



Photo courtesy of Palm Harbor Homes

## MH Advantage

Help borrowers get the home features they want at a price they can afford

With a shortage of affordable, site-built homes in many parts of the country, manufactured housing (MH) may be a good solution for your aspiring homebuyers. MH Advantage® offers innovative and affordable financing on specially designated MH homes that feature site-built characteristics.



### Affordable MH financing

Qualifying borrowers can finance up to 97% LTV. When combined with a HomeReady® mortgage, borrowers can fund their down payment through multiple sources and save more through reduced MI coverage. Loan-level price adjustments (LLPAs) are waived for borrowers that meet certain income requirements, including Duty to Serve loans.



### Interest rate savings

To help address housing affordability challenges, temporary interest rate buydowns may be offered with mortgages secured by MH Advantage homes.



### Reach more borrowers

Diverse selection of aesthetic features and layouts gives families an opportunity to live in a home that matches their style. Conventional financing for MH means opening the door to prospective homebuyers who may not think homeownership is an option.



### Create partnerships

Straightforward underwriting and origination processes give you time to focus on strengthening your relationships with participating manufacturers and MH retailers in your area.

# A familiar origination process makes MH lending easy

- An MH Advantage sticker will be affixed by the manufacturer to homes that meet MH Advantage eligibility criteria for easy identification by lenders and appraisers.

## Mortgage Financing Notice

The manufacturer of this home—identified on its HUD certificate—has determined that its features as of the date of manufacture are consistent with the eligibility requirements of MH Advantage™, a manufactured housing mortgage loan initiative of Fannie Mae®. To qualify for MH Advantage, the borrower must also meet certain eligibility requirements, and the home must be installed on land owned by the borrower.

### Homeowner:

Do not remove or damage this sticker, as it is required to identify this home for participation in the MH Advantage initiative for purchase or refinancing. This notice is not an assurance of the availability of, or your qualification for, mortgage financing for this home.

For more information please visit:  
[www.FannieMae.com/MH](http://www.FannieMae.com/MH)



Serial Number: XXXXXXXX

© 2018 Fannie Mae. Trademarks of Fannie Mae.

- MH Advantage appraisers must use other MH Advantage homes, when available, for the comparable sales. If fewer than three MH Advantage sales are available, then the appraiser must supplement with the best and most appropriate sales available, which must include a minimum of two site-built homes.
- Lenders can underwrite MH Advantage loans through DU®, and EarlyCheck™ will accept submissions of MH Advantage loans and will validate the data via a new set of MH Advantage edits.
- The sales price of the manufactured home may include bona fide and documented transportation, site preparation, and dwelling installation at the site. A separate construction loan is not necessary.

**Learn more** | For more information, visit:  
[fanniemae.com/manufacturedhomes](http://fanniemae.com/manufacturedhomes)

## What makes a property eligible for MH Advantage financing?

MH Advantage is manufactured housing that is built to meet construction, architectural design, and energy-efficiency standards that are more consistent with site-built homes.

Examples of the physical characteristics for MH Advantage include:

- Specific architectural and aesthetic features, such as distinctive roof treatments (eaves and higher-pitch roofline).
- Lower-profile foundation, garages or carports, porches, and dormers.
- Construction elements, including durability features like durable siding materials.
- Energy-efficiency standards (minimum energy ratings apply).

View additional information in the *Selling Guide* or at [fanniemae.com/manufacturedhomes](http://fanniemae.com/manufacturedhomes).

## How is MH Advantage different from Fannie Mae's standard MH loan?

MH Advantage may only be used to finance manufactured homes that have the MH Advantage sticker. Loans secured by MH Advantage properties feature a number of flexibilities compared with standard MH, including:

- Higher loan-to-value (LTV) ratios, up to 97%.
- Waived standard MH 0.50% loan-level price adjustment (LLPA).
- Reduced MI coverage required for fixed-rate terms ≤ 20 years.

## Can MH Advantage be combined with HomeReady® mortgage?

Yes. Borrowers can enjoy added flexibility, such as funding their down payment through multiple sources (such as gifts, grants, and Community Seconds®).

## Are temporary interest rate buydowns permitted with loans for MH and MH Advantage?

Temporary interest rate buydowns of up to 3% are permitted for mortgages secured by MH (single- and multi-width) and MH Advantage homes. Maximum rate increase per year is 1%, and maximum buydown period is up to 3 years.

