

2025 Manufactured Housing Loan Product

ACTIVITY:

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

OBJECTIVE:

3. Align product and engagement strategies with new, federally enabled market expansion opportunities.

SUMMARY OF RESULTS:

Technical edits were made to this objective as permitted under the Plan Revision Process specified in Chapter 1, Section IV of the Duty to Serve Evaluation Guidance (2025-8).

| <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 checked="" type="checkbox"/> Assess policy and/or process improvements needed to facilitate expanded MH eligibility, necessarily incorporating the following: | Fannie Mae exceeded expectations for this Objective by publishing a comprehensive policy update in December. This update expanded manufactured housing (MH) loan eligibility to include two- to four-unit properties and multi-story MH properties. | |
| <input checked="" type="checkbox"/> Analyze loan and property performance for homes with ancillary collateral features, such as driveways and garages, to determine whether MH Advantage financing could be streamlined for homes on infill lots where such features may not be common and customary. | We completed an analysis of opportunities to expand MH Advantage® lending by enabling financing for homes in urban infill settings. The results of this analysis were incorporated into a <i>Selling Guide</i> update in February 2026. | |
| <input checked="" type="checkbox"/> Consider credit and collateral parameters for expanding MH eligibility to include two- to four-unit properties. | Our December 2025 <i>Selling Guide</i> announcement included new eligibility for MH as two- to four-unit properties when owned by the borrower as a primary residence or second home. | |
| <input checked="" type="checkbox"/> Develop value proposition and industry engagement tactics to reach a new audience of community development practitioners receiving federal funding who may be unaware of MH financing opportunities. | We developed and executed presentations at various industry conferences aimed at expanding awareness of our MH offerings. This included the Innovation in Manufactured Homes (I'm HOME) conference, where known recipients of federal funds for MH were in attendance. | |
| <input checked="" type="checkbox"/> If feasible, announce one policy expansion informed by the implementation steps above by the end of Q4 | Our December 2025 <i>Selling Guide</i> announcement included new eligibility for MH as two- to four-unit properties and for multi-story MH. | |



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?

With our December *Selling Guide* announcement, we demonstrated our willingness to lead the market by becoming the first agency to support financing for two- to four-unit manufactured homes. This work is impactful because it directly supports the MH industry’s efforts to modernize the Housing and Urban Development (HUD) code for manufactured homes and encourages the adoption of new and innovative design methods within our conventional financing platform. By doing so, we are helping stimulate liquidity for new MH construction in traditionally underrepresented use cases, like urban infill. This has the potential to grow the MH share of new housing starts while improving the likelihood that these homes are financed with a conventional mortgage as opposed to traditional MH financing. Although HUD included two- to four-unit MH within its combined fourth and fifth sets of updates to the HUD code in a final rule published in September 2024¹, agency-eligible mortgage financing was not available for these homes at the time. Our work helped fill that gap and advance modernization efforts within the industry.

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

Historically, our *Selling Guide* and the factory-built housing industry classified MH as either single-width (one section MH) or multi-width (two or more attached MH sections.) In formulating our policy approach under this Objective, we realized that these classifications did not account for vertically stacked units, which have been permitted under the HUD alternative construction process for over two decades and were formally incorporated into the HUD code as “multi-story” configurations in 2021.² In response to this, we updated our policies to clarify eligibility for single- and multi-section MH properties and enable lending for these multi-story homes.

In the outreach we conducted to lenders, some depository lenders were already making efforts to finance two- to four-unit MH following the HUD code updates in 2024. Lenders shared concerns about a lack of comparable sales to support appraisals for these homes, which is common for new property types. While we expect this issue to be addressed over time as more properties are sold, Fannie Mae already has some flexibility in its appraisal policy for homes located in new subdivisions. This includes the ability to use pending sales in lieu of closed comparable sales if no settled sales are available.³ As we anticipate a meaningful share of these homes to be delivered into new subdivisions, we believe this concern will likely already be addressed by our current policy approach.

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

N/A

¹ <https://www.federalregister.gov/documents/2024/09/16/2024-20545/manufactured-home-construction-and-safety-standards>

² <https://www.federalregister.gov/documents/2021/01/12/2020-28227/manufactured-home-construction-and-safety-standards>

³ <https://selling-guide.fanniemae.com/sel/b4-1.3-08/comparable-sales>