

2025 Manufactured Housing Loan Product

ACTIVITY:

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

OBJECTIVE:

6. Pursue policy and industry engagement tactics that reduce the costs of manufactured housing (MH) homeownership and increase value to the consumer.

SUMMARY OF RESULTS:

This objective was modified 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"/> Expand outreach and develop a qualitative and quantitative framework for new value-retentive MH initiatives, necessarily undertaking the following tactics:	Fannie Mae exceeded expectations for this Objective by modifying from an Outreach Objective to a Loan Product Objective and broadening its initial product development and outreach efforts, as further described below.	
<input checked="" type="checkbox"/> Publish new lender resource highlighting state titling laws which permit homes located on leasehold estate to be considered real property.	We responded to industry requests by updating our MH title conversion resource and adding new information regarding states that allow homes on leasehold estates to be converted to real estate.	
<input checked="" type="checkbox"/> Research borrower usage of HomeStyle® Renovation and HomeStyle® Energy products for MH properties, including improvements made and/or issues remediated.	<p>We analyzed loan and property data for MH properties financed with a HomeStyle Renovation loan. The strong performance of these loans informed our decision to remove the \$50,000 renovation cost cap for MH renovation loans.</p> <p>In certain cases, we also discovered that HomeStyle Renovation loans were being used in connection with converting MH properties from personal property to real estate and made corresponding clarifications to our product and frequently asked question (FAQ) resources accordingly.</p>	



<p><input checked="" type="checkbox"/> Assess allowable renovation costs and loan to value limits for HomeStyle Renovation loans financing MH properties.</p>	<p>In removing the \$50,000 renovation cost cap for MH renovation loans, we made the decision to retain the 50% of as-completed value renovation cost calculation.</p>	
<p><input checked="" type="checkbox"/> Considering these usage patterns, update HomeStyle lender playbook to specifically reflect MH product eligibility.</p>	<p>We updated our HomeStyle® lender playbook and MH FAQ documents to clarify eligibility and address common use cases for MH renovation loans. Specifically, we updated these resources to confirm that both HomeStyle Renovation and our MH refinance loan policies can be used to convert homes from personal property to real estate.</p>	
<p><input checked="" type="checkbox"/> Research policy changes to enable broader adoption of MH as accessory dwelling units (ADUs) on properties with MH primary dwellings.</p>	<p>Although we have permitted MH as ADUs since 2020, this policy was limited to multi-section properties. As market dynamics around ADUs have continued to evolve in response to increasing demand for affordable and flexible housing solutions, we ultimately made the decision to extend eligibility to include both multi- and single-section MH as the primary dwelling with a single ADU if classified as real property. We also expanded eligibility for MH Advantage® primary dwellings to enable a maximum of four dwelling units, including the ADUs.</p>	
<p><input checked="" type="checkbox"/> Conduct HMDA data analysis to identify personal property MH originations in markets with known title conversion frameworks conducive to real estate conversion.</p>	<p>We conducted Home Mortgage Disclosure Act (HMDA) data analysis and identified lenders who are originating personal property loans in certain MH leasehold communities that are eligible for Fannie Mae financing through certain programs. We will use this information to further inform our lender training and outreach efforts for leasehold and resident-owned community (ROC) MH mortgage loans.</p>	
<p><input checked="" type="checkbox"/> Consider clarification opportunities for cash-out and limited cash-out refinance policy requirements to encourage conversion of personal property MH to real estate.</p>	<p>Through updates to our lender-facing MH product education materials, we clarified that both HomeStyle Renovation and our MH refinance loan policies in the <i>Selling Guide</i> can be used to convert homes from personal property to real estate.</p>	



<input checked="" type="checkbox"/> Considering the above, finalize one program change promoting MH eligibility by end of year.	We exceeded expectations for this Objective by publishing two new policy updates — one expanding access for HomeStyle Renovation loans and another expanding access for MH and ADUs.	
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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 is the first government-sponsored enterprise (GSE) to expand beyond a nominal renovation cost limit for MH renovation loans to enable renovation costs meeting a specified percentage of the loan-to-value ratio. Through this enhancement, we are signaling to the market that MH properties, when treated as real estate, can retain value at a rate consistent with site-built housing. MH homebuyers will therefore have greater access to credit to support this housing resiliency and sustainability.

Today, MH properties are a largely rural housing option, making up 13% of homes in rural areas compared to roughly 6% of the nation’s overall housing stock.¹ However, public policy officials and industry advocates have long asserted that providing for greater design and financing flexibilities has the potential to better integrate MH into urban and metropolitan settings. Doing so would expand market share while improving density with high-quality housing stock that is quickly and efficiently delivered to the marketplace. In July 2025, a bipartisan effort led to H.R. 4568 (a bill introduced in the U.S. House of Representatives), the Supporting Upgraded Property Projects and Lending for Yards (SUPPLY) Act. The SUPPLY Act aimed to address the nation’s housing supply crisis by encouraging small-scale development leveraging ADUs while explicitly recommending that MH ADUs built to the Housing and Urban Development (HUD) code be considered eligible for Federal Housing Administration (FHA) insurance. As the public policy landscape for ADUs continues to evolve, our policy approach has evolved with it to ensure we are providing liquidity for these properties as they begin to play a more prominent role in addressing the nation’s housing supply challenges. The policy updates delivered this year to expand access to credit for MH primary dwellings with ADUs go further than what is currently available through all other sources of agency financing, positioning Fannie Mae to lead the way in serving households who choose to leverage ADUs. ADUs provide flexibility for homeowners in a variety of circumstances, including those intending to accommodate multigenerational living arrangements or to benefit from supplemental rental income from these ADUs.

¹ 2018-2022 American Community Survey five-year.



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

As supported by a variety of data and research, we continue to believe that conversion of MH from personal property to real estate is a key determinant of borrower success and value stability. Accordingly, our decision to invest in updates to our industry-facing MH titling resource will help lenders perform the critical legal process of formal title conversion and originate loans that are able to be sold to Fannie Mae. Part of this update included highlighting those states that provide for homes on leasehold land to be considered eligible for real estate treatment. In conducting this work, we learned that markets that enable leasehold MH conversions generally have specific conditions that align with the programmatic elements of our land-leased lending programs. In particular, most of these states require a long-term lease, permanent affixture of the MH unit, and documented consent of the underlying landowner to enable conversion to real estate. Given this, we are confident that the MH leasehold programs we have created and expanded in 2025 are aligned with industry standards.

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

N/A