

MANUFACTURED HOUSING

Expand your business creating affordable home ownership opportunities



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WHAT IS A MANUFACTURED HOME?

A manufactured, or mobile, home is one that is built off site in a factory and then transported to the homesite in one or more units. For those who want affordable real estate, a mobile home can be a great option.

People are often surprised when they see just what is possible in today's manufactured homes. Manufactured homes come in a stunning variety of architectural styles, sizes, and layouts. They can include high end materials and features such as granite or marble countertops, spa style bathrooms, and custom fireplaces.

Because they tend to be more affordable when compared to traditional stick built homes, manufactured homes can open up home buying options. For many a manufactured home means it's possible to become a homeowner without taking on more debt and expenses than would be manageable. For others, it allows them to realize the dream of buying a vacation property at the beach, the lake, in the mountains, or some other desirable location.

As a mortgage professional, providing affordable home ownership options is an excellent way to serve more customers well, and grow your business. Read on to learn more about creating opportunity through manufactured lending.



TYPES OF MANUFACTURED HOMES

SINGLE WIDTH MANUFACTURED HOME

A single wide manufactured home is a home that is prefabricated, meaning it is built off site and then transported to the property site, and is 18 feet or fewer wide and 90 feet or fewer long. It is towed to the site as a single unit.



MULTIWIDTH

A double wide manufactured home is a prefabricated home that is typically at least 20 feet wide and no more than 90 feet long. Generally, a double wide is constructed in two separate units within a factory environment. The two units are then hauled to the site and joined together. These homes can also come in triple wide and quadruple wide variations.

MODULAR HOMES

Modular homes are often confused with manufactured homes, but are in fact considered stick built homes. They are prefabricated in a factory or other off site facility, and then transported in one or more sections to the home site where it is assembled and finished in place.

LOCATION OPTIONS

Just as there are several different types of manufactured homes there are also options when it comes to homesites for manufactured homes.

MANUFACTURED HOME PARK*

A community of manufactured homes where the home owners rent the land on which their homes sit.

OWNED LAND

A lot or piece of property that is also owned by the home owner, on which they've placed their manufactured home.

Some communities and neighborhoods have restrictions concerning manufactured homes so it's important to counsel your client, and suggest they do some research before buying land. This way they can feel confident that they won't be prevented from using the property as they intended.

*Manufactured home financing options are more limited when just the home is owned, and not the homesite.





BENEFITS OF MANUFACTURED HOMES

Manufactured homes are well known for being affordable, though cost is far from the only perk. Your clients may be surprised to learn about some of these additional upsides to manufactured home ownership.

HIGH QUALITY STANDARDS

Any manufactured home constructed after June 15, 1976 must be done so according to the building code laid out in the National Manufactured Housing Construction and Safety Standards Act of 1974.

This ensures that requirements are met for the performance and safety of the home in a wide range of areas including:

- structural design
- heating and air conditioning
- plumbing
- thermal and electrical systems
- energy efficiency
- fire safety

ENVIRONMENTALLY FRIENDLY

Owning a manufactured home can be a great way to reduce negative environmental impact on our planet. Because these homes tend to be smaller in size they take fewer materials to build and are more efficient to heat and cool. Newer homes have many energy saving

features which significantly lower their carbon footprints. The manufacturing process is also designed to be extremely efficient, resulting in little waste.

RELIABLE BUILDING PROCESS

New home construction is notorious for weather delays, contractor delays, material delays, and the list goes on. Manufactured homes are built in a controlled environment eliminating many of the variables that can easily cause setbacks and delays.

AFFORDABLE REAL ESTATE INVESTMENT

Owning a lot with a manufactured home on it can be an excellent way to invest in real estate without paying the high cost of a stick built home. As with any investment there is no guarantee that values will increase over any specific period of time, but historically real estate prices have gone up over time.

MANUFACTURED HOME FINANCING

Manufactured home loans don't differ greatly from mortgages for stick built properties. Due to some of the unique aspects of their construction, there are some additional requirements to consider when financing these homes.

A FEW OF THESE INCLUDE:

- **MINIMUM SIZE** - Some programs specify a minimum square footage. For example, 400 square feet for FHA or 600 square feet for Fannie Mae.
- **YEAR CONSTRUCTED** - Federal Manufactured Home Construction and Safety Standards must be met for any manufactured home built after June 15, 1976, and homes manufactured prior to this date are ineligible for most mortgage programs.
- **FOUNDATION** - In order to qualify for residential financing mobile homes can't truly be mobile. Programs generally require location on a permanent foundation and chassis.
- **LOT** - Manufactured homes must typically be located on owned land rather than a leased lot or space in a mobile home park to be eligible for a real estate loan. The cost of the land can be financed as well.



PROGRAM OPTIONS

At American Financial Resources we have a wide selection of manufactured home mortgage programs to choose from, allowing you to provide solutions for a diverse array of borrowers and scenarios.

FHA

Low down payment, low rates, credit scores down to 580 considered.

VA

Up to 100% financing available to eligible military and veteran borrowers, principle residence only.

USDA

As low as zero down payment for properties in eligible rural areas, home must be less than 12 months old and not previously occupied.

FANNIE MAE & FREDDIE MAC

Great options for double and triplewides, 620 minimum qualifying credit score.

BUSINESS OPPORTUNITY

Expanding product offerings and becoming a lending expert in a niche area of the market can be a highly effective way to broaden your customer base, close more loans, and increase profits. Consumers often worry that a manufactured home mortgage will be difficult to find, and come with many restrictions. Providing borrower friendly solutions can differentiate you from the competition.



CONSUMER DEMAND

Inventory shortages across much of the country have made it difficult for many would be buyers to find real estate they can afford. Manufactured homes can help meet this growing demand, particularly when paired with low rate, low down payment financing options.



WHY AFR?

Why choose AFR for manufactured home loan products? Here are just a few reasons to partner with us for your manufactured lending needs.

GREAT PRICING

We aim to provide highly competitive rates on our manufactured home loans. By keeping our costs competitive, our wholesale clients can keep home ownership even more affordable for their borrowers.

GREAT SUPPORT

Our team is here to provide excellent, personalized support for each of our wholesale clients. We not only take the time to answer your questions and address your concerns, we also provide ample resources to help you succeed in the manufactured housing space.

ON DEMAND PROCESSING

Take advantage of our On Demand Processing service where we take care of processing, underwriting, and closing your loans for you. We'll even contact your borrowers to clear conditions if you'd like. You decide what you want us to handle on a loan by loan basis, and we'll keep you in the loop every step of the way. And the best part? It's free.

EXPERIENCE

We've been in the mortgage industry for decades, and are a leading wholesale lender for manufactured home mortgages in the US.

GET STARTED

Ready to see the impact manufactured lending could have on your business? A great next step is to attend a Manufactured Housing Webinar held at afrwholesale.com.

Run by an industry expert, you will get an overview of the market as well as learn program guidelines and available lending options.

HAVE QUESTIONS? REACH OUT TO US ANY TIME.

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Find additional contact information and resources at <https://www.afrwholesale.com/contact/>

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