Reverse Your Thinking ®

EDUCATIONAL RESOURCE SERIES
Collaborate. Educate. Problem-Solve.

MANUFACTURED HOMES

Understanding manufactured home ownership, title conversion, and reverse mortgage requirements.



WHAT IS A MANUFACTURED HOME?

A Manufactured Home (formerly known as a mobile home) is built to the Manufactured Home Construction and Safety Standards (HUD Code). A Manufactured Home must display a red certification label on the exterior of each transportable section. Manufactured homes are built in the controlled environment of a manufacturing plant and are transported in one or more sections on a permanent chassis.

A Manufactured Home is considered personal property, just like a vehicle. Once the loan(s) against the manufactured home has been satisfied an Original Title will be provided.

Paid or unpaid, the Manufactured Home will continue to be personal property until the proper steps to convert to real property have been completed.

CONVERTING TITLE

Process and guidelines vary by state. Conversion of title may be completed before or after closing depending on lender or state regulations. The completion timeframe can vary depending on local or state level guidelines. Fees may apply.

All liens must be satisfied in order to obtain Original Title. Conversion of title cannot begin without Original Title.

Real property taxes may already be assessed and paid without completion of the Title Conversion process.

MANUFACTURED HOME HUD GUIDELINES

1. The home must have a floor area of no less than 400 square feet.
2. The home must be constructed on or after June 15, 1976.
3. The home must be classified and taxed as real estate.
4. The manufactured unit must not have been installed or occupied previously at any other site or location.
5. The mortgage must cover both the manufactured unit, its site, and have a term of no more than 30 years from the date amortization begins.
6. The finished grade elevation beneath the manufactured home, or if a basement is used, the lowest finished exterior grade adjacent to the perimeter enclosure must be at or above the 100-year return frequency flood elevation. This requirement applies wherever manufactured homes may be installed, not just in locations designated by the National Flood Insurance Program as areas of special flood hazard.
7. The home must have permanent utilities installed and be protected from freezing.
8. The home must be permanently attached to the foundation.
9. The towing hitch or running gear must be removed (Including tongues, axles, brakes, wheels, and lights). The chassis must stay in place. A chassis that has been removed from a manufactured unit is unacceptable.
10. There must be a properly enclosed crawl space with a continuous permanent foundation-type construction.
11. The label (metal plate) number of the unit as shown on the Federal Manufactured Home Construction and Safety Standard Data Plate must be on the exterior of each home.

Please contact us for guidance on how to get started.

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