



FNMA MH Advantage

The Fannie Mae MH Advantage program is manufactured housing that is designed to meet specific construction, architectural design, and energy efficiency standards that are more consistent with site-built homes. The goal of this initiative is to help bridge the gap in affordable housing by encouraging more consumers to consider manufactured homes as an alternative to site-built homes. Loans secured by MH Advantage properties are afforded a number of flexibilities over standard manufactured housing, including higher LTV ratios, standard mortgage insurance, and reduced loan-level price adjustments.

A Manufactured Home is constructed to the "HUD Code" for manufactured housing, and is built on a permanent chassis, installed on a permanent foundation system and titled as real estate.

Product	Purpose	Occupancy	Property Type	Credit Score	Max LTV/CLTV
FIXED	Purchase	Primary	1-Unit MH Eligible Properties only. No Singlewides	620	97% ¹

¹ LTVs greater than 95% at least one Borrower must have a credit score, Non-Occupant Co-Borrowers are not permitted. The CLTV ratio can be up to 105% if the subordinate lien is a Community Seconds Loan.

Age of Documents	• For new and existing construction, credit documents must be no more than 4 months old on the date the note is signed, including credit reports and employment, income, and asset documents. Employment pay stubs must be dated within 30 days of the initial loan application. • Preliminary Title Policies must be no more than 180 days old on the date the note is signed.
Assets	Funds held in a checking, savings, money market, certificate of deposit, or other depository accounts may be used for the down payment, closing costs, and financial reserves. The funds must be verified directly using a Request for Verification of Deposit (Form 1006) or with bank or investment statements. Follow DU Findings

Automated Underwriting	DU approve only; No Manual Underwrites. The "Manufactured Home: MH Advantage" Subject Property Type must be used; even if the property is in a project. Special Feature Codes: • SFC 235 • SFC 859
Appraisal Requirements	The Manufactured Home Appraisal Report (1004C), <i>Appraisal Update and/or Completion Report</i> (Form 1004D), or completion alternatives must include photos of the MH Advantage Sticker or the Freddie Mac CHOICEHome® label, as applicable, and either the HUD Data Plate or the HUD Certification Label(s), and the site showing all driveways, sidewalks, and detached structures located on the site. Note: The requirement of photos of either the HUD Data Plate or the HUD Certification Label(s) applies to existing construction. (Both are required for new construction.)
Credit	• Two occupying Borrowers, one with a credit score and one with no score, are eligible if DU receives an "Accept" or "Approve/Eligible." Pricing will be determined by the one reported score. • A minimum of one credit bureau may be frozen with a DU accept. If the credit must be unfrozen, borrowers must unfreeze all bureaus and the DU Rerun with the updated credit report. • The mortgage payment history reflected on the credit report can be used to meet mortgage payment history requirements. As a reminder, Fannie Mae requires the following: On the date of the loan application, the borrower's existing mortgage(s) must be current, which means that no more than 45 days have elapsed since the last paid installment. If the credit report does not reflect the above, proof the additional loan payments were paid on time is required. Refer to Fannie Mae Selling Guide B3-5.3-03
DTI-Maximum	50% with a DU accept
Disaster Inspections	Disaster inspections may not be completed by the loan officer or bank employee. Acceptable inspection providers include, but are not limited to, the original appraiser or a post-disaster inspection company.

Eligible Borrowers	• A natural person • U.S. Citizens • Permanent resident alien borrowers- must hold an unexpired "Green Card" issued by the U.S. Citizenship and Immigration Services (USCIS). A copy of both the front and back of the card is required. • Revocable Inter-Vivos Trust that meets Fannie Mae guidelines • Non-permanent resident aliens: temporary residents who • are eligible to live/work in the United States for a specific • period of time. Acceptable documentation of their work authorization is: An unexpired Employment Authorization Document (EAD) by the USCIS (including C-33 EAD/DACA), or an unexpired visa. Eligible types are E-1, G series, H series, or TN. If the authorization for temporary residency will expire within one year of closing and a prior history of residency status renewals exists, continuation may be assumed. If there are no prior renewals, the likelihood the authorization will be renewed must be determined based on information received from the USCIS. All borrowers are required to have a Social Security number
Eligible States	All states within the United States are eligible except U.S. territories, including Puerto Rico, Guam, the Northern Mariana Islands, and American Samoa. Cema's in NY are not allowed.
Eligible Terms- Fixed & ARM	Fixed – 10, 15, 20, 25, and 30 Year ARM – 3/6 5/6, 7/6, 10/6 (see SOFR Arm Matrices for complete arm details)
Eligible Transactions	Land contracts subject to Fannie Mae Guidelines, Lease option to purchase subject to Fannie Mae Guidelines
Escrow Waiver	Allowed with LTVS <=80%, subject to a price adjustment.
Maximum Loan Amount	Conforming Loan Limit with High Balance
Mortgage Insurance	LTV's greater than 80% require Standard Coverage. No Custom or reduced MI is allowed.
Property Type	Double Wide or greater MH permanently affixed and taxes as real estate.
Prepayment Penalty	None

Property Flips	Non-arm's-length transactions for properties involving a re-sale within the last 180 days and an increase in value are prohibited.		
Reserves	Determined by DU		
Seller Contributions	Property Type	LTV/CLTV	Contribution
	Primary Residence & Second Home	>90%	3%
		75.01% - 90%	6%
		<75%	9%
	Investment Property	All LTV/CLTV	2%
Temporary Buydown	Not allowed		

MORTGAGE a division of Midland Federal Savings and Loan Association is committed to equal credit opportunity and does not discriminate in any credit transaction based on sex, gender identity or expression, sexual orientation, marital or familial status, race, color, ethnicity, religion, national origin, age, disability, source of income (including public assistance), military status, or the good faith exercise of rights under the Consumer Credit Protection Act.