

Chapter 5703: Manufactured Homes

5703.1: Mortgages secured by Manufactured Homes (06/04/25)

Mortgages secured by Manufactured Homes are eligible for sale to Freddie Mac under the terms of the Guide and this chapter. This section contains requirements related to:

- [Overview](#)
- [Defined terms](#)

(a) Overview

Negotiated underwriting provisions in the Seller's Purchase Documents cannot be used with Mortgages secured by Manufactured Homes unless the negotiated underwriting provision is specifically made applicable to Mortgages secured by Manufactured Homes.

(b) Defined terms

As used in this chapter, the following terms have the meanings ascribed to them below:

Defined terms	
E	
Existing Manufactured Home	A Manufactured Home that is permanently affixed to its foundation as of the Application Received Date, regardless of current or previous occupancy.
H	
HUD Codes	<p>A series of regulations that establish requirements for Manufactured Homes in compliance with the National Manufactured Home Construction and Safety Standards (MHCSS) Act of 1974, 42 U.S.C. 5401-5426. The codes are administered by HUD and include, but are not limited to:</p> <ul style="list-style-type: none">■ Manufactured Home Construction and Safety Standards (MHCSS; 24 C.F.R. Part 3280)

	<ul style="list-style-type: none"> ■ Manufactured Home Procedural and Enforcement Regulations (24 C.F.R. Part 3282) ■ Model Manufactured Home Installation Standards (MIS; 24 C.F.R. Part 3285 or 3286) ■ Other codes incorporated by reference, (e.g., FEMA 85, Manufactured Home Installation in Flood Hazard Areas)
HUD Certification Label	A metal plate affixed to the exterior of each transportable section of the Manufactured Home. The HUD certification number appears on each HUD Certification Label and evidences compliance with the Federal Manufactured Home Construction and Safety Standards.
HUD Data Plate	<p>A paper label mounted in the Manufactured Home that contains, among other things, the manufacturer's name, trade/model name, year manufactured and serial number, a list of the HUD Certification Label number(s), etc.</p> <p>The HUD Data Plate is typically affixed in a readily accessible and visible location (e.g., near the main electrical panel, in a kitchen cabinet, in a bedroom closet).</p>
N	
New Manufactured Home	A Manufactured Home that is purchased directly from a retailer or a developer, has never been occupied and has never been affixed to a permanent foundation on another site.

5703.1: Mortgages secured by Manufactured Homes (Future effective date 01/26/26)

Refer to Bulletin 2025-7, which announced the policy requirements for Uniform Appraisal Dataset (UAD) 3.6. Sellers may submit to the Uniform Collateral Data Portal® appraisal reports that use UAD 3.6 before the mandatory effective November 2, 2026 version of this section.

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	Manufactured Home Construction and Safety Standards.
HUD Data Plate	<p>A paper label mounted in the Manufactured Home that contains, among other things, the manufacturer's name, trade/model name, date of manufacture and serial number, a list of the HUD Certification Label number(s), etc.</p> <p>The HUD Data Plate is typically affixed in a readily accessible and visible location (e.g., near the main electrical panel, in a kitchen cabinet, in a bedroom closet).</p>
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New Manufactured Home	A Manufactured Home that is purchased directly from a retailer or a developer, has never been occupied and has never been affixed to a permanent foundation on another site.

5703.2: General requirements related to Manufactured Homes (06/04/25)

This section contains:

- [General requirements](#)
- [HUD compliance and documentation requirements](#)
- [Other types of factory-built housing](#)

(a) General requirements

For a Mortgage secured by a Manufactured Home to be eligible for sale to Freddie Mac, the Manufactured Home must:

- Have been built on or after June 15, 1976
- Be built on a permanent chassis in compliance with the HUD Codes in effect as of the date the Manufactured Home was constructed
- Be at least 12 feet wide and have at least 600 square feet of finished area.

Exception: This requirement does not apply when the Manufactured Home is an ADU, unless the Manufactured Home is a CHOICEHome[®]. (See Section 5601.2(d) for Manufactured Home ADU requirements.)

- Have square footage and room dimensions that are acceptable to typical purchasers in the Market Area
- Be permanently affixed to the original permanent foundation, in compliance with the HUD Codes.

If the permanent foundation was installed prior to October 20, 2008, the foundation must be designed for the site conditions, home design features and loads the home was designed to withstand in accordance with the manufacturer's instructions or with a design by a licensed (registered) professional engineer.

- Have a foundation that meets all applicable local, State and federal codes
- Have an anchoring system that complies with the HUD Codes.

If the Manufactured Home was installed prior to October 20, 2008, the anchoring system must comply with the manufacturer's design or with a design by a licensed (registered) professional engineer.

Note: Anchoring systems refer to all components of the anchoring and support systems such as piers, footings, ties, anchoring equipment, anchoring assemblies and any other equipment, materials and methods of construction that support and secure the Manufactured Home to the ground.

- Not have wheels, axles or towing hitches
- Be permanently connected to utilities (e.g., power, water, sewage disposal system) in compliance with the HUD Codes
- The Mortgaged Premises must:
 - ☐ Be zoned for residential use and not for commercial or business uses; and
 - ☐ Must conform to all applicable use restrictions
- Any improvements, modifications or repairs that affect the safety, soundness or structural integrity of the Manufactured Home must be completed prior to the sale of the Mortgage to Freddie Mac.

Exception: This requirement does not apply when the Mortgage is secured by a Manufactured Home that is a CHOICERenovation In Progress Mortgage or a CHOICEReno eXpress Mortgage (pursuant to the terms defined in Section 4607.1).

- Any structural modifications to an Existing Manufactured Home must be verified as approved by a licensed professional engineer or the local, State or federal authority.

If structural modifications or additions to a 1-unit dwelling result in any portion of the dwelling being classified as a Manufactured Home, the Mortgage secured by such property must meet the requirements of this Chapter 5703.

- Not have been moved from its original site and was previously occupied or installed on a permanent foundation

(b) HUD compliance and documentation requirements

To evidence the Manufactured Home is built in compliance with the Federal Manufactured Home Construction and Safety Standards, the following must be met:

- Existing Manufactured Homes: either the HUD Certification Label(s) or HUD Data Plate must be present and legible.

For existing Manufactured Homes, Freddie Mac will accept as alternative documentation:

- ☐ A “HUD Label Verification Letter,” with the same information contained on the HUD Certification Label(s), from the Institute for Building Technology and Safety (IBTS)
- ☐ A Performance Verification Certificate (PVC) from the IBTS, or
- ☐ A copy of the HUD Data Plate from the In-Plant Primary Inspection Agency (IPIA) or manufacturer. (A list of IPIA offices is posted on HUD’s website.)
- New Manufactured Homes: both the HUD Data Plate and HUD Certification Label(s) must be present and legible

The HUD Data Plate section of the Manufactured Home Appraisal Report (Form 70B, Manufactured Home Appraisal Report) must be completed.

(c) Other types of factory-built housing

The Freddie Mac definition of Manufactured Homes excludes other types of factory-built housing that are not subject to the National Manufactured Home Construction and Safety Standards Act (e.g., modular or panelized housing).

Mortgages secured by other types of factory-built housing are not required to comply with this Chapter 5703 and may be eligible for sale to Freddie Mac if the Mortgage otherwise complies with the Seller's Purchase Documents.

5703.2: General requirements related to Manufactured Homes (Future effective date 01/26/26)

Refer to Bulletin 2025-7, which announced the policy requirements for Uniform Appraisal Dataset (UAD) 3.6. Sellers may submit to the Uniform Collateral Data Portal® appraisal reports that use UAD 3.6 before the mandatory effective November 2, 2026 version of this section.

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- Be permanently affixed to the original permanent foundation, in compliance with the HUD Codes.

If the permanent foundation was installed prior to October 20, 2008, the foundation must be designed for the site conditions, home design features and loads the home was designed to withstand in accordance with the manufacturer's instructions or with a design by a licensed (registered) professional engineer.

- Have a foundation that meets all applicable local, State and federal codes
- Have an anchoring system that complies with the HUD Codes.

If the Manufactured Home was installed prior to October 20, 2008, the anchoring system must comply with the manufacturer's design or with a design by a licensed (registered) professional engineer.

Note: Anchoring systems refer to all components of the anchoring and support systems such as piers, footings, ties, anchoring equipment, anchoring assemblies and any other equipment, materials and methods of construction that support and secure the Manufactured Home to the ground.

- Not have wheels, axles or towing hitches
- Be permanently connected to utilities (e.g., power, water, sewage disposal system) in compliance with the HUD Codes
- The Mortgaged Premises must:
 - ☐ Be zoned for residential use and not for commercial or business uses; and
 - ☐ Must conform to all applicable use restrictions
- Any improvements, modifications or repairs that affect the safety, soundness or structural integrity of the Manufactured Home must be completed prior to the sale of the Mortgage to Freddie Mac.

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- ☐ A Performance Verification Certificate (PVC) from the IBTS, or
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- New Manufactured Homes: both the HUD Data Plate and HUD Certification Label(s) must be present and legible

The HUD Data Plate section of the Manufactured Home Appraisal Report (Form 70B, Manufactured Home Appraisal Report) must be completed.

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The Freddie Mac definition of Manufactured Homes excludes other types of factory-built housing that are not subject to the National Manufactured Home Construction and Safety Standards Act (e.g., modular or panelized housing).

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- Be permanently affixed to the original permanent foundation, in compliance with the HUD Codes.

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- Have a foundation that meets all applicable local, State and federal codes
- Have an anchoring system that complies with the HUD Codes.

If the Manufactured Home was installed prior to October 20, 2008, the anchoring system must comply with the manufacturer's design or with a design by a licensed (registered) professional engineer.

Note: Anchoring systems refer to all components of the anchoring and support systems such as piers, footings, ties, anchoring equipment, anchoring assemblies and any other equipment, materials and methods of construction that support and secure the Manufactured Home to the ground.

- Not have wheels, axles or towing hitches
- Be permanently connected to utilities (e.g., power, water, sewage disposal system) in compliance with the HUD Codes
- The Mortgaged Premises must:
 - ☐ Be zoned for residential use and not for commercial or business uses; and
 - ☐ Must conform to all applicable use restrictions
- Any improvements, modifications or repairs that affect the soundness or structural integrity of the Manufactured Home must be completed prior to the sale of the Mortgage to Freddie Mac.

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If structural modifications or additions to a 1-unit dwelling result in any portion of the dwelling being classified as a Manufactured Home, the Mortgage secured by such property must meet the requirements of this Chapter 5703.

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(b) HUD compliance and documentation requirements

To evidence the Manufactured Home is built in compliance with the Federal Manufactured Home Construction and Safety Standards, the following must be met:

- Existing Manufactured Homes: either the HUD Certification Label(s) or HUD Data Plate must be present and legible.

For existing Manufactured Homes, Freddie Mac will accept as alternative documentation:

- ☐ A “HUD Label Verification Letter,” with the same information contained on the HUD Certification Label(s), from the Institute for Building Technology and Safety (IBTS)
 - ☐ A Performance Verification Certificate (PVC) from the IBTS, or
 - ☐ A copy of the HUD Data Plate from the In-Plant Primary Inspection Agency (IPIA) or manufacturer. (A list of IPIA offices is posted on HUD’s website.)
- New Manufactured Homes: both the HUD Data Plate and HUD Certification Label(s) must be present and legible

The HUD Data Plate section of the Traditional Appraisal Report must be completed.

(c) Other types of factory-built housing

The Freddie Mac definition of Manufactured Homes excludes other types of factory-built housing that are not subject to the National Manufactured Home Construction and Safety Standards Act (e.g., modular or panelized housing).

Mortgages secured by other types of factory-built housing are not required to comply with this Chapter 5703 and may be eligible for sale to Freddie Mac if the Mortgage otherwise complies with the Seller’s Purchase Documents.

5703.3: Property eligibility and occupancy requirements for Mortgages secured by Manufactured Homes (06/04/25)

This section contains requirements related to:

- [Property eligibility](#)
- [Occupancy](#)

(a) Property eligibility

(i) General requirements

For a Mortgage secured by a Manufactured Home to be eligible for sale to Freddie Mac, the Manufactured Home must be:

- Classified as real property under applicable State law, including relevant statutes, regulations and judicial decisions
- A 1-unit dwelling comprised of a single section or multiple sections
- Permanently affixed to a permanent foundation in compliance with HUD codes

A Manufactured Home may be located:

- On an individual lot
- In a Condominium Project; or
- In a Planned Unit Development (PUD)

(ii) Special requirements for a single-wide Manufactured Home in a Condominium Project

If a Mortgage is secured by a single-wide Manufactured Home in a Condominium Project, the project eligibility must be determined through a reciprocal review, and the requirements in Section 5701.9 must be met.

(iii) Land ownership

The land on which the Manufactured Home is situated must be owned by the Borrower in fee simple, except as stated below:

- Mortgages secured by Manufactured Homes located in a Condominium Project are eligible for sale to Freddie Mac if the Condominium Project complies with the project eligibility requirements in either Section 5701.5 for Established Condominium Projects or Section 5701.9 for reciprocal project reviews
- Mortgages secured by Manufactured Homes located on leasehold estates that meet the requirements in Chapter 5706 are eligible for sale to Freddie Mac with prior written approval

(b) Occupancy

Requirements for Mortgages secured by a Manufactured Home are as follows:

- For Mortgages secured by a multiwide Manufactured Home, the Mortgaged Premises must be either:
 - ❑ A Primary Residence; or
 - ❑ A second home
- For Mortgages secured by a single-wide Manufactured Home, the Mortgaged Premises must be a Primary Residence

5703.4: Real property, title and lien requirements for Mortgages secured by Manufactured Homes (06/04/25)

This section contains:

- [Real property requirements](#)
- [Documentation requirements](#)
- [Borrower and Seller affidavit](#)
- [Uniform Instruments](#)
- [Title insurance](#)
- [Special requirements by State](#)
- [Closing instructions](#)

(a) Real property requirements

To be eligible for sale to Freddie Mac, a Mortgage must be secured by a perfected First Lien on real estate that consists of the Manufactured Home and the land on which the Manufactured Home is permanently affixed.

The Seller must take all steps necessary to ensure that the Mortgaged Premises, including the Manufactured Home, is real property pursuant to all relevant State laws and regulations.

The following table outlines the requirements for surrender and cancelation of certificate of title:

State specific requirements for surrender and cancelation of certificate of Manufactured Home title	
State procedure	Requirements
States with surrender and cancelation procedures	<p>If a State has laws, regulations or administrative policies that establish procedures allowing for the surrender and cancelation of the certificate of title, the Seller must comply with these procedures.</p> <p>Example: The Borrower may have to file evidence of intent or affidavit of affixture for a Manufactured Home to be converted to real property.</p>
States without surrender and cancelation procedures	<p>If a State does not have procedures allowing for the surrender and cancelation of the certificate of title, the Seller must comply with requirements for evidencing and perfecting a lien on the Manufactured Home on the certificate of title.</p> <p>Example: A State may require a foundation form to be recorded in the land records and filed with the agency governing manufactured housing to complete the process for converting it to real property.</p>
States with no formal process for surrendering and cancelation	<p>A Mortgage secured by a real estate lien on a Manufactured Home evidenced and perfected using a certificate of title is eligible for sale to Freddie Mac only if a State has no statutory, regulatory or formal administrative process for surrendering and canceling a certificate of title or exemption of a Manufactured Home from the certificate of title requirements.</p> <p>Note: The taxation of the Mortgaged Premises as real property is not evidence that all the appropriate steps to convert a Manufactured Home to real property have been completed or that a Manufactured Home is legally classified as real property.</p>

(b) Documentation requirements

In all cases, notwithstanding the different processes required by State law, the Seller must maintain in the Mortgage file documentation evidencing that:

- The Manufactured Home is legally classified as real property
- The Manufactured Home is properly titled; and

- The lien on the Manufactured Home and the land on which it is permanently affixed has been properly created, evidenced and perfected

The documentation must include the serial number(s)/vehicle identification number(s) (VIN) for each section of the Manufactured Home.

(c) Borrower and Seller affidavit

The Borrower and, if required, the Seller must sign an affidavit that acknowledges their intent for the Manufactured Home to be permanently part of the real property that secures the Mortgage and that contains any specific language that may be required by applicable law.

The affidavit must be recorded, if permitted, and either a copy of the affidavit showing the record location or the original after its return from recordation must be maintained in the Mortgage file.

(d) Uniform Instruments

The financing of the Manufactured Home and the land must be evidenced by a First Lien Security Instrument that includes the Manufactured Home as part of the real property collateral and is recorded in the land records.

Mortgages secured by Manufactured Homes must be evidenced by:

- The current Fannie Mae/Freddie Mac Uniform fixed-rate Note or acceptable ARM Note; and
- The current Fannie Mae/Freddie Mac State-specific Security Instrument

A Manufactured Home must be described in the Security Instrument and the description must include the year, make, model and serial number(s)/VIN(s) for each section of the Manufactured Home and any other information required by applicable law to identify the Manufactured Home.

(e) Title insurance

The Mortgage must be covered under a standard real estate title insurance policy that:

- Complies with Chapter 4702
- Identifies the Manufactured Home located on the real property, and
- Insures against any loss if the Manufactured Home is not real property

The Seller must provide one of the following title policy endorsements for each Manufactured Home:

- An American Land Title Association (ALTA) Form 7.1, where available, or ALTA Form 7 endorsement; or
- The endorsement required in the applicable jurisdiction to insure against loss if the Manufactured Home does not constitute real property under State law, such as the T-31 endorsement in the State of Texas

Note: The ALTA Form 7 endorsement does not guarantee the Manufactured Home has been properly converted to real property. If the State has statutory, regulatory or formal administrative process for surrendering and canceling a certificate of title, the Seller is responsible for ensuring that all steps necessary to convert the Manufactured Home to real property have been completed and documentation evidencing the conversion is maintained in the Mortgage file.

(f) Special requirements by State

(i) Non-certificate of title States

The following table indicates the requirements for classification of real property and the documentation needed for a property in a non-certificate of title State:

Non-certificate of title States	
Topic	Requirement
Real property classification	<p>The Manufactured Home is classified as real property when it meets the requirements imposed by the State, including, but not limited to, the permanent attachment of the Manufactured Home to the land. The State does not require that the owner of the Manufactured Home obtain a certificate of title for the Manufactured Home (“non-certificate of title States”).</p> <p>Title to the Manufactured Home is evidenced and conveyed by deed, and the lien on the Manufactured Home and the land is created and perfected by a recorded Security Instrument.</p>
Documentation requirements	<p>For non-certificate of title States, the Seller must maintain in the Mortgage file:</p> <ul style="list-style-type: none"> ■ Information stating the legal basis (statutory or common law) for determining that the Manufactured Home is real property that is exempt from certificate of title requirements (this information may be included in the documentation from the title insurance company); and ■ Evidence that a certificate of title has not been issued, such as the manufacturer’s statement of origin (provided that the

	manufacturer's statement of origin is not required to be surrendered to a State agency)
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(ii) Certificate of title surrender States

The following table indicates the requirements for classification of real property and the documentation needed for a property in a certificate of title surrender State:

Certificate of title surrender States	
Topic	Requirement
Real property classification	<p>In a certificate of title surrender State, the Manufactured Home is classified as real property when it meets the requirements imposed by the State, including, but not limited to:</p> <ul style="list-style-type: none"> ■ The Manufactured Home is permanently affixed to the land ■ The certificate of title is surrendered to the appropriate State agency, and ■ The certificate of title is canceled by the State agency ("certificate of title surrender States") <p>Some certificate of title surrender States also provide for an exemption from the issuance of a certificate of title upon the surrender of the manufacturer's statement of origin if the Manufactured Home is permanently affixed to the land and meets the other requirements for a surrender and cancelation of a certificate of title.</p> <p>After the certificate of title has been canceled or otherwise exempted, title to the Manufactured Home is evidenced and conveyed by deed, and the lien on the Manufactured Home and the land is created and perfected by a recorded Security Instrument.</p>
Documentation requirements	<p>For certificate of title surrender States, the Seller must maintain in the Mortgage file documentation from the appropriate State authority to evidence that the certificate of title has been surrendered and canceled (or, in the case of a New Manufactured Home, the manufacturer's statement of origin has been surrendered and no certificate of title was issued).</p> <p>The Seller must maintain the following in the Mortgage file as evidence:</p> <ul style="list-style-type: none"> ■ A certificate of cancelation, notification letter or other acknowledgement from the State motor vehicle administration or

	<p>other State agency to which the certificate of title was surrendered; or</p> <ul style="list-style-type: none"> ■ A copy of the documents submitted in connection with the surrender, along with evidence that the documents were delivered and received by the appropriate State agency <p>And</p> <ul style="list-style-type: none"> ■ Copies of documents recorded in the land records as part of the title surrender procedures to show the Manufactured Home has been converted to real property, such as an affidavit of affixture
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(iii) Certificate of title States

The following table indicates the requirements for classification of real property and the documentation needed for a property in a certificate of title State:

Certificate of title States	
Topic	Requirements
Real property classification	<p>In a certificate of title State, the State does not have procedures allowing for the surrender and cancelation of the certificate of title.</p> <p>The Manufactured Home is recognized as part of the real property when it meets the requirements imposed by the State, including, but not limited to:</p> <ul style="list-style-type: none"> ■ The Manufactured Home is permanently affixed to the land, and ■ The Manufactured Home meets all other conditions to be legally recognized as real property when a certificate of title has been issued by the State but not surrendered (“certificate of title States”) <p>In a certificate of title State:</p> <ul style="list-style-type: none"> ■ Ownership of the Manufactured Home is shown on the certificate of title, and ownership of the land is shown on the recorded deed to the real property ■ Transfer of ownership of the Manufactured Home is either noted on the certificate of title or by the issuance of a new certificate of title showing the purchaser as the owner, and transfer of ownership of the land is done through a recorded deed of transfer ■ The lien on the land is created by the Security Instrument and is evidenced and perfected by recording the Security Instrument in the land records. The lien on the Manufactured Home is created by the same Security Instrument but is evidenced and perfected by

	its notation on the certificate of title to the Manufactured Home and/or filing with the appropriate State agency or another specified method.
Documentation requirements	<p>For certificate of title States, the Seller must maintain the following documents in the Mortgage file:</p> <ul style="list-style-type: none"> ■ The original certificate of title showing all intervening assignments and ending with the Seller and its successors in interests and assigns as lienholder if State law does not require the original certificate of title to be held by the Manufactured Home owner, or ■ A copy of the certificate of title showing all intervening assignments and ending showing the Seller and its successors in interests and assigns as lienholder if State law requires the original certificate of title to be held by the Manufactured Home owner <p>And</p> <ul style="list-style-type: none"> ■ Evidence on the certificate of title (original or copy, as applicable) of the assignment of the security interest in the Manufactured Home from the Transferor Servicer to the Transferee Servicer if there has been a Transfer of Servicing. <p>Note: Mortgages secured by Manufactured Homes in certificate of title States are not eligible for registration with the MERS®.</p>
Special requirements	<p>For certificate of title State, the Seller must comply with all of the following requirements:</p> <ul style="list-style-type: none"> ■ In addition to the requirements for perfecting a lien on the land to which the Manufactured Home is permanently affixed, the Seller must take all necessary action to perfect the lien on the Manufactured Home. This may include adding a notation of the Seller's security interest in the Manufactured Home on the certificate of title in the name of the Seller and its successors in interest and assigns, and/or recording its lien with the State motor vehicle administration or other authorized agency. <p>The Seller must verify that ownership of the Manufactured Home as shown on the certificate of title and ownership of the land as shown on the deed are identical and that the owner of the Manufactured Home and the land is the Borrower under the Note and Security Instrument.</p> <ul style="list-style-type: none"> ■ The Seller/Servicer is not required to note the assignment of the security interest in the Manufactured Home to the Federal Home Loan Mortgage Corporation (Freddie Mac) on the certificate of title. However, if it deems necessary to protect its interests, at its

	<p>sole discretion and at any time, Freddie Mac may require a Seller/Servicer, at the Seller/Servicer's expense, to note the assignment of its security interest in the Manufactured Home to Freddie Mac in one or more of the following ways, depending on State law:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Notation on the certificate of title, and/or <input type="checkbox"/> Recording the assignment to Freddie Mac with the State motor vehicle administration or other authorized agency ■ For assignments of the lien on the Manufactured Home, the Seller/Servicer must ensure that the chain of assignments as noted on the certificate of title is complete from the original mortgagee on the certificate of title to the Seller, and the full chain of assignments noted on the certificate of title is recorded in the State motor vehicle administration or other authorized agency, if required. If the Seller enters into a Concurrent or Subsequent Transfer of Servicing, an assignment to the new Servicer must be noted on the certificate of title and/or must be recorded in the State motor vehicle administration or other authorized agency, if required. <p>The Seller must complete all of the following requirements when preparing and completing assignments of the security interest in the Manufactured Home for Concurrent or Subsequent Transfers of Servicing in a certificate of title State:</p> <ul style="list-style-type: none"> ■ If the Borrower holds the original certificate of title, and the original certificate of title must be produced to note the assignment, the Seller/Servicer must obtain the original certificate of title from the Borrower and follow the applicable procedures to note the assignment on the certificate of title ■ The Transferor Servicer must note any intervening assignments from the original mortgagee to the Transferor Servicer on the certificate of title and, if required, record the complete chain of assignments from the original mortgagee to the Transferor Servicer with the State motor vehicle administration or other authorized agency ■ The Transferor Servicer must note the assignment of its interest in the Manufactured Home to the Transferee Servicer on the original certificate of title and, if required, record the assignment with the State motor vehicle administration or other authorized agency ■ If the Borrower holds the original certificate of title, the Transferor Servicer must retain a copy of the original certificate with the noted assignments before returning the original
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	<p>certificate of title with the noted assignments to the Borrower in accordance with applicable procedures</p> <ul style="list-style-type: none"> ■ The Transferor Servicer must deliver the certificate of title (or, if applicable, a copy of the certificate of title) evidencing the complete chain of title to the Transferee Servicer who must maintain the certificate of title or a copy of the certificate of title, as applicable, in the Mortgage file
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(g) Closing instructions

The Seller must provide its closing agents with closing instructions that instruct the agent to obtain the required documentation evidencing that the Manufactured Home is affixed to a permanent foundation on the land.

If any of the documentation related to the conversion of the Manufactured Home to real property cannot be obtained until after closing, the Seller must obtain a power of attorney from the Borrower that may be used to complete the post-closing items as intended.

(i) Special requirements for non-certificate of title States

In non-certificate of title States, the closing instructions must instruct the closing agent to provide documentation for retention in the Mortgage file showing that the Manufactured Home is real property that does not require a certificate of title, including documentation that the Manufactured Home has been permanently installed.

(ii) Special requirements for certificate of title surrender States

In certificate of title surrender States, the closing instructions must instruct the closing agent to perform all necessary procedures to assure that the certificate of title to the Manufactured Home is properly canceled (or the manufacturer's statement of origin properly surrendered) and provide the Seller with supporting documentary evidence for retention in the Mortgage file.

5703.5: Eligible and ineligible Mortgages for Mortgages secured by Manufactured Homes (06/04/25)

This section contains requirements related to:

- [Eligible Mortgages](#)
- [Ineligible Mortgages](#)

■ [Mortgages secured by Manufactured Homes with Affordable Seconds®](#)

(a) Eligible Mortgages

A Mortgage secured by a Manufactured Home must be one of the following Mortgage Products:

- Fully amortizing fixed-rate Mortgage
- 7/6-Month or 10/6-Month ARM

(b) Ineligible Mortgages

A Mortgage secured by a Manufactured Home must not be any of the following Mortgage types:

- An ARM, other than those listed above in Section 5703.5(a)
- Community Land Trust Mortgage, unless the Manufactured Home is a CHOICEHome®
- HomeOne® Mortgage, unless the Manufactured Home is a CHOICEHome
- Investment Property Mortgage
- Mortgage secured by a unit in a Cooperative Project
- Mortgage secured by a property subject to income-based resale restrictions, unless the Manufactured Home is a CHOICEHome
- Mortgage securing a Manufactured Home that was moved from its original site and was previously occupied or installed on a permanent foundation
- Mortgage subject to a temporary subsidy buydown
- Renovation Mortgage
- Seller-Owned Converted Mortgage
- Seller-Owned Modified Mortgage

(c) Mortgages secured by Manufactured Homes with Affordable Seconds

Mortgages secured by Manufactured Homes may be originated with Affordable Seconds, if it is a Home Possible® Mortgage that meets the requirements in Chapter 4501 and is secured by a 1-unit Primary Residence.

5703.6: Mortgage purpose and use of proceeds for Mortgages secured by Manufactured Homes (06/04/25)

This section contains requirements related to:

- [Eligible loan purpose](#)
- [Allowable use of proceeds](#)

(a) Eligible loan purpose

A Mortgage secured by a **multiwide** Manufactured Home may be any of the following:

- A purchase transaction Mortgage
- A “no cash-out” refinance Mortgage; or
- A cash-out refinance Mortgage

A Mortgage secured by a **single-wide** Manufactured Home must be either:

- A purchase transaction Mortgage; or
- A “no cash-out” refinance Mortgage

(b) Allowable use of proceeds

The following table specifies the allowable use of proceeds by transaction type:

Manufactured Home Mortgages allowable use of proceeds		
Transaction type	Use of proceeds	Other requirements
Purchase transaction Mortgages (multiwide and single-wide)	Limited to: <ul style="list-style-type: none"> ■ Purchasing the Manufactured Home ■ Purchasing the land when the Borrower does not separately own the land ■ Paying documented costs for delivery and setup, anchoring on a permanent foundation system, site development, installation and permanent utility connections, including well and/or septic systems 	<ul style="list-style-type: none"> ■ Credits for wheels and axles, and any Manufactured Home retailer rebates, must be deducted from the purchase price along with any sales concessions in accordance with Section 5501.6(c) ■ Loan proceeds may not be used for any other costs, including financing of any forms of insurance, except for mortgage insurance
“No cash-out” refinance Mortgages (multiwide and single-wide)	Limited to: <ul style="list-style-type: none"> ■ Paying off the principal and interest due, including a balance deferred under a loss mitigation plan, for the existing first Mortgage and, if applicable, junior lien(s) secured by the Manufactured Home and the land ■ Paying off any costs or fees associated with the satisfaction and release of the first Mortgage (e.g., late fees, prepayment penalties) ■ Paying related Closing Costs ■ Disbursing cash to the Borrower (or any other payee) up to the greater of 1% of the new refinance Mortgage or \$2,000 	A “no cash-out” refinance Mortgage must also meet the requirements in Section 4301.4.
Cash-out refinance Mortgages	Proceeds may be used to, but are not limited to: <ul style="list-style-type: none"> ■ Pay off the existing Mortgage and, if applicable, any junior 	<ul style="list-style-type: none"> ■ The Borrower must have owned both the Manufactured Home and land for 12 months or more prior to the Note Date

Manufactured Home Mortgages allowable use of proceeds		
Transaction type	Use of proceeds	Other requirements
(Multiwide)	<p>lien(s) secured by the Manufactured Home and land.</p> <p>When the purpose of the cash-out refinance Mortgage is to pay off a First Lien Mortgage, the First Lien Mortgage being refinanced must be seasoned for at least 12 months.</p> <ul style="list-style-type: none"> ■ Pay off existing liens if the Manufactured Home and land are separately encumbered and the purpose of the cash-out refinance Mortgage is to convert the Manufactured Home to legally classified real property under applicable State law. <p>When the purpose of the cash-out refinance Mortgage is to convert the Manufactured Home to legally classified real property, the Mortgage being refinanced does not need to be seasoned for at least 12 months.</p> <ul style="list-style-type: none"> ■ Enable the Borrower to obtain a Mortgage on a property that is owned free and clear 	<p>unless the property is owned free and clear</p> <ul style="list-style-type: none"> ■ For a cash-out refinance Mortgage on a property owned free and clear, at least one Borrower must have been on the title to the subject property for at least six months prior to the Note Date ■ A cash-out refinance Mortgage must also meet the requirements in Section 4301.5(c)

5703.7: Underwriting requirements for Mortgages secured by Manufactured Homes (06/04/25)

This section contains requirements related to:

- [Loan Product Advisor® Mortgages](#)
- [Borrower contributions](#)
- [Layering of risk](#)

(a) Loan Product Advisor Mortgages

A Mortgage secured by a Manufactured Home must be submitted to Loan Product Advisor.

A Mortgage secured by a **single-wide** Manufactured Home must be an Accept Mortgage.

A Mortgage secured by a **multiwide** Manufactured Home must be:

- An Accept Mortgage, or
- A Mortgage that was submitted to Loan Product Advisor and received:
 - ❑ An evaluation status of invalid, ineligible or incomplete, or
 - ❑ A Risk Class of Caution

Mortgages secured by a **multiwide** Manufactured Home that are submitted to Loan Product Advisor and receive a Risk Class of Caution or an assessment status of invalid, ineligible or incomplete must be manually underwritten in accordance with the Guide and the requirements in the following associated topics:

Other Guide provisions related to manually underwritten Mortgages	
Guide provision	Guide location
Determining Borrower eligibility	Topic 5100
Credit assessment	Topic 5200
Stable monthly income and asset qualification sources	Topic 5300
Evaluation of monthly obligations	Topic 5400
Assets	Topic 5500
Minimum Indicator Scores	Exhibit 25

(b) Borrower contributions

(i) Land as an equity contribution

If the Borrower owns the land on which the Manufactured Home is being permanently affixed, the land may be used as an equity contribution. The Borrower's equity contribution is determined as follows:

Determining land as an equity contribution	
If, as of the Application Received Date...	Then...
The Borrower has owned the land for 12 months or more...	The equity contribution is the current appraised value of the land.
The Borrower has owned the land for less than 12 months....	<p>The equity contribution is the lower of:</p> <ul style="list-style-type: none"> ■ The current appraised value of the land; or ■ The purchase price of the land <p>The Seller must document the Borrower's equity contribution with:</p> <ul style="list-style-type: none"> ■ A certified copy of the Settlement/Closing Disclosure Statement; and ■ A copy of the warranty deed evidencing there are no liens against the subject property or a copy of the release for any prior lien(s) <p>Additionally, if the Borrower acquired the land as a gift, an inheritance or by some other non-purchase transaction less than 12 months as of the Application Received Date, the Seller must obtain appropriate documentation to verify the acquisition and transfer of ownership of the land. In such event, the value of the land will be its current appraised value.</p>

(ii) Trade as an equity contribution

If the subject transaction involves trade as an equity contribution from the Borrower's Existing Manufactured Home, the maximum equity contribution from the traded Manufactured Home must be determined as follows:

Determining Trade as an Equity Contribution	
If, as of the Application Received Date...	Then....
The Borrower has owned the traded Manufactured Home for 12 months or more...	90% of the retail value based on the N.A.D.A. Manufactured Housing Appraisal Guide® is the maximum equity contribution.
The Borrower has owned the traded Manufactured Home for less than 12 months...	<p>The maximum equity contribution is the lesser of:</p> <ul style="list-style-type: none">■ 90% of the retail value based on the N.A.D.A. Manufactured Housing Appraisal Guide; or■ The lowest price at which the Manufactured Home was sold during that 12-month period

Additionally, any costs resulting from the removal of the Manufactured Home or any outstanding indebtedness secured by liens on the Manufactured Home must be deducted from the maximum equity contribution.

The trade equity must be documented by a lien search in the appropriate real property or personal property records to verify ownership and existence of liens on the Manufactured Home and land, if included. The seller of the New Manufactured Home must provide proof of title transfer and satisfaction of any existing liens on the traded Manufactured Home.

(c) Layering of risk

A Manufactured Home adds a layer of collateral risk that must be considered when evaluating the overall risk of the Mortgage using the three Cs of underwriting (credit reputation, capacity and collateral).

The Seller must consider this high-risk characteristic in evaluating the overall risk of the Mortgage and avoid combining a Manufactured Home with weaknesses in the components of

capacity and credit reputation. See Section 5102.2 for more information on evaluating layering of risk and how to document that the overall risk of the Mortgage is acceptable.

Example 1: If the Borrower has a strong credit reputation and strong capacity to offset the high risk within the collateral component, a Mortgage secured by a Manufactured Home with maximum financing would be acceptable.

Example 2: If the Borrower has weaknesses in credit reputation, such as a short credit history or derogatory credit information, the layering of risk across credit reputation and collateral is excessive and would make the Mortgage unacceptable.

5703.8: Maximum loan-to-value (LTV)/total LTV (TLTV)/Home Equity Line of Credit (HELOC) TLTV (HTLTV) ratios, loan terms and value calculations for Mortgages secured by Manufactured Homes (06/04/25)

This section contains requirements related to:

- [Maximum loan-to-value \(LTV\)/total LTV \(TLTV\)/Home Equity Line of Credit \(HELOC\) TLTV \(HTLTV\) ratios and Mortgage terms](#)
- [Calculation of value](#)

(a) Maximum LTV/TLTV/HTLTV ratios and Mortgage terms

The maximum LTV, TLTV and HTLTV ratios and Mortgage term for a Mortgage secured by a Manufactured Home are as follows:

Purchase and “no cash-out” refinance transactions				
Occupancy type	Loan Product Advisor [®] evaluation status	Maximum LTV/TLTV/HTLTV ratio	Maximum Mortgage term	Mortgage Product
Primary Residence	Risk Class of Accept	≤ 95%	30-year loan term	<ul style="list-style-type: none"> ■ Fixed-rate ■ 7/6-Month ARM
	<ul style="list-style-type: none"> ■ Invalid ■ Ineligible or incomplete 	≤ 90%	30-year loan term	<ul style="list-style-type: none"> ■ 10/6-Month ARM

	<ul style="list-style-type: none"> ■ Risk Class of Caution 			
	<ul style="list-style-type: none"> ■ Invalid ■ Ineligible or incomplete ■ Risk Class of Caution 	> 90% and ≤ 95%	20-year loan term	
Second home	Risk Class of Accept	≤ 85%	30-year loan term	
Cash-out refinance transactions				
Occupancy type	Loan Product Advisor evaluation status	Maximum LTV/TLTV/HTLTV ratio	Maximum Mortgage term	Mortgage Product
Primary Residence	<ul style="list-style-type: none"> ■ Risk Class of Accept ■ Invalid ■ Ineligible or incomplete ■ Risk Class of Caution 	≤ 65%	20-year loan term	<ul style="list-style-type: none"> ■ Fixed-rate ■ 7/6-Month ARM ■ 10/6-Month ARM

(b) Calculation of value

The value used to determine the LTV/TLTV/HTLTV ratio of a Manufactured Home is calculated as follows:

(i) Purchase transaction Mortgages

Value calculation for purchase transaction Mortgages	
Property type	Value
New Manufactured Home	<p>The lower of:</p> <ul style="list-style-type: none">■ The purchase price of the Manufactured Home and land■ The current appraised value of the Manufactured Home and land; or■ The purchase price of the Manufactured Home, and<ul style="list-style-type: none">❑ If the land was purchased less than 12 months prior to the Application Received Date, the lowest purchase price at which the land was sold during that 12-month period; or❑ If the land was purchased 12 months or more prior to the Application Received Date, the current appraised value of the land
Existing Manufactured Home	<p>The lower of:</p> <ul style="list-style-type: none">■ The purchase price of the Manufactured Home and land■ The current appraised value of the Manufactured Home and land; or■ If the Manufactured Home was affixed to a permanent foundation less than 12 months prior to the Application Received Date:<ul style="list-style-type: none">❑ The lowest price at which the Manufactured Home was previously sold during that 12-month period and❑ The lower of:<ul style="list-style-type: none">■ The current appraised value of the land; or■ The lowest price at which the land was sold during that 12-month period (provided there was such a sale)

Value calculation for purchase transaction Mortgages	
Property type	Value
Existing Manufactured Home that has never been occupied in a new or existing Manufactured Home subdivision and sold by a builder or a developer or a manufacturer acting as a developer	<p>The lower of:</p> <ul style="list-style-type: none"> ■ The purchase price of the Manufactured Home and land; or ■ The current appraised value of the Manufactured Home and land
Construction Conversion Mortgage secured by a Manufactured Home	<p>The lower of:</p> <ul style="list-style-type: none"> ■ The purchase price of the Manufactured Home, plus the lowest purchase price at which the land was sold during the most recent 12-month period; or ■ Appraised value of the Mortgaged Premises, as completed <p>Exception: If the Borrower acquired the land as a gift or by inheritance, the value of the land as reported on the appraisal may be used in lieu of the purchase price of the land sold during the most recent 12-month period.</p> <p>(See Section 4602.10 for additional information on the calculation of value for Construction Conversion and Renovation Mortgages.)</p>

(ii) Refinance Mortgages

Value calculation for refinance Mortgages
“No cash-out” refinance Mortgages
The value for a “no cash-out” refinance Mortgage, including a Construction Conversion Mortgage, is the current appraised value of the Manufactured Home and land.
Cash-out refinance Mortgages
The value for a cash-out refinance Mortgage is the current appraised value of the Manufactured Home and land.

5703.9: Appraisal requirements for Manufactured Homes (06/04/25)

The Seller must obtain an appraisal with an interior and exterior inspection that meets Freddie Mac requirements. This section contains:

- [Appraiser qualifications for appraisals of Manufactured Homes](#)
- [Information provided to appraiser for New Manufactured Homes](#)
- [Appraisal requirements for a Manufactured Home](#)
- [Sales comparison approach for Manufactured Homes \(excluding CHOICEHomes®\)](#)
- [Cost approach for Manufactured Homes](#)
- [Income approach for Manufactured Homes](#)
- [Completion documentation for Manufactured Homes](#)

(a) Appraiser qualifications for appraisals of Manufactured Homes

In addition to the appraiser qualifications stated in Section 5603.1, the Seller must determine that the appraiser demonstrates the knowledge and experience to perform quality appraisals for Manufactured Homes. The Seller must ensure the appraiser:

- Has adequate experience and previously completed real property appraisals of Manufactured Homes

- Has adequate education and/or training related to the appraisal of Manufactured Homes
- Understands the unique features that affect the quality of Manufactured Homes and the factory construction techniques for Manufactured Homes
- Understands the manufacturers' and federal, State and local requirements for the installation of Manufactured Homes
- Has knowledge concerning the local Manufactured Home market; and
- Has access to appropriate data sources to establish an opinion of value.

Note: The N.A.D.A. Manufactured Housing Appraisal Guide® and Marshall & Swift® Residential Cost Handbook may also be used to provide support for the appraiser's quality adjustments and value conclusions.

(b) Information provided to appraiser for New Manufactured Homes

In addition to the requirements in Section 5603.3, for a New Manufactured Home, the Seller must provide the appraiser with:

1. **Contracts:** A complete copy of the executed contract for sale of the Manufactured Home and the land is required. If the Manufactured Home and land have separate contracts, the executed contract for each is required.

If the Borrower has owned the land for 12 months or more as of the Application Received Date, a copy of the executed contract for the land is not required.

2. **Manufacturer documents:** A copy of the manufacturer's invoice and the Manufactured Home Purchase Agreement is required for:
 - A purchase transaction Mortgage secured by a New Manufactured Home; or
 - A Construction Conversion Mortgage when either a purchase transaction Mortgage or "no cash-out" refinance Mortgage
3. **Plans and specifications:** If the Manufactured Home is not yet affixed to the land, the appraisal may be based on plans and specifications or an existing model Manufactured Home

(c) Appraisal requirements for a Manufactured Home

In addition to the property eligibility and appraisal requirements of Topic 5600, the appraisal report must contain:

1. A match of the manufacturer's serial number(s) and the HUD Certification Label number(s) on the dwelling with the number(s) on the contract for sale, manufacturer's invoice and any other documentation provided.

Note: If the numbers do not match, the appraisal report must state that the Manufactured Home is not the same dwelling referenced on the contract for sale or other applicable documentation.

2. A photo(s) of the HUD Data Plate and HUD Certification Label(s) as follows:
 - For an existing Manufactured Home, photo(s) of either the HUD Data Plate or the HUD Certification Label(s) are acceptable. When both are present, the appraisal report must include both.
 - For a New Manufactured Home, photos of both the HUD Data Plate and HUD Certification Label(s) are required
3. A sales comparison approach to support an opinion of the market value of the Manufactured Home that excludes non-realty items, such as, but not limited to, insurance, warranties or furniture
4. A cost approach
5. Analyses, opinions and conclusions reported on Form 70B, Manufactured Home Appraisal Report

(d) Sales comparison approach for Manufactured Homes (excluding CHOICEHomes)

Except for Mortgages secured by a CHOICEHome, when completing the sales comparison approach for Manufactured Homes, the following must be met:

- The appraisal report must identify the specific number of Manufactured Home sales and listings as well as the respective price ranges that were used in the analysis
- The appraisal report must include at least two comparable Manufactured Home sales of similar configuration (i.e., single-wide comparable sales for a single-wide subject property and multiwide comparable sales for a multiwide subject property) and similar quality
- The appraisal report may contain either site-built housing or a different type of factory-built housing as the third comparable sale if an explanation is provided
- The appraisal report may contain more than three comparable sales, including contract sales and listings, to support the appraiser's opinion of value

If the Manufactured Home is in a controlled market (e.g., a new subdivision or project, a newly converted project or an area where the property seller owns a substantial number of units), at least one comparable sale must be outside the influence of the developer, builder or property seller.

- Resales from within the subject project or subdivision may be used to meet this requirement
- When comparable sales from outside the subject project or subdivision are used, they must also be outside the influence of the subject property's developer, builder or property seller

The appraisal report must not contain comparable sales that were created by combining vacant land sales with the contract purchase price of the Manufactured Home. If the appraisal report does not contain at least two comparable sales of similar Manufactured Homes, the Mortgage is not eligible for sale to Freddie Mac.

Note: See section 5703.12(h) for details regarding appraisal requirements for Mortgages secured by a CHOICEHome.

(e) Cost approach for Manufactured Homes

A detailed cost approach based on published sources and supported by market data is required for all Manufactured Home appraisals. The appraisal report must provide sufficient information and data to allow the Seller or other reviewers to replicate the cost figures and calculations.

The appraiser should fully develop the cost approach to support quality of construction determinations and any adjustments made by the appraiser to account for differences in quality of construction.

Key criteria include:

- The cost figures must come directly from a published cost service without modification by the appraiser
- The appraisal report must provide the source and the effective date of the cost data
- The appraisal report must contain the cost data with a quality rating that is based only on objective criteria.

Note: The appraisal report may contain other sources of objective information, such as the Uniform Appraisal Dataset Specifications (as found in Exhibit 36, Condition and Quality Ratings and Level of Updating Definitions) ratings and definitions, to support the quality rating.

- The appraisal report must contain an opinion of site value supported by a summary of comparable land sales or other methods used for estimating site value

(f) Income approach for Manufactured Homes

The income approach is not required; however, it must be provided if necessary to develop a credible appraisal report.

(g) Completion documentation for Manufactured Homes

If the appraisal is performed before the Manufactured Home is delivered and installed on a permanent foundation, the Seller must document that the Manufactured Home is complete.

If a new appraisal is required, the appraisal report must contain an analysis of previously unavailable information. If the new appraisal is an appraisal update that also acts as documentation of completion, it must identify that the conditions of the underlying appraisal have been satisfied.

5703.9: Appraisal requirements for Manufactured Homes (Future effective date 01/26/26)

Refer to Bulletin 2025-7, which announced the policy requirements for Uniform Appraisal Dataset (UAD) 3.6. Sellers may submit to the Uniform Collateral Data Portal® appraisal reports that use UAD 3.6 before the mandatory effective November 2, 2026 version of this section.

The Seller must obtain an appraisal with an interior and exterior inspection that meets Freddie Mac requirements. This section contains:

- [Appraiser qualifications for appraisals of Manufactured Homes](#)
- [Information provided to appraiser for New Manufactured Homes](#)
- [Appraisal requirements for a Manufactured Home](#)
- [Sales comparison approach for Manufactured Homes \(excluding CHOICEHomes®\)](#)
- [Cost approach for Manufactured Homes](#)
- [Income approach for Manufactured Homes](#)
- [Completion documentation for Manufactured Homes](#)

(a) Appraiser qualifications for appraisals of Manufactured Homes

In addition to the appraiser qualifications stated in Section 5603.1, the Seller must determine that the appraiser demonstrates the knowledge and experience to perform quality appraisals for Manufactured Homes. The Seller must ensure the appraiser:

- Has adequate experience and previously completed real property appraisals of Manufactured Homes
- Has adequate education and/or training related to the appraisal of Manufactured Homes
- Understands the unique features that affect the quality of Manufactured Homes and the factory construction techniques for Manufactured Homes
- Understands the manufacturers' and federal, State and local requirements for the installation of Manufactured Homes
- Has knowledge concerning the local Manufactured Home market; and
- Has access to appropriate data sources to establish an opinion of value

Note: The N.A.D.A. Manufactured Housing Appraisal Guide® and Marshall & Swift® Residential Cost Handbook may also be used to provide support for the appraiser's quality adjustments and value conclusions.

(b) Information provided to appraiser for New Manufactured Homes

In addition to the requirements in Section 5603.3, for a New Manufactured Home, the Seller must provide the appraiser with:

1. **Contracts:** A complete copy of the executed contract for sale of the Manufactured Home and the land is required. If the Manufactured Home and land have separate contracts, the executed contract for each is required.

If the Borrower has owned the land for 12 months or more as of the Application Received Date, a copy of the executed contract for the land is not required.

2. **Manufacturer documents:** A copy of the manufacturer's invoice and the Manufactured Home Purchase Agreement is required for:
 - A purchase transaction Mortgage secured by a New Manufactured Home; or
 - A Construction Conversion Mortgage when either a purchase transaction Mortgage or "no cash-out" refinance Mortgage

3. **Plans and specifications:** If the Manufactured Home is not yet affixed to the land, the appraisal may be based on plans and specifications or an existing model Manufactured Home

(c) Appraisal requirements for a Manufactured Home

In addition to the property eligibility and appraisal requirements of Topic 5600, the appraisal report must contain:

1. A match of the manufacturer's serial number(s) and the HUD Certification Label number(s) on the dwelling with the number(s) on the contract for sale, manufacturer's invoice and any other documentation provided.

Note: If the numbers do not match, the appraisal report must state that the Manufactured Home is not the same dwelling referenced on the contract for sale or other applicable documentation.

2. A photo(s) of the HUD Data Plate and HUD Certification Label(s) as follows:
 - For an existing Manufactured Home, photo(s) of either the HUD Data Plate or the HUD Certification Label(s) are acceptable. When both are present, the appraisal report must include both.
 - For a New Manufactured Home, photos of both the HUD Data Plate and HUD Certification Label(s) are required
3. A sales comparison approach to support an opinion of the market value of the Manufactured Home that excludes non-realty items, such as, but not limited to, insurance, warranties or furniture
4. A cost approach
5. Analyses, opinions and conclusions reported on Form 70B, Manufactured Home Appraisal Report

(d) Sales comparison approach for Manufactured Homes (excluding CHOICEHomes)

Except for Mortgages secured by a CHOICEHome, when completing the sales comparison approach for Manufactured Homes, the following must be met:

- The appraisal report must identify the specific number of Manufactured Home sales and listings as well as the respective price ranges that were used in the analysis
- The appraisal report must include at least two comparable Manufactured Home sales of similar configuration (i.e., single-wide comparable sales for a single-wide subject)

property and multiwide comparable sales for a multiwide subject property) and similar quality

- The appraisal report may contain either site-built housing or a different type of factory-built housing as the third comparable sale if an explanation is provided
- The appraisal report may contain more than three comparable sales, including contract sales and listings, to support the appraiser's opinion of value

If the Manufactured Home is in a controlled market (e.g., a new subdivision or project, a newly converted project or an area where the property seller owns a substantial number of units), at least one comparable sale must be outside the influence of the developer, builder or property seller.

- Resales from within the subject project or subdivision may be used to meet this requirement
- When comparable sales from outside the subject project or subdivision are used, they must also be outside the influence of the subject property's developer, builder or property seller

The appraisal report must not contain comparable sales that were created by combining vacant land sales with the contract purchase price of the Manufactured Home. If the appraisal report does not contain at least two comparable sales of similar Manufactured Homes, the Mortgage is not eligible for sale to Freddie Mac.

Note: See section 5703.12(h) for details regarding appraisal requirements for Mortgages secured by a CHOICEHome.

(e) Cost approach for Manufactured Homes

A detailed cost approach based on published sources and supported by market data is required for all Manufactured Home appraisals. The appraisal report must provide sufficient information and data to allow the Seller or other reviewers to replicate the cost figures and calculations.

The appraiser should fully develop the cost approach to support quality of construction determinations and any adjustments made by the appraiser to account for differences in quality of construction.

Key criteria include:

- The cost figures must come directly from a published cost service without modification by the appraiser
- The appraisal report must provide the source and the effective date of the cost data

- The appraisal report must contain the cost data with a quality rating that is based only on objective criteria.

Note: The appraisal report may contain other sources of objective information, such as the Uniform Appraisal Dataset Specifications (as found in Exhibit 36, Condition and Quality Ratings and Level of Updating Definitions) ratings and definitions, to support the quality rating.

- The appraisal report must contain an opinion of site value supported by a summary of comparable land sales or other methods used for estimating site value

(f) Income approach for Manufactured Homes

The income approach is not required; however, it must be provided if necessary to develop a credible appraisal report.

(g) Completion documentation for Manufactured Homes

If the appraisal is performed before the Manufactured Home is delivered and installed on a permanent foundation, the Seller must document that the Manufactured Home is complete.

If a new appraisal is required, the appraisal report must contain an analysis of previously unavailable information. If the new appraisal is an appraisal update that also acts as documentation of completion, it must identify that the conditions of the underlying appraisal have been satisfied.

5703.9: Appraisal requirements for Manufactured Homes (Future effective date 11/02/26)

The Seller must obtain a Traditional Appraisal Report with an interior and exterior inspection that meets Freddie Mac requirements. This section contains:

- [Appraiser qualifications for appraisals of Manufactured Homes](#)
- [Information provided to appraiser for New Manufactured Homes](#)
- [Appraisal requirements for a Manufactured Home](#)
- [Sales comparison approach for Manufactured Homes \(excluding CHOICEHomes®\)](#)
- [Cost approach for Manufactured Homes](#)
- [Income approach for Manufactured Homes](#)
- [Completion documentation for Manufactured Homes](#)

(a) Appraiser qualifications for appraisals of Manufactured Homes

In addition to the appraiser qualifications stated in Section 5603.1, the Seller must determine that the appraiser demonstrates the knowledge and experience to perform quality appraisals for Manufactured Homes. The Seller must ensure the appraiser:

- Has adequate experience and previously completed real property appraisals of Manufactured Homes
- Has adequate education and/or training related to the appraisal of Manufactured Homes
- Understands the unique features that affect the quality of Manufactured Homes and the factory construction techniques for Manufactured Homes
- Understands the manufacturers' and federal, State and local requirements for the installation of Manufactured Homes
- Has knowledge concerning the local Manufactured Home market; and
- Has access to appropriate data sources to establish an opinion of value

Note: The N.A.D.A. Manufactured Housing Appraisal Guide® and Marshall & Swift® Residential Cost Handbook may also be used to provide support for the appraiser's quality adjustments and value conclusions.

(b) Information provided to appraiser for New Manufactured Homes

In addition to the requirements in Section 5603.3, for a New Manufactured Home, the Seller must provide the appraiser with:

1. **Contracts:** A complete copy of the executed sales contract for the Manufactured Home and the land. If the Manufactured Home and land have separate contracts, the executed contract for each is required.

If the Borrower has owned the land for 12 months or more as of the Application Received Date, a copy of the executed contract for the land is not required.

2. **Manufacturer documents:** A copy of the manufacturer's invoice and the Manufactured Home Purchase Agreement for:

- A purchase transaction Mortgage secured by a New Manufactured Home; or
- A Construction Conversion Mortgage when either a purchase transaction Mortgage or "no cash-out" refinance Mortgage

3. **Plans and specifications:** If the Manufactured Home is not yet affixed to the land, the appraisal may be based on plans and specifications or an existing model Manufactured Home

(c) Appraisal requirements for a Manufactured Home

In addition to the property eligibility and appraisal requirements of Topic 5600, the appraisal report must contain:

1. A match of the manufacturer's serial number(s) and the HUD Certification Label number(s) on the dwelling with the number(s) on the sales contract, manufacturer's invoice and any other documentation provided.

Note: If the numbers do not match, the appraisal report must state that the Manufactured Home is not the same dwelling referenced on the sales contract or other applicable documentation.

2. A photo(s) of the HUD Data Plate and HUD Certification Label(s) as follows:
 - For an existing Manufactured Home, photo(s) of either the HUD Data Plate or the HUD Certification Label(s) are acceptable. When both are present, the appraisal report must include both.
 - For a New Manufactured Home, photos of both the HUD Data Plate and HUD Certification Label(s) are required

3. A sales comparison approach to support an opinion of the market value of the Manufactured Home that excludes non-realty items, such as, but not limited to, insurance, warranties or furniture
4. A cost approach

(d) Sales comparison approach for Manufactured Homes (excluding CHOICEHomes)

Except for Mortgages secured by a CHOICEHome, when completing the sales comparison approach for Manufactured Homes, the following must be met:

- The appraisal report must identify the specific number of Manufactured Home sales and listings as well as the respective price ranges that were used in the analysis
- The appraisal report must include at least two comparable Manufactured Home sales of similar configuration (i.e., single-wide comparable sales for a single-wide subject property and multiwide comparable sales for a multiwide subject property) and similar quality
- The appraisal report may contain either site-built housing or a different type of factory-built housing as the third comparable sale if an explanation is provided
- The appraisal report may contain more than three comparable sales, including contract sales and listings, to support the appraiser's opinion of value

If the Manufactured Home is in a controlled market (e.g., a new subdivision or project, a newly converted project or an area where the property seller owns a substantial number of units), at least one comparable sale must be outside the influence of the developer, builder or property seller.

- Resales from within the subject project or subdivision may be used to meet this requirement
- When comparable sales from outside the subject project or subdivision are used, they must also be outside the influence of the subject property's developer, builder or property seller

The appraisal report must not contain comparable sales that were created by combining vacant land sales with the contract purchase price of the Manufactured Home. If the appraisal report does not contain at least two comparable sales of similar Manufactured Homes, the Mortgage is not eligible for sale to Freddie Mac.

Note: See section 5703.12(h) for details regarding appraisal requirements for Mortgages secured by a CHOICEHome.

(e) Cost approach for Manufactured Homes

A detailed cost approach based on published sources and supported by market data is required for all Manufactured Home appraisals. The appraisal report must provide sufficient information and data to allow the Seller or other reviewers to replicate the cost figures and calculations.

The appraiser should fully develop the cost approach to support quality of construction determinations and any adjustments made by the appraiser to account for differences in quality of construction.

Key criteria include:

- The cost figures must come directly from a published cost service without modification by the appraiser
- The appraisal report must provide the source and the effective date of the cost data
- The appraisal report must contain the cost data with a quality rating that is based only on objective criteria.

Note: The appraisal report may use Appendix 2: Condition and Quality Ratings Definitions contained in Appendix F-1: URAR Reference Guide to support the quality rating.

- The appraisal report must contain an opinion of site value supported by a summary of comparable land sales or other methods used for estimating site value

(f) Income approach for Manufactured Homes

The income approach is not required; however, it must be provided if necessary to develop a credible appraisal report.

(g) Completion documentation for Manufactured Homes

If the appraisal is performed before the Manufactured Home is delivered and installed on a permanent foundation, the Seller must document that the Manufactured Home is complete.

If a new appraisal is required, the appraisal report must contain an analysis of previously unavailable information. If the new appraisal is an appraisal update that also acts as documentation of completion, it must identify that the conditions of the underlying appraisal have been satisfied.

5703.10: Mortgage insurance requirements for Mortgages secured by Manufactured Homes (06/04/25)

A Mortgage secured by a Manufactured Home must have mortgage insurance coverage as stated in Section 4701.1.

The Mortgage can include Borrower-paid mortgage insurance premiums as provided for in Section 4701.2.

5703.11: Taxation of Mortgaged Premises for Mortgages secured by Manufactured Homes (06/04/25)

State law or the local taxing authority may require the Mortgaged Premises to be taxed as either real estate or personal property by the jurisdiction where it is located. The following table outlines how to determine property taxation:

Property tax determination	
As of the Note Date...	Then...
If State law or the local taxing authority requires or permits the Mortgaged Premises to be taxed as real estate...	The Mortgage Premises must be taxed as real estate by the jurisdiction where it is located.
If State law or the local taxing authority requires the Mortgaged Premises to be taxed as personal property...	<p>The Mortgaged Premises may be taxed as personal property by the jurisdiction where it is located provided:</p> <ul style="list-style-type: none">■ The taxation does not affect the status of the property as real property■ The Servicer's escrow systems are adjusted to escrow for both real estate and personal property taxes; and■ If the taxing authority has provisions for notifying secured lenders of tax delinquencies, the Seller has taken all necessary action to ensure that the Seller/Servicer will receive any applicable notice of tax delinquency

Additionally, all of the requirements relating to real estate taxes in the Guide apply equally to personal property taxes applicable to a Mortgage secured by a Manufactured Home.

5703.12: Mortgages secured by a CHOICEHome® (06/04/25)

CHOICEHome® is a type of Manufactured Home with aesthetics, architectural elements and dwelling specifications that exceed the minimum standards required for HUD-coded manufactured homes. These factory-built properties have features comparable to conventional, site-built properties. This section contains:

- [Purchase of Mortgages secured by CHOICEHomes](#)
- [Construction elements for CHOICEHomes](#)
- [Loan purpose and occupancy](#)
- [Eligible and ineligible Mortgages secured by CHOICEHomes](#)
- [Appraisal requirements for Mortgages secured by a CHOICEHome](#)
- [Underwriting requirements for Mortgages secured by a CHOICEHome](#)
- [Maximum loan-to-value \(LTV\)/total LTV \(TLTV\)/Home Equity Line of Credit \(HELOC\) TLTV \(HTLTV\) ratios and value calculation for Mortgages secured by a CHOICEHome](#)
- [Use of proceeds for Mortgages secured by a CHOICEHome](#)
- [Mortgage insurance for Mortgages secured by a CHOICEHome](#)

(a) Purchase of Mortgages secured by CHOICEHomes

The Seller must verify that the subject property meets CHOICEHome property eligibility requirements. This includes obtaining an appraisal report and, when required, a final inspection that evidences the presence of the CHOICEHome element requirements and the following:

- The CHOICEHome notice, a label that certifies the Manufactured Home meets certain CHOICEHome construction elements, located in proximity to the HUD Data Plate
- For a new CHOICEHome, both the HUD Data Plate and the HUD Certification Label(s)
- For an existing CHOICEHome, the HUD Data Plate or the HUD Certification Label(s). If neither the HUD Data Plate nor the HUD Certification Label(s) are present or legible, Freddie Mac will accept the alternative documentation described in Section 5703.2.

The presence of a CHOICEHome notice only certifies a dwelling was manufactured to the CHOICEHome specifications that were in place as of its manufacture date and does not guarantee eligibility as a CHOICEHome.

(b) Construction elements for CHOICEHomes

CHOICEHomes must meet the Manufactured Home general requirements in Section 5703.2 and property and occupancy requirements in Section 5703.3, except as otherwise indicated by specific CHOICEHome construction elements below.

(i) Foundation

The permanent foundation must comply with the following requirements:

- Meet HUD's Permanent Foundation Guide for Manufactured Housing
- Be engineer designed and certified for the specific dwelling and site; and
- Include a perimeter mortared masonry blocking wall set on a poured perimeter footer

(ii) Elevation

(A) Design

The elevation design must follow these guidelines:

- Be a low-profile/residential set finished floor set
- Not exceed 30 inches from the bottom of the first-floor joist to the exterior grade for the front or entry

Site topography or other considerations may affect actual placement and will not disqualify the property from its CHOICEHome classification.

(B) Features

The elevation design must also include one of the following feature pairings:

- Dormer(s) and covered porch (minimum 72 sq. ft.)
- Dormer(s) and attached/detached carport/garage with space to accommodate one or two cars (materials and finishes must be at least equivalent to the primary structure)

- Covered porch (minimum 72 sq. ft.) and attached/detached carport/garage with space to accommodate one or two cars (materials and finishes must be at least equivalent to the primary structure)

(c) Loan purpose and occupancy

A Mortgage secured by a CHOICEHome must be either a purchase transaction Mortgage or “no cash-out” refinance Mortgage secured by a 1-unit Primary Residence.

(d) Eligible and ineligible Mortgages secured by CHOICEHomes

(i) Eligible Mortgages

Mortgages secured by a CHOICEHome must be:

- Fixed-rate Mortgages; or
- 5/6-Month, 7/6-Month or 10/6-Month ARMs

Home Possible® Mortgages, HomeOne® Mortgages and HeritageOne® Mortgages must be fixed-rate Mortgages.

(ii) Ineligible Mortgages

Mortgages secured by a CHOICEHome must not be:

- Seller-Owned Converted Mortgages
- Seller-Owned Modified Mortgages
- Super conforming Mortgages
- Secured by a single-wide Manufactured Home

(e) Appraisal requirements for Mortgages secured by a CHOICEHome

Each Mortgage secured by a CHOICEHome requires an appraisal report completed on Form 70B, Manufactured Home Appraisal Report. The appraisal report must reflect an opinion of value based on the real property as completed, consisting of the CHOICEHome, all site improvements and the land on which the property is situated.

The appraisal report must include photos of the following:

- The CHOICEHome notice
- The HUD Data Plate and HUD Certification Label(s) as follows:

- ❑ For a new CHOICEHome, both the HUD Data Plate and the HUD Certification Label(s) must be present and legible
- ❑ For an existing CHOICEHome, the HUD Data Plate or the HUD Certification Label(s) are acceptable. When both are present, the appraiser must include both.
- The property and site features, including dormers, porches, garages, carports and any other attached or detached structures

The appraisal report must comply with the sales comparison approach requirements outlined in Section 5605.6, and the appraisal report should contain at least one comparable CHOICEHome sale. If none are available, the appraisal report may contain site-built homes as comparable sales.

Traditional HUD-coded Manufactured Homes are not required as comparable sales. However, if used, the appraisal report must include an explanation that supports its use as a comparable sale(s) considering CHOICEHome's elements and specifications.

(f) Underwriting requirements for Mortgages secured by a CHOICEHome

A Mortgage secured by a CHOICEHome must be an Accept Mortgage.

The Seller must select the following in Loan Product Advisor®:

Fields for Mortgages secured by a CHOICEHome in Loan Product Advisor	
Loan Product Advisor field	Valid value
Attachment Type	Detached
Construction Method Type	Manufactured
Home Width Type	Multiwide
Loan Program Identifier	CHOICEHome

A Mortgage secured by a CHOICEHome is not eligible for an automated collateral evaluation (ACE) appraisal waiver or ACE+ PDR. The Seller must not accept an appraisal waiver offer from Loan Product Advisor stating an appraisal waiver or ACE+ PDR is acceptable.

(g) Maximum LTV/TLTV/HTLTV ratios and value calculation for Mortgages secured by a CHOICEHome

The maximum LTV/TLTV/HTLTV ratios and determination of value for Mortgages secured by a CHOICEHome are as follows:

(i) Maximum LTV/TLTV/HTLTV ratios

Maximum LTV/TLTV/HTLTV ratio	
Fixed-rate Mortgages	
All Mortgages except Home Possible, HomeOne and HeritageOne Mortgages	95/95/95%
<ul style="list-style-type: none">■ Home Possible Mortgages■ HomeOne Mortgages■ HeritageOne Mortgages	97/97/97%
<ul style="list-style-type: none">■ Home Possible Mortgages with an Affordable Second[®]■ HomeOne Mortgages with an Affordable Second■ HeritageOne Mortgages with an Affordable Second	97/105/97%
ARMs	
All Mortgages*	95/95/95%

*Pursuant to Section 5703.12(d)(i), Home Possible Mortgages, HomeOne Mortgages and HeritageOne Mortgages must be fixed-rate Mortgages.

(ii) Calculation of value

The value used to determine the LTV/TLTV/HTLTV ratios of Mortgages secured by CHOICEHomes is calculated as follows:

Determining value for LTV/TLTV/HTLTV ratios	
Transaction type	Value
Purchase transaction Mortgage	<p>The lower of:</p> <ul style="list-style-type: none"> ■ The purchase price of the CHOICEHome and purchase price of the land; or ■ The current appraised value of the CHOICEHome and land
“No cash-out” refinance Mortgage	The current appraised value of the CHOICEHome and land

(h) Use of proceeds for Mortgages secured by a CHOICEHome

The following table specifies the allowable use of proceeds by transaction type:

Allowable use of proceeds for Mortgages secured by a CHOICEHome		
Transaction type	Use of proceeds	Other requirements
Purchase transaction Mortgages	<p>Limited to:</p> <ul style="list-style-type: none"> ■ Purchasing the CHOICEHome ■ Purchasing the land when the Borrower does not separately own the land ■ Paying documented costs for delivery and setup, anchoring on a permanent foundation system, site development, installation and permanent utility connections, including well and/or septic systems 	<ul style="list-style-type: none"> ■ Credits for wheels and axles and any Manufactured Home retailer rebates must be deducted from the purchase price ■ Sales concessions as described in Section 5501.6(c) and other costs, including financing of any forms of insurance except for mortgage insurance, may not be used in the purchase price
“No cash-out” refinance Mortgage	<p>Limited to:</p> <ul style="list-style-type: none"> ■ Paying any required share of appreciation due to the 	None

Allowable use of proceeds for Mortgages secured by a CHOICEHome		
Transaction type	Use of proceeds	Other requirements
	<p>subsidy provider per the resale restricted covenants</p> <ul style="list-style-type: none"> ■ Paying off the principal and interest due, including a balance deferred under a loss mitigation plan, for the existing first Mortgage and, if applicable, junior lien(s) secured by the CHOICEHome and the land ■ Paying off any costs or fees associated with the satisfaction and release of the first Mortgage (e.g., late fees, prepayment penalties) ■ Paying related Closing Costs ■ Disbursing cash to the Borrower (or any other payee) up to the greater of 1% of the new refinance Mortgage or \$2,000 ■ Paying any required share of appreciation due to the subsidy provider per the resale restricted covenants 	

(i) Mortgage insurance for Mortgages secured by a CHOICEHome

A Mortgage secured by a CHOICEHome originated under this Section 5703.12 with an LTV ratio greater than 95% but less than or equal to 97% is eligible for mortgage insurance under Section 4701.1.

The Seller must verify that the mortgage insurance will cover a Mortgage secured by a CHOICEHome with an LTV ratio greater than 95% before submitting such mortgage insurance.

5703.12: Mortgages secured by a CHOICEHome® (Future effective date 01/26/26)

Refer to Bulletin 2025-7, which announced the policy requirements for Uniform Appraisal Dataset (UAD) 3.6. Sellers may submit to the Uniform Collateral Data Portal® appraisal reports that use UAD 3.6 before the mandatory effective November 2, 2026 version of this section.

CHOICEHome® is a type of Manufactured Home with aesthetics, architectural elements and dwelling specifications that exceed the minimum standards required for HUD-coded manufactured homes. These factory-built properties have features comparable to conventional, site-built properties. This section contains:

- [Purchase of Mortgages secured by CHOICEHomes](#)
- [Construction elements for CHOICEHomes](#)
- [Loan purpose and occupancy](#)
- [Eligible and ineligible Mortgages secured by CHOICEHomes](#)
- [Appraisal requirements for Mortgages secured by a CHOICEHome](#)
- [Underwriting requirements for Mortgages secured by a CHOICEHome](#)
- [Maximum loan-to-value \(LTV\)/total LTV \(TLTV\)/Home Equity Line of Credit \(HELOC\) TLTV \(HTLTV\) ratios and value calculation for Mortgages secured by a CHOICEHome](#)
- [Use of proceeds for Mortgages secured by a CHOICEHome](#)
- [Mortgage insurance for Mortgages secured by a CHOICEHome](#)

(a) Purchase of Mortgages secured by CHOICEHomes

The Seller must verify that the subject property meets CHOICEHome property eligibility requirements. This includes obtaining an appraisal report and, when required, a final inspection that evidences the presence of the CHOICEHome element requirements and the following:

- The CHOICEHome notice, a label that certifies the Manufactured Home meets certain CHOICEHome construction elements, located in proximity to the HUD Data Plate
- For a new CHOICEHome, both the HUD Data Plate and the HUD Certification Label(s)

- For an existing CHOICEHome, the HUD Data Plate or the HUD Certification Label(s). If neither the HUD Data Plate nor the HUD Certification Label(s) are present or legible, Freddie Mac will accept the alternative documentation described in Section 5703.2.

The presence of a CHOICEHome notice only certifies a dwelling was manufactured to the CHOICEHome specifications that were in place as of its manufacture date and does not guarantee eligibility as a CHOICEHome.

(b) Construction elements for CHOICEHomes

CHOICEHomes must meet the Manufactured Home general requirements in Section 5703.2 and property and occupancy requirements in Section 5703.3, except as otherwise indicated by specific CHOICEHome construction elements below.

(i) Foundation

The permanent foundation must comply with the following requirements:

- Meet HUD's Permanent Foundation Guide for Manufactured Housing
- Be engineer designed and certified for the specific dwelling and site; and
- Include a perimeter mortared masonry blocking wall set on a poured perimeter footer

(ii) Elevation

(A) Design

The elevation design must follow these guidelines:

- Be a low-profile/residential set finished floor set
- Not exceed 30 inches from the bottom of the first-floor joist to the exterior grade for the front or entry

Site topography or other considerations may affect actual placement and will not disqualify the property from its CHOICEHome classification

(B) Features

The elevation design must also include one of the following feature pairings:

- Dormer(s) and covered porch (minimum 72 sq. ft.)

- Dormer(s) and attached/detached carport/garage with space to accommodate one or two cars (materials and finishes must be at least equivalent to the primary structure)
- Covered porch (minimum 72 sq. ft.) and attached/detached carport/garage with space to accommodate one or two cars (materials and finishes must be at least equivalent to the primary structure)

(c) Loan purpose and occupancy

A Mortgage secured by a CHOICEHome must be either a purchase transaction Mortgage or “no cash-out” refinance Mortgage secured by a 1-unit Primary Residence.

(d) Eligible and ineligible Mortgages secured by CHOICEHomes

(i) Eligible Mortgages

Mortgages secured by a CHOICEHome must be:

- Fixed-rate Mortgages; or
- 5/6-Month, 7/6-Month or 10/6-Month ARMs

Home Possible® Mortgages, HomeOne® Mortgages and HeritageOne® Mortgages must be fixed-rate Mortgages.

(ii) Ineligible Mortgages

Mortgages secured by a CHOICEHome must not be:

- Seller-Owned Converted Mortgages
- Seller-Owned Modified Mortgages
- Super conforming Mortgages
- Secured by a single-wide Manufactured Home

(e) Appraisal requirements for Mortgages secured by a CHOICEHome

Each Mortgage secured by a CHOICEHome requires an appraisal report completed on Form 70B, Manufactured Home Appraisal Report. The appraisal report must reflect an opinion of value based on the real property as completed, consisting of the CHOICEHome, all site improvements and the land on which the property is situated.

The appraisal report must include photos of the following:

- The CHOICEHome notice
- The HUD Data Plate and HUD Certification Label(s) as follows:
 - ❑ For a new CHOICEHome, both the HUD Data Plate and the HUD Certification Label(s) must be present and legible
 - ❑ For an existing CHOICEHome, the HUD Data Plate or the HUD Certification Label(s) are acceptable. When both are present, the appraiser must include both.
- The property and site features, including dormers, porches, garages, carports and any other attached or detached structures

The appraisal report must comply with the sales comparison approach requirements outlined in Section 5605.6, and the appraisal report should contain at least one comparable CHOICEHome sale. If none are available, the appraisal report may contain site-built homes as comparable sales.

Traditional HUD-coded Manufactured Homes are not required as comparable sales. However, if used, the appraisal report must include an explanation that supports its use as a comparable sale(s) considering CHOICEHome's elements and specifications.

(f) Underwriting requirements for Mortgages secured by a CHOICEHome

A Mortgage secured by a CHOICEHome must be an Accept Mortgage.

The Seller must select the following in Loan Product Advisor®:

Fields for Mortgages secured by a CHOICEHome in Loan Product Advisor	
Loan Product Advisor field	Valid value
Attachment Type	Detached
Construction Method Type	Manufactured
Home Width Type	Multiwide
Loan Program Identifier	CHOICEHome

A Mortgage secured by a CHOICEHome is not eligible for an automated collateral evaluation (ACE) appraisal waiver or ACE+ PDR. The Seller must not accept an appraisal waiver offer from Loan Product Advisor stating an appraisal waiver or ACE+ PDR is acceptable.

(g) Maximum LTV/TLTV/HTLTV ratios and value calculation for Mortgages secured by a CHOICEHome

The maximum LTV/TLTV/HTLTV ratios and determination of value for Mortgages secured by a CHOICEHome are as follows:

(i) Maximum LTV/TLTV/HTLTV ratios

Maximum LTV/TLTV/HTLTV ratio	
Fixed-rate Mortgages	
All Mortgages except Home Possible, HomeOne and HeritageOne Mortgages	95/95/95%
<ul style="list-style-type: none">■ Home Possible Mortgages■ HomeOne Mortgages■ HeritageOne Mortgages	97/97/97%
<ul style="list-style-type: none">■ Home Possible Mortgages with an Affordable Second[®]■ HomeOne Mortgages with an Affordable Second■ HeritageOne Mortgages with an Affordable Second	97/105/97%
ARMs	
All Mortgages*	95/95/95%

*Pursuant to Section 5703.12(d)(i), Home Possible Mortgages, HomeOne Mortgages and HeritageOne Mortgages must be fixed-rate Mortgages.

(ii) Calculation of value

The value used to determine the LTV/TLTV/HTLTV ratios of Mortgages secured by CHOICEHomes is calculated as follows:

Determining value for LTV/TLTV/HTLTV ratios	
Transaction type	Value
Purchase transaction Mortgage	<p>The lower of:</p> <ul style="list-style-type: none"> ■ The purchase price of the CHOICEHome and purchase price of the land; or ■ The current appraised value of the CHOICEHome and land
“No cash-out” refinance Mortgage	The current appraised value of the CHOICEHome and land

(h) Use of proceeds for Mortgages secured by a CHOICEHome

The following table specifies the allowable use of proceeds by transaction type:

Allowable use of proceeds for Mortgages secured by a CHOICEHome		
Transaction type	Use of proceeds	Other requirements
Purchase transaction Mortgages	<p>Limited to:</p> <ul style="list-style-type: none"> ■ Purchasing the CHOICEHome ■ Purchasing the land when the Borrower does not separately own the land ■ Paying documented costs for delivery and setup, anchoring on a permanent foundation system, site development, installation and permanent utility connections, including well and/or septic systems 	<ul style="list-style-type: none"> ■ Credits for wheels and axles and any Manufactured Home retailer rebates must be deducted from the purchase price ■ Sales concessions as described in Section 5501.6(c) and other costs, including financing of any forms of insurance except for mortgage insurance, may not be used in the purchase price
“No cash-out” refinance Mortgage	<p>Limited to:</p> <ul style="list-style-type: none"> ■ Paying any required share of appreciation due to the 	None

Allowable use of proceeds for Mortgages secured by a CHOICEHome		
Transaction type	Use of proceeds	Other requirements
	<p>subsidy provider per the resale restricted covenants</p> <ul style="list-style-type: none"> ■ Paying off the principal and interest due, including a balance deferred under a loss mitigation plan, for the existing first Mortgage and, if applicable, junior lien(s) secured by the CHOICEHome and the land ■ Paying off any costs or fees associated with the satisfaction and release of the first Mortgage (e.g., late fees, prepayment penalties) ■ Paying related Closing Costs ■ Disbursing cash to the Borrower (or any other payee) up to the greater of 1% of the new refinance Mortgage or \$2,000 ■ Paying any required share of appreciation due to the subsidy provider per the resale restricted covenants 	

(i) Mortgage insurance for Mortgages secured by a CHOICEHome

A Mortgage secured by a CHOICEHome originated under this Section 5703.12 with an LTV ratio greater than 95% but less than or equal to 97% is eligible for mortgage insurance under Section 4701.1.

The Seller must verify that the mortgage insurance will cover a Mortgage secured by a CHOICEHome with an LTV ratio greater than 95% before submitting such mortgage insurance.

5703.12: Mortgages secured by a CHOICEHome® (Future effective date 11/02/26)

CHOICEHome® is a type of Manufactured Home with aesthetics, architectural elements and dwelling specifications that exceed the minimum standards required for HUD-coded manufactured homes. These factory-built properties have features comparable to conventional, site-built properties. This section contains:

- [Purchase of Mortgages secured by CHOICEHomes](#)
- [Construction elements for CHOICEHomes](#)
- [Loan purpose and occupancy](#)
- [Eligible and ineligible Mortgages secured by CHOICEHomes](#)
- [Appraisal requirements for Mortgages secured by a CHOICEHome](#)
- [Underwriting requirements for Mortgages secured by a CHOICEHome](#)
- [Maximum loan-to-value \(LTV\)/total LTV \(TLTV\)/Home Equity Line of Credit \(HELOC\) TLTV \(HTLTV\) ratios and value calculation for Mortgages secured by a CHOICEHome](#)
- [Use of proceeds for Mortgages secured by a CHOICEHome](#)
- [Mortgage insurance for Mortgages secured by a CHOICEHome](#)

(a) Purchase of Mortgages secured by CHOICEHomes

The Seller must verify that the subject property meets CHOICEHome property eligibility requirements. This includes obtaining an appraisal report and, when required, a final inspection that evidences the presence of the CHOICEHome element requirements and the following:

- The CHOICEHome notice, a label that certifies the Manufactured Home meets certain CHOICEHome construction elements, located in proximity to the HUD Data Plate
- For a new CHOICEHome, both the HUD Data Plate and the HUD Certification Label(s)
- For an existing CHOICEHome, the HUD Data Plate or the HUD Certification Label(s). If neither the HUD Data Plate nor the HUD Certification Label(s) are present or legible, Freddie Mac will accept the alternative documentation described in Section 5703.2.

The presence of a CHOICEHome notice only certifies a dwelling was manufactured to the CHOICEHome specifications that were in place as of its manufacture date and does not guarantee eligibility as a CHOICEHome.

(b) Construction elements for CHOICEHomes

CHOICEHomes must meet the Manufactured Home general requirements in Section 5703.2 and property and occupancy requirements in Section 5703.3, except as otherwise indicated by specific CHOICEHome construction elements below.

(i) Foundation

The permanent foundation must comply with the following requirements:

- Meet HUD's Permanent Foundation Guide for Manufactured Housing
- Be engineer designed and certified for the specific dwelling and site; and
- Include a perimeter mortared masonry blocking wall set on a poured perimeter footer

(ii) Elevation

(A) Design

The elevation design must follow these guidelines:

- Be a low-profile/residential set finished floor set
- Not exceed 30 inches from the bottom of the first-floor joist to the exterior grade for the front or entry

Site topography or other considerations may affect actual placement and will not disqualify the property from its CHOICEHome classification

(B) Features

The elevation design must also include one of the following feature pairings:

- Dormer(s) and covered porch (minimum 72 sq. ft.)
- Dormer(s) and attached/detached carport/garage with space to accommodate one or two cars (materials and finishes must be at least equivalent to the primary structure)

- Covered porch (minimum 72 sq. ft.) and attached/detached carport/garage with space to accommodate one or two cars (materials and finishes must be at least equivalent to the primary structure)

(c) Loan purpose and occupancy

A Mortgage secured by a CHOICEHome must be either a purchase transaction Mortgage or “no cash-out” refinance Mortgage secured by a 1-unit Primary Residence.

(d) Eligible and ineligible Mortgages secured by CHOICEHomes

(i) Eligible Mortgages

Mortgages secured by a CHOICEHome must be:

- Fixed-rate Mortgages; or
- 5/6-Month, 7/6-Month or 10/6-Month ARMs

Home Possible[®] Mortgages, HomeOne[®] Mortgages and HeritageOne[®] Mortgages must be fixed-rate Mortgages.

(ii) Ineligible Mortgages

Mortgages secured by a CHOICEHome must not be:

- Seller-Owned Converted Mortgages
- Seller-Owned Modified Mortgages
- Super conforming Mortgages
- Secured by a single-wide Manufactured Home

(e) Appraisal requirements for Mortgages secured by a CHOICEHome

Each Mortgage secured by a CHOICEHome requires a Traditional Appraisal Report. The appraisal report must identify the subject property as a Manufactured Home and include an opinion of value based on the real property as completed, consisting of the CHOICEHome, all site improvements and the land on which the property is situated.

The appraisal report must include photos of the following:

- The CHOICEHome notice
- The HUD Data Plate and HUD Certification Label(s) as follows:

- ❑ For a new CHOICEHome, both the HUD Data Plate and the HUD Certification Label(s) must be present and legible
- ❑ For an existing CHOICEHome, the HUD Data Plate or the HUD Certification Label(s) are acceptable. When both are present, the appraisal report must include both.
- The subject property and site features, including dormers, porches, garages, carports and any other attached or detached structures

The appraisal report must be in compliance with the sales comparison approach requirements outlined in Section 5605.7, and the appraisal report should contain at least one comparable CHOICEHome sale. If none are available, the appraisal report may contain site-built homes as comparable sales.

Traditional HUD-coded Manufactured Homes are not required as comparable sales. However, if used, the appraisal report must include an explanation that supports its use as a comparable sale(s) considering CHOICEHome's elements and specifications.

(f) Underwriting requirements for Mortgages secured by a CHOICEHome

A Mortgage secured by a CHOICEHome must be an Accept Mortgage.

The Seller must select the following in Loan Product Advisor®:

Fields for Mortgages secured by a CHOICEHome in Loan Product Advisor	
Loan Product Advisor field	Valid value
Attachment Type	Detached
Construction Method Type	Manufactured
Home Width Type	Multiwide
Loan Program Identifier	CHOICEHome

A Mortgage secured by a CHOICEHome is not eligible for an automated collateral evaluation (ACE) appraisal waiver or ACE+ PDR. The Seller must not accept an appraisal waiver offer from Loan Product Advisor stating an appraisal waiver or ACE+ PDR is acceptable.

(g) Maximum LTV/TLTV/HTLTV ratios and value calculation for Mortgages secured by a CHOICEHome

The maximum LTV/TLTV/HTLTV ratios and determination of value for Mortgages secured by a CHOICEHome are as follows:

(i) Maximum LTV/TLTV/HTLTV ratios

Maximum LTV/TLTV/HTLTV ratio	
Fixed-rate Mortgages	
All Mortgages except Home Possible, HomeOne and HeritageOne Mortgages	95/95/95%
<ul style="list-style-type: none">■ Home Possible Mortgages■ HomeOne Mortgages■ HeritageOne Mortgages	97/97/97%
<ul style="list-style-type: none">■ Home Possible Mortgages with an Affordable Second[®]■ HomeOne Mortgages with an Affordable Second■ HeritageOne Mortgages with an Affordable Second	97/105/97%
ARMs	
All Mortgages*	95/95/95%

*Pursuant to Section 5703.12(d)(i), Home Possible Mortgages, HomeOne Mortgages and HeritageOne Mortgages must be fixed-rate Mortgages.

(ii) Calculation of value

The value used to determine the LTV/TLTV/HTLTV ratios of Mortgages secured by CHOICEHomes is calculated as follows:

Determining value for LTV/TLTV/HTLTV ratios	
Transaction type	Value
Purchase transaction Mortgage	<p>The lower of:</p> <ul style="list-style-type: none"> ■ The purchase price of the CHOICEHome and purchase price of the land; or ■ The current appraised value of the CHOICEHome and land
“No cash-out” refinance Mortgage	The current appraised value of the CHOICEHome and land

(h) Use of proceeds for Mortgages secured by a CHOICEHome

The following table specifies the allowable use of proceeds by transaction type:

Allowable use of proceeds for Mortgages secured by a CHOICEHome		
Transaction type	Use of proceeds	Other requirements
Purchase transaction Mortgages	<p>Limited to:</p> <ul style="list-style-type: none"> ■ Purchasing the CHOICEHome ■ Purchasing the land when the Borrower does not separately own the land ■ Paying documented costs for delivery and setup, anchoring on a permanent foundation system, site development, installation and permanent utility connections, including well and/or septic systems 	<ul style="list-style-type: none"> ■ Credits for wheels and axles and any Manufactured Home retailer rebates must be deducted from the purchase price ■ Sales concessions as described in Section 5501.6(c) and other costs, including financing of any forms of insurance except for mortgage insurance, may not be used in the purchase price
“No cash-out” refinance Mortgage	<p>Limited to:</p> <ul style="list-style-type: none"> ■ Paying any required share of appreciation due to the 	None

Allowable use of proceeds for Mortgages secured by a CHOICEHome		
Transaction type	Use of proceeds	Other requirements
	<p>subsidy provider per the resale restricted covenants</p> <ul style="list-style-type: none"> ■ Paying off the principal and interest due, including a balance deferred under a loss mitigation plan, for the existing first Mortgage and, if applicable, junior lien(s) secured by the CHOICEHome and the land ■ Paying off any costs or fees associated with the satisfaction and release of the first Mortgage (e.g., late fees, prepayment penalties) ■ Paying related Closing Costs ■ Disbursing cash to the Borrower (or any other payee) up to the greater of 1% of the new refinance Mortgage or \$2,000 ■ Paying any required share of appreciation due to the subsidy provider per the resale restricted covenants 	

(i) Mortgage insurance for Mortgages secured by a CHOICEHome

A Mortgage secured by a CHOICEHome originated under this Section 5703.12 with an LTV ratio greater than 95% but less than or equal to 97% is eligible for mortgage insurance under Section 4701.1.

The Seller must verify that the mortgage insurance will cover a Mortgage secured by a CHOICEHome with an LTV ratio greater than 95% before submitting such mortgage insurance.

5703.13: Delivery requirements for Mortgages secured by Manufactured Homes (06/04/25)

See Section 6302.25 for special delivery requirements for Mortgages secured by Manufactured Homes.

See Section 6302.25(b)(ii) for delivery requirements for Mortgages secured by a CHOICEHome®.

5703.14: Credit Fees for Mortgages secured by Manufactured Homes (06/04/25)

For Credit Fees and Credit Fee Caps related to Mortgages secured by Manufactured Homes, including CHOICEHomes, the Seller must refer to Exhibit 19, Credit Fees, and Exhibit 19A, Credit Fee Cap Eligibility Criteria.

Credit Fees are paid in accordance with the Credit Fee provisions outlined in Chapter 6303.