender has approved the dealer and the draw schedule.

Step by step: contract to permanent loan

STEP 1

Land, zoning and a site check

The buyer must own the lot or buy it in the same closing. Fannie Mae requires the borrower to hold title to the lot, either already owned or bought as part of the transaction. FHA allows land already owned or land bought at the construction-loan closing. Before ordering a home, confirm that zoning allows a manufactured home, order a perc test if the site needs septic (HomeGuide: **$200–$1,500**), check that a well is feasible, and get a survey.

Fannie B5-3.1-01 (is.gd/atJotW) FHA 4000.1 II.A.8.j (is.gd/MJapqa) Perc test cost (is.gd/pV7xkM)

STEP 2

Choose the home and a dealer who acts as the general contractor

FHA requires the builder to be a **licensed general contractor**. The buyer can act as the general contractor only if they are licensed too. USDA has the borrower contract with a **licensed manufactured home dealer**. Builders on USDA single-close loans need 2+ years of experience, any state-required licenses and at least $500,000 of general liability insurance. On VA loans, the lender must make sure the builder is licensed, bonded and insured. Construction administrators such as NCF expect the retailer to act as general contractor for the home and all site work, and the lender approves the retailer before closing.

FHA 4000.1 II.A.8.j (is.gd/MJapqa) 7 CFR 3555.105 (is.gd/dzM4o3) USDA HB-1-3555 Ch. 13 (is.gd/k8eEgR) VA Circular 26-18-7 (is.gd/LeXcfR) NCF retailer guide (is.gd/jMj1eE)

STEP 3

Contract, invoice and cost breakdown

The lender needs the dealer's **purchase agreement** and the **manufacturer's invoice** (Freddie Mac requires both for a new home and for construction-to-permanent loans). USDA also requires an **itemized cost breakdown** (base unit, options, site development, installation, set-up, lot and any credit for wheels and axles), dealer certifications that rebates are deducted from the price and that the price is the full price, a PFGMH foundation plan, and plot and site plans. FHA requires the signed builder contract with the price to build and form HUD-92541. The appraisal is done as "proposed" construction from the plans and specs or an existing model.

Freddie 5703.9 (is.gd/S0d5L3) USDA HB-1-3555 §13.11 (is.gd/k8eEgR) FHA new construction (is.gd/FhZn57)

STEP 4

One closing, before the home is built or shipped

The loan closes **before construction starts**. Proceeds pay for the land (or pay off the land loan), and the balance goes into an **escrow / draw account** (VA calls it a Loan in Process or Draw account). FHA requires a written agreement on the range the rate can float during construction, and the buyer qualifies at the maximum rate. Fannie Mae limits the construction period to 12 months per period and 18 months in total. On VA loans, the funding fee is due within 15 days of closing. Build periods vary by lender. UWM, for example, allows 11 months on conventional, FHA and VA one-time-close loans, and manufactured homes are eligible.

FHA 4000.1 II.A.8.j (is.gd/MJapqa) VA Circular 26-18-7 (is.gd/LeXcfR) Fannie B5-3.1-02 (is.gd/cvWKod) UWM one-time close (is.gd/GcwXYY)

STEP 5

The money: how the dealer and factory get paid before delivery

The lender controls every dollar. Fannie Mae makes the lender responsible for disbursing proceeds to the builder, contractor or other authorized suppliers. FHA, VA and USDA require the **buyer's written approval before each draw**, and USDA requires the lender to confirm the work is done before each draw. Draw schedules are set by each lender. USDA's single-close training (Jan 2024) shows a manufactured-home example: **(1) a small deposit draw before the unit is delivered**, (2) well and septic, (3) driveway, (4) landscaping, (5) final draw. One construction administrator's retailer guide (NCF, rev. 3/13/2024) pays the **manufacturer's invoice directly to the factory or the dealer's floorplan lender** once the home is off the production line, the invoice is in hand and insurance names the lender. That payment can come at closing or in a later draw, and the guide caps interim draws at 80% of the contract before the final draw. Ask the lender for its schedule before the dealer asks for a deposit Verify.

Fannie B5-3.1-02 (is.gd/cvWKod) USDA CTP training (is.gd/aRSziQ) NCF retailer guide (is.gd/jMj1eE)

STEP 6

Delivery, installation and site work

FHA, Fannie Mae and USDA require a new home to come straight from the factory or dealer's lot to this site. The installer sets it to the manufacturer's instructions and HUD's installation standards (24 CFR 3285, plus any stricter state rules). Wheels, axles and hitch are removed. For USDA, the contractor certifies that multi-section units were properly joined and sealed and weren't damaged in transport and set-up. The foundation must meet HUD's **Permanent Foundations Guide (PFGMH)**, with an engineer's certification for FHA. Utilities, well and septic, the driveway and a properly enclosed crawl space (skirting or perimeter enclosure) finish the site.

USDA HB-1-3555 §13.11 (is.gd/k8eEgR) HUD PFGMH (is.gd/kmFWSz) FHA 4000.1 (is.gd/o42Rv2)

STEP 7

Title: from the MCO to real property

A new home leaves the factory with a **Manufacturer's Certificate (or Statement) of Origin (MCO/MSO)**, not a deed. USDA requires the dealer to provide an MCO showing the unit is free of liens. To make the home real property, the MCO (or any title) is surrendered or retired under state law, and an affidavit of affixture or similar document is recorded. Fannie Mae and Freddie Mac require proof that no title was issued or that it was surrendered. See the state examples below.

USDA HB-1-3555 §13.12 (is.gd/k8eEgR) Fannie B5-2-05 (is.gd/24ykkx) Freddie 5703 (is.gd/S0d5L3)

STEP 8

Final inspection, certificate of occupancy, then the permanent loan

FHA: the loan isn't insurable until the **later of the final inspection or the certificate of occupancy (CO)**. It must be endorsed within 60 days, any leftover escrow goes to principal, and a title update must show no other liens. VA accepts the local CO (no framing inspection is required on manufactured or modular homes), then a VA final inspection. Fannie Mae requires all work to be finished and paid for, all liens cleared, and a completion report plus a CO (or equivalent) when the loan also bought the lot. At the final draw, construction administrators collect completion affidavits, final lien waivers and form HUD-92544 (NCF's list, for example). The loan then converts to its permanent terms, and payments begin.

FHA 4000.1 II.A.8.j (is.gd/MJapqa) VA M26-7 Ch. 7 (is.gd/3OWsQm) Fannie B5-3.1-01 (is.gd/atJotW)

Single-close (one-time close) rules by program

Single-close rule	FHA (Title II)	VA	USDA Guaranteed	Fannie Mae	Freddie Mac
Single-close for a new manufactured home?	**Yes**: Construction to Permanent (CP), one closing before construction. For manufactured homes, the "price to build" = the unit(s) + transport from the dealer's lot + all on-site installation costs.	**Yes**: one-time close construction/permanent loan. The home must be permanently affixed and be real estate under state law.	**Yes**: combination construction-to-permanent loan. USDA's training says it "may certainly be used" for new manufactured homes. Must be a new unit financed together with the site.	**Yes**: single-close as a purchase or limited cash-out refinance. No cash-out. Must also meet the B5-2-05 manufactured housing legal rules.	**Yes**: chapter 5703 sets value rules and documents for construction-to-permanent loans on manufactured homes. The manufacturer's invoice and purchase agreement are required.
Who holds and releases the money	Balance held in escrow and disbursed as construction progresses. The buyer gives written OK for each draw.	LIP / draw account. The buyer gives written approval for each draw, and the lender sets the inspection schedule with the contractor.	Escrow. The buyer gives written approval for each draw, and the lender confirms the work is done. Optional contingency reserve up to 10% of construction cost (per USDA training).	The lender manages disbursements to the builder, contractor or authorized suppliers.	Draw rules aren't in chapter 5703 Verify (general construction rules are in Guide chapter 4602).
Site costs that can be in the loan	Transport and all on-site installation costs (in the price to build), plus land.	Purchase price plus "the cost of all other real property improvements."	Transportation, permanent foundation, installation and site development. Site prep	The home, land, documented transportation, site prep	The home, land, documented delivery and setup, anchoring on a permanent

Single-close rule	FHA (Title II)	VA	USDA Guaranteed	Fannie Mae	Freddie Mac
	Land owned more than 6 months is counted at appraised value.		(grading, foundation, plantings, walks, fences, driveways), permits, engineering, surveys and inspections are allowed. **No furniture.**	(including removing an old home or outbuildings), foundation, utilities, all site improvements and installation. Personal property is deducted.	foundation, site development, installation and utility connections including well and septic. **Not allowed for a home moved from another site.**
Construction period	Set by the lender Verify. Amortization starts no later than the 1st of the month after 60 days from the final inspection or CO.	First payment can be postponed up to 1 year, then month to month for up to 6 more months.	Interest-only or full-payment options. Payment reserves of up to 12 months can come from loan funds (USDA training).	No single period over 12 months, with 18 months total.	See Guide 4602 Verify.
Proof of completion	Final inspection or CO, whichever is later. HUD-92541 and HUD-92544. Title update after conversion.	Local CO or inspection reports (no framing inspection for manufactured or modular homes), plus a VA final inspection by the fee appraiser.	Documentation that construction is complete, plus Chapter 12 inspections.	Completion report (or alternative), a CO or equivalent when the lot was financed too, and all liens satisfied.	If the appraisal was done before delivery, the lender must document that the home is complete.
Official source	4000.1 II.A.8.j	M26-7 Ch. 7 Circular 26-18-7	7 CFR 3555.105 3555.208 HB-1-3555 Ch. 13	B5-3.1-02 B5-2-03	Guide 5703 Bulletin 2026-12

MCO, title and real-property conversion

MCO / MSO: the home's "birth certificate"

A new HUD-code home comes with a Manufacturer's Certificate or Statement of Origin. USDA requires the dealer to provide an MCO showing the unit is free and clear, and the lender keeps a copy. If the dealer financed its inventory, the home portion is paid to the factory or the dealer's floorplan lender (NCF retailer guide).

Converting to real property

Freddie Mac groups states three ways: no-title states (keep evidence, such as the MCO, that no title was issued), title-surrender states (surrender the MCO or title and keep the state's cancellation plus the recorded affidavit of affixture), and title states (the lien goes on the title). Fannie Mae accepts the MCO as evidence that no title was issued in most states.

Colorado example

A new home permanently affixed to the ground doesn't need a vehicle title. The buyer files a **Certificate of Permanent Location** with the MCO at the county clerk and recorder, and the home becomes real property when those documents are filed and recorded (C.R.S. 38-29-114). A titled home goes through a title purge instead.

Texas example

Every manufactured home is personal property unless the owner elects real property on TDHCA's **Application for Statement of Ownership**. For a new home, the retailer sends it with the original MCO and a $55 fee. The issued Statement of Ownership must be recorded with the county clerk, and a "Filed" copy sent to TDHCA, within 60 days. Otherwise the home stays personal property.

Other states use their own forms (affidavit of affixation, title retirement or surrender) Verify. The title company handles this, so bring it in when the purchase agreement is signed. See the title rules in sections 3 and 4.

Modular vs. manufactured on the buyer's land

Modular: a regular construction loan

Built to the state or local building code, delivered on flatbeds and craned onto the foundation. USDA treats modular homes as stick-built and uses its regular new-construction rules. The usual building-permit, inspection and CO process applies, and there's no HUD tag, PFGMH certification or MCO-to-real-property step. HomeGuide: **$80–$160 per sq ft fully installed** and **$120,000–$270,000** on average (Dec 1, 2025).

Manufactured (HUD code): construction loan plus manufactured-home rules

Same single-close structure, plus the manufactured-home layer: the home must come straight from the factory or dealer, sit on a PFGMH foundation (engineer-certified for FHA), have its running gear removed, be installed to HUD's installation standards, and have its MCO or title converted to real property before the loan converts.

Site prep costs: typical ranges and what lenders finance

Site item	Typical cost (national)	Source (updated)	Can it be in the loan?
Perc test (septic sites)	**$200–$1,500 (hand-dug hole test)**	HomeGuide, Jan 31, 2024 is.gd/pV7xkM	Often paid before closing Verify.

Site item	Typical cost (national)	Source (updated)	Can it be in the loan?
Land survey	**$350–$1,000**	HomeGuide, Dec 19, 2025 is.gd/OJStBc	USDA lists surveys as an allowable cost.
Land clearing	**$1,400–$4,000 for a home site; $1,200–$8,000 per acre**	HomeGuide, Dec 19, 2025 is.gd/OJStBc Nov 20, 2025 is.gd/Jp3b5B	Site prep: Fannie Mae, Freddie Mac, USDA.
Excavation and grading	**Excavation $1,600–$4,400+; grading $600–$2,000**	HomeGuide, Dec 19, 2025 is.gd/OJStBc	Site prep: Fannie Mae, Freddie Mac, USDA (grading is named).
Foundation	**Permanent foundation $3,000–$36,000; basement $25,000–$80,000**	HomeGuide, Dec 19, 2025 is.gd/OJStBc	Foundation costs: FHA, USDA, Fannie Mae, Freddie Mac. Engineer's PFGMH certification fee varies Verify.
Electric service	**$2,500–$12,500**	HomeGuide, Dec 19, 2025 is.gd/OJStBc Jan 5, 2026 is.gd/5aVIKj	Utilities: Fannie Mae, Freddie Mac. USDA allows connection fees.
City water / sewer hookup	**Water $1,000–$6,000; sewer $1,600–$11,000**	HomeGuide, Dec 19, 2025 is.gd/OJStBc	Utilities: Fannie Mae, Freddie Mac. USDA allows connection fees.
Septic system	**Conventional $3,500–$8,500; alternative $4,000–$15,000; engineered $15,000–$50,000**	HomeGuide, Sep 22, 2025 is.gd/VrkgZs	Freddie Mac names well and septic. USDA training lists them as hard costs.
Water well	**$6,000–$16,000 (200-ft well incl. pump); well + septic together $6,000–$20,000**	HomeGuide, Jul 30, 2025 is.gd/JHNLAh Dec 19, 2025 is.gd/OJStBc	Same as septic.
Driveway	**$1,700–$6,900 (2-car); gravel $4–$10 per sq ft**	HomeGuide, Dec 19, 2025 is.gd/kl5QOb	USDA names driveways. Others count them as site improvements Verify.
Permits and impact fees	**Building permit $500–$2,000; impact fees $1,500–$10,000**	HomeGuide, Dec 19, 2025 is.gd/OJStBc	USDA allows permits and fees. Others vary by lender Verify.
Transport and set-up (new home)	**Single-wide $2,000–$5,000; double-wide $4,000–$10,000; triple $10,000–$14,000. Many dealers include delivery within 100 miles.**	HomeGuide, Dec 19, 2025 is.gd/OJStBc	FHA, USDA, Fannie Mae, Freddie Mac. **Freddie Mac: not for a home moved from another site.**
Skirting	**Single-wide $1,000–$2,500; double-wide $2,000–$4,000**	HomeGuide, Oct 22, 2024 is.gd/yL5t3l	FHA requires the crawl space to be properly enclosed. Usually part of installation Verify.
Steps and decks	**New deck stairs $1,400–$2,600; deck $4,000–$10,000**	HomeGuide, Sep 14, 2025 is.gd/0y2gBA Dec 19, 2025 is.gd/OJStBc	Real-property improvement if it's in the contract and the appraisal Verify.
Garage or carport	**Garage addition $20,000–$28,000; 2-car garage $25,000–$60,000; carport $2,000–$12,000**	HomeGuide, Dec 19, 2025 is.gd/OJStBc Jan 15, 2026 is.gd/fO3v1v Jan 16, 2026 is.gd/oY4yin	Depends on the lender and appraisal Verify. Freddie Mac limits proceeds to the listed uses.

Putting it together. HomeGuide's double-wide example (Dec 19, 2025, land not included): unit $116,000–$150,000 + delivery $4,000–$10,000 + site prep including foundation $7,000–$47,000 + well and septic $6,000–$20,000 + electricity $2,500–$12,500 + permits, impact fees and tax assessments $7,500–$28,500 = **$143,000–$268,000 installed**. For comparison, the Census Bureau's average sales price for a new manufactured home in 2025 was **$127,200** ($85,600 single-section, $157,100 double-section). The Mountain division (includes Colorado) averaged $134,600 and West South Central (includes Texas) $121,700. The Census figure covers the home only; what it includes for delivery and setup Verify.

These are national ranges from published cost guides, not quotes. Costs in Colorado and Texas, and on rural, sloped, rocky or wooded sites, can run well outside them Verify. Get the dealer's itemized bid. It becomes the lender's cost breakdown.

Usually can be in the loan (new home, real property)

- ✔ Home and land (or the land payoff), all programs
- ✔ Delivery from the factory or dealer and installation: FHA, USDA, Fannie Mae, Freddie Mac
- ✔ Foundation, site prep, utilities, well and septic: Fannie Mae, Freddie Mac, USDA. FHA covers "all on-site installation costs." VA covers "other real property improvements."
- ✔ Grading, walks, fences, driveways, landscaping: USDA (7 CFR 3555.101 and 3555.105)
- ✔ Permits, engineering, surveys, inspections, contingency and payment reserves: USDA single-close

Can't be financed or needs care

- ✕ Furniture and other personal property (USDA bars it; Fannie Mae deducts it from the price)
- ✕ Delivery, setup, foundation, site and utility costs for a home **moved from another site** (Freddie Mac). FHA, USDA and Fannie Mae don't accept moved homes at all.
- ✕ A lot-only loan with no new home (USDA)
- ✕ Cash-out on a single-close loan (Fannie Mae)
- ✕ Dealer rebates or cash to the buyer. They must be deducted from the price (USDA, Freddie Mac).
- ✕ VA change orders after the appraisal, unless there's an updated appraisal (the buyer can pay out of pocket)

Buyer putting a new home on their land?

Call James before the buyer signs with a dealer or wires a deposit. He'll match the program, approve the draw schedule with the retailer and line up the title conversion.

Call James (512) 228-8124 | **Email James**

6 Recent guideline changes (dated)

Newest first, with links to the official announcements. This page is reviewed quarterly; last reviewed November 16, 2026. No new VA circulars on manufactured homes were found for 2025–2026 Verify.

NOV 10, 2026

FHA Handbook 4000.1 Update 18: manufactured housing definition refined

FHA made its definition of Manufactured Housing consistent across Handbook 4000.1 (no new eligibility tests) and refined flood-zone property rules. The manufactured-home cash-out rule (home permanently installed more than 12 months before case number assignment) is in II.A.8.d.v. Issued Aug 12, 2026.

HUD Update 18 (is.gd/FhZn57) Handbook 4000.1 (is.gd/o42Rv2)

NOV 2, 2026

UAD 3.6 required for new appraisals; URAR replaces Form 1004C

Fannie Mae requires UAD 3.6 for new appraisals submitted on or after Nov 2, 2026 (unless the lender has a temporary exception). Under UAD 3.6, manufactured homes are appraised on the redesigned URAR instead of Form 1004C, with new comparable-sale rules for single-section, multi-story and 2–4 unit homes.

UAD 3.6 policy supplement (is.gd/eiRdgl)

OCT 7, 2026

Freddie Mac: single-wide homes in condo projects

A single-wide home in a condo project is eligible if the project passes Freddie Mac's reciprocal project review (Guide 5703.3).

Guide chapter 5703 (is.gd/S0d5L3)

OCT 1, 2026

Freddie Mac credit fees standardized; MH fee stays 0.500%

Freddie Mac's credit fee grids no longer vary by credit score model. The manufactured-home credit fee stays at 0.500% at every LTV, and CHOICEHome is exempt (settlement dates on or after Oct 1, 2026).

Freddie Mac Exhibit 19 (is.gd/NCDuvu)

SEP 2, 2026

Freddie Mac accepts manufactured homes moved from another site

Effective immediately: a licensed engineer or government authority must inspect the home for structural integrity, and the new site can't be in a tougher wind, roof-load or thermal zone. Loan proceeds can't pay delivery, setup, foundation, site or utility costs. FHA, Fannie Mae and USDA still prohibit moved homes, and many lenders do too.

Freddie Mac Bulletin 2026-12 (is.gd/LwHS1m)

JUN 12, 2026

HUD proposes to redefine "manufactured home" for multi-story homes

HUD proposed letting a transportable section that serves as part of an upper floor skip the permanent chassis requirement. This is a **proposed rule** (comments closed Aug 11, 2026). Until it is final, every lending definition still requires a permanent chassis.

Federal Register 2026-11851 (is.gd/nE7ZQZ)

JUN 4, 2026

MH Advantage and CHOICEHome standards aligned

Fannie Mae and Freddie Mac now use matching specs for foundation, roof pitch, energy efficiency, exterior features and site improvements, for applications dated on or after June 4, 2026. New single-section homes built after that date need an attached garage or carport (infill-lot exception). Driveway, sidewalk, gutters and a 72 sq ft covered porch are required.

Fannie Mae SEL-2026-01 (is.gd/QWK3WE) Freddie Mac Bulletin 2026-1 (is.gd/kkvLLv) MH Advantage specs (is.gd/aGrmqw) CHOICEHome specs (is.gd/iJXy8l)

MAR 31, 2026

Fannie Mae: 2–4 unit and multi-story MH, plus ADUs (UAD 3.6)

For lenders using UAD 3.6, loans sold on or after Mar 31, 2026 can be secured by 2–4 unit or multi-story manufactured homes built on or after Sept 16, 2024, a standard manufactured home with one ADU, or an MH Advantage home with ADUs (four units total). 2–4 unit MH is capped at 90% LTV (MH Advantage 95%). Freddie Mac remains one-unit only.

Fannie Mae SEL-2025-10 (is.gd/Yvt3MJ) Eligibility Matrix (is.gd/EZnGBh)

FEB 4, 2026

Freddie Mac lowers manufactured-home minimum to 400 sq ft

Freddie Mac cut the minimum above-grade finished area from 600 to 400 sq ft (Guide 5703.2) and announced the CHOICEHome alignment.

Freddie Mac Bulletin 2026-1 (is.gd/kkvLLv) Guide chapter 5703 (is.gd/S0d5L3)

SEP 15, 2025

Updated HUD construction code takes effect

HUD's update to the Manufactured Home Construction and Safety Standards (published Sept 16, 2024) took effect Sept 15, 2025, after a delay from Mar 17, 2025.

Final rule 2024-20545 (is.gd/toWn50) Delay 2025-03038 (is.gd/SOnu4h)

SEP 3, 2025

Fannie Mae expands manufactured-home eligibility

MH Advantage is available for single-width homes, and CHOICEHome-labeled homes are accepted as equivalent to MH Advantage.

Fannie Mae SEL-2025-07 (is.gd/6BeH6f) Appraiser update (policy table) (is.gd/cLXvKH)

MAY 2025

USDA guarantees existing manufactured homes

USDA's final rule (published Jan 3, 2025; Federal Register effective date Mar 4, 2025) was implemented in May 2025. It made the manufactured-housing pilot permanent and nationwide. Existing homes qualify if manufactured within 20 years of closing, at least 400 sq ft, never installed elsewhere, on a certified permanent foundation, unaltered except engineered or inspected porches and decks, and in the correct thermal (Uo) zone. They can be underwritten through GUS.

USDA bulletin (May 5, 2025) (is.gd/7MjRXw) · USDA bulletin (Aug 21, 2025) (is.gd/3EGotR) · Final rule 2024-30270 (is.gd/IVtUSY) · 7 CFR 3555.208 (is.gd/8Gyr8b)

MAR 29, 2024

FHA Title I loan limits raised and indexed

Title I Letter 488 raised the limits (home only: $105,532 single-section / $193,719 multi-section) and HUD now indexes them annually. Limits never go down. Current-year figures Verify.

FHA INFO 2024-08 / TIL 488 (is.gd/miMDMm) · Federal Register rule (is.gd/YQD7TJ)

7 Official lookups and references

HUD labels and data plates

OFFICIAL

What the HUD Certification Label and Data Plate are, and where to find them.

24 CFR 3280.11

HUD label info →

is.gd/7WTMFZ

IBTS label verification

ORDER ONLINE

Missing HUD tags or data plate? Order a HUD Label Verification Letter or duplicate data plate from IBTS.

Order from IBTS →

is.gd/ybJ5Qt

HUD Permanent Foundations Guide

OFFICIAL

HUD 4930.3G (PFGMH): the standard engineers certify foundations against for FHA.

HUDClips page

Open PFGMH →

is.gd/kmFWSz

FHA Title I

OFFICIAL

HUD's Title I manufactured home loan program (home only, lot only, or home and lot).

Loan limits (TIL 488)

Title I program →

is.gd/9eMBDL

MH Advantage / CHOICEHome specs

OFFICIAL

The aligned GSE construction specs (in effect June 4, 2026).

CHOICEHome specs

MH Advantage specs →

is.gd/aGrmqw

Listing or showing a manufactured or modular home?

Call James before you go live or write the offer. He'll check the title status, tags, foundation certification and age, and match the buyer to FHA, VA, USDA, Fannie Mae, Freddie Mac, Title I or chattel financing.

Call James (512) 228-8124 · Email James



James Barnes
Senior Loan Officer · Nexa Lending
Call (512) 228-8124
jbarnes@nexalending.com · **NMLS# 215987**
BestLenderinTexas.com · BestLenderinColorado.com
Apply online

NEXA Lending

Sources (official guides and announcements, reviewed November 16, 2026)

1. HUD Handbook 4000.1 (FHA): II.A.1.b.iv(B)(7) Manufactured Housing; II.A.6.a.ii(C) Title; II.D.5 Property Acceptability Criteria for Manufactured Housing; II.E.4 Title I Manufactured Home Loan Program: is.gd/o42Rv2
2. HUD Handbook 4000.1 Update 18 (issued Aug 12, 2026): is.gd/FhZn57
3. HUD Permanent Foundations Guide for Manufactured Housing (4930.3G): is.gd/kmFWSz
4. HUD manufactured home labels: is.gd/7WTMFZ
5. 24 CFR Part 3280 (HUD code): is.gd/aCAYe6
6. FHA INFO 2024-08 / Title I Letter 488: is.gd/miMDMm
7. HUD Title I manufactured home program: is.gd/9eMBDL
8. Federal Register 2026-11851 (proposed rule, Jun 12, 2026): is.gd/nE7ZQZ
9. Federal Register 2024-20545 and 2025-03038 (HUD code update): is.gd/toWn50
10. Federal Register 2024-04138: is.gd/YQD7TJ
11. VA Lenders Handbook M26-7: Ch. 7 Topic 9 (manufactured homes as real estate); Ch. 12 Topics 40–41 (manufactured and modular minimum property requirements): is.gd/3OWsQm
12. 7 CFR 3555.208 (USDA manufactured homes): is.gd/8Gyr8b
13. 7 CFR 3555.203 (USDA leasehold): is.gd/IVd9qh
14. Federal Register 2024-30270 (USDA final rule): is.gd/IVtUSY
15. USDA RD bulletin, May 5, 2025: is.gd/7MjRXw
16. USDA RD bulletin, Aug 21, 2025: is.gd/3EGotR
17. Fannie Mae B2-3-02 Factory-Built Housing (02/04/2026): is.gd/mrq8Gj
18. Fannie Mae B5-2-02 Manufactured Housing Loan Eligibility (12/10/2025): is.gd/nPKPdb
19. Fannie Mae B5-2-05 Manufactured Housing Legal Considerations: is.gd/24ykkx

20. Fannie Mae B4-1.4-01 Manufactured Housing appraisal (02/04/2026): is.gd/dX4c76
21. Fannie Mae Eligibility Matrix (Aug 5, 2026): is.gd/EZnGBh
22. Fannie Mae SEL-2026-01: is.gd/QWK3WE
23. Fannie Mae SEL-2025-10: is.gd/Yvt3MJ
24. Fannie Mae SEL-2025-07: is.gd/6BeH6f
25. Fannie Mae UAD 3.6 Policy Supplement (Nov 2026): is.gd/eiRdgl
26. Freddie Mac Guide chapter 5703 (as of 11/02/26) incl. 5703.2, 5703.3, 5703.8, 5703.9, 5703.12: is.gd/S0d5L3
27. Freddie Mac Guide chapter 5706 (leasehold MH): is.gd/v9GNQi
28. Freddie Mac Bulletin 2026-1 (Feb 4, 2026): is.gd/kkvLLv
29. Freddie Mac Bulletin 2026-12 (Sep 2, 2026): is.gd/LwHS1m
30. Freddie Mac Exhibit 19 credit fees: is.gd/NCDuvu
31. Freddie Mac CHOICEHome specifications: is.gd/iJXy8l
32. HUD Handbook 4000.1: II.A.8.j Construction to Permanent (09/20/2021) and II.A.8 New Construction, in Update 18 PDF (rev. 8/12/2026): is.gd/MJapqa
33. VA Circular 26-18-7, Construction/Permanent Home Loans (Apr 6, 2018; content now in M26-7 Ch. 7 Topic 2, rev. June 5, 2024): is.gd/LeXcfR
34. 7 CFR 3555.105 (USDA combination construction and permanent loans): is.gd/dzM4o3
35. 7 CFR 3555.101 (USDA loan purposes and eligible costs): is.gd/RBbt8u
36. USDA HB-1-3555 Chapter 13 (§13.9–13.12 manufactured homes; Section 3 modular): is.gd/k8eEgR
37. USDA RD lender training, Combination Construction to Permanent Loans (Jan 2024): is.gd/aRSziQ
38. Fannie Mae B5-3.1-01 (06/04/2025) and B5-3.1-02 (05/06/2026) construction-to-permanent: is.gd/cvWKod
39. Fannie Mae B5-2-03 Manufactured Housing Underwriting (allowable costs): is.gd/QoSdXg
40. UWM One-Time Close New Construction (manufactured homes eligible): is.gd/GcwXYY
41. National Capital Funding, One-Time Close guide for Mfg/Modular Home Retailers (rev. 3/13/2024): is.gd/jMj1eE
42. C.R.S. 38-29-114 (Colorado): is.gd/vwIz6l
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