

2025 Manufactured Housing Loan Purchase

ACTIVITY:

A. Support manufactured homes titled as real property (MHRP) (12 C.F.R. § 1282.33 (c) (1)).

OBJECTIVE:

1. Acquire purchase money mortgage (PMM) loans secured by MHRP.

SUMMARY OF RESULTS:

<i>Objective's components detailed in the Plan</i>	<i>Corresponding actions taken</i>	<i>Explanation of any deviations from the Plan (if applicable)</i>
<input type="checkbox"/> Purchase 6,300 purchase-money loans for MH, which represents approximately a 10% increase over baseline.	Fannie Mae purchased 5,091 purchase-money (PMM) loans manufactured housing (MH) loans made to borrowers meeting the Duty to Serve (DTS) income thresholds in 2025.	

SELF-ASSESSMENT RATING OF PROGRESS:

- Target met
- Target exceeded
- Target partially completed
- No milestones achieved

IMPACT:

- 50 – Very Large Impact
- 40
- 30 – Meaningful Impact
- 20
- 10 – Minimal Impact
- 0 – No Impact

IMPACT EXPLANATION:
1. How and to what extent were actions under this objective impactful in addressing underserved market needs, or in laying the foundation for future impact in addressing underserved market needs?

Fannie Mae purchased 5,091 loans eligible under this DTS objective in 2025, which was a 6% increase over 2024 volumes. This increase occurred despite an 8% reduction in overall PMM loans purchased by Fannie Mae in 2025. While we did not meet our ambitious target of 6,300 loans, we continue to see evidence that our pricing and credit strategies are tailored to effectively facilitate liquidity for low- and moderate-income homebuyers. For example, the percentage of our MH loan purchases, which were made to first-time homebuyers, increased to 58.5% in 2025 — the highest percentage since at least 2022. We also saw the percentage of our acquired MH loans made to borrowers earning 80% or less of the area median income (AMI) increase to 76%, which is also the highest percentage since 2022.



We also continue to make strides in the efficient securitization of MH loans through the pooling of Specified (“Spec”) mortgage-backed security (MBS) pools comprised of MH loans. As MH loans generally exhibit slower prepayment speeds than other loans, investors may be willing to pay up for these securities relative to standard To-Be-Announced (TBA) securities. In 2025, we pooled over \$161 million in MH spec pools, which generated investor pay-up over TBA. While this volume is modest in comparison to Fannie Mae’s broader business, and pay-ups are not predictable today, this strategy could lay the groundwork for improving borrower outcomes. This would be achieved by enabling some of this pay-up to be passed through to the lender via increased gain-on-sale income, which helps offset the typically tighter margins on small-balance MH loans. Although the impact of these pay-ups on overall borrowing costs is likely to be relatively small, pay-ups have the potential to provide critical benefit at times for certain segments of borrowers — either simply to improve borrowing costs or, more fundamentally, to make Fannie Mae-guaranteed loans more accessible.

2. What did the Enterprise learn from its work about the nature of underserved market needs and how to address them?

As we conducted our market and lender engagement throughout the year, lenders identified a variety of challenges which, if addressed, could help grow MH volume and conventional market share in the future. Lenders continue to share that the process for de-titling manufactured homes, particularly after a loan has already closed with the intent of selling the loan into the secondary market, can experience significant delays that increase credit and counterparty risk if not properly addressed. In fact, manufactured homes that enter our real estate owned (REO) portfolio after a borrower default often still have a personal property title even if the lender intends to convert it to real estate. This increases the remarketing time for MH properties in our REO portfolio and exacerbates loss severity on defaulted loans. In response to this feedback and in an effort to better manage our risk exposure, we updated our industry-facing [MH Titling Guide](#) in 2025 with updated information on title conversion processes for all 50 states.

Lenders also shared valuation challenges for MH properties arising from a lack of comparable sales in certain markets, appraiser familiarity with MH policies and valuation techniques, and concerns about value stability. While we cannot necessarily influence sales of MH properties, the commitment to implement the Uniform Appraisal Dataset 3.6 as a precursor for incorporating MH appraisal data into our Collateral Underwriter® product as part of our current DTS plan should provide lenders with greater insight into MH appraisal trends and risks and increase confidence in MH lending over time.

Beyond process and operational challenges, lenders continue to request new product offerings to support adoption of MH in new applications and expand options for homebuyers. Our work this year to expand lending for MH in leasehold communities, MH as accessory dwelling units, MH as two- to four-unit properties, and single-section homes as part of our MH Advantage® program was directly responsive to this lender feedback and should contribute to growth in the conventional MH sector in future years.

Given the depth of lender feedback collected this year, and the fact that substantially all of that feedback is explicitly addressed with targeted business strategies in our Duty to Serve plan, we believe that our efforts to serve the market are well-designed and will continue to deepen our reach and impact in the MH market in future years.

3. Optional: If applicable, why was the Enterprise unable to achieve the Plan target?

Please see above