CHAPTER 30. MANUFACTURED HOME LOAN POOLS AND LOAN PACKAGES — SPECIAL REQUIREMENTS

PART 1. OVERVIEW OF CHAPTER--

Effective Date: 2010-10-01

This chapter describes special requirements that apply for a pool of manufactured home loans. The requirements described in this chapter may modify, supplement or, in some cases repeat, for the purpose of emphasis, those set forth in previous chapters with respect to Issuer eligibility and servicing requirements, loan eligibility, pool and loan package requirements, required pool and loan package submission documents and the securities. Manufactured home loans may include loans secured only by a manufactured home unit or both the manufactured home unit and a developed manufactured home lot acquired in a single transaction. The pool suffix is "MH".

MH pools may only be formed under the Ginnie Mae MBS II Program. Eligible pool collateral may include manufactured home loans whose initial loan application date occurs on or after June 1, 2009; the applicable MBS II pool type shall be "C MH". Effective with security issuances on or after October 2010, manufactured home loans will be ineligible for pooling in "X MH" and "M MH" pool types.

PART 2. ISSUER ELIGIBILITY AND SERVICING REQUIREMENTS

Issuer eligibility requirements that apply regardless of pool type are found in MBS Guide, Ch. 2 and 3. The following requirements also apply for Issuers of securities backed by MH loan pools.

Section A. FHA Approval

Effective Date: 2010-10-01

The Issuer must be an approved FHA Title I mortgagee in good standing.

Section B. Servicing

Effective Date: 2010-10-01

Once a loan is included in a MH pool, it must be serviced by the Issuer of Record until liquidation. Loan servicing for an MH pool may not be performed by a subcontract servicer.

Section C. Financial Requirements

Effective Date: 2024-03-01

To be eligible to issue MH securities, Applicants must satisfy the financial eligibility requirements set forth in MBS Guide Ch. 2 and Issuers must satisfy the financial eligibility requirements set forth in MBS Guide Ch 3.

PART 3. LOAN ELIGIBILITY & POOL REQUIREMENTS

The mortgage eligibility and pool requirements that apply, with limited exceptions, to all pool types are described in MBS Guide, Ch. 9. Loans in MH pools must also meet the following requirements:

Section A. Loan Requirements

Effective Date: 2022-10-31

(1) Security for loan: Each loan in an MH pool must be secured by a manufactured home unit, or by a manufactured home unit and a developed manufactured home lot acquired in a single transaction.

(2) Insurance/guaranty: Each loan in an MH pool must be insured by FHA under Title I of the National Housing Act.

FHA loans may only be included in the "C MH" pool type.

(3) Interest rate: The face interest rate of the loan contract is the annual rate used by the lender in computing the amount of the interest payment due in each monthly installment and the rate used in determining loan amortization. Loans with different face interest rates may be included in a single pool if the lowest face interest rate is within 150 basis points (1.5%) of the highest. The face rates must be consistent with the securities rate. (*Please See MBS Guide Chapter 30, Part 5*)

A manufactured home loan, whether written as interest-bearing or with precomputed interest, must provide *that* interest will be earned as if the obligation were written as a simple interest loan transaction.

(4) Monthly payments: Each loan must call for equal monthly payments, except for the first and last payments. The last payment may not exceed the normal monthly payment. The normal monthly payment for a manufactured home loan consists of the principal and interest due and payable on the first of the month in accordance with an amortization schedule that provides for payment in full by the maturity date on the loan.

A combination manufactured home and lot loan for which total indebtedness is evidenced by more than one instrument must amortize as if there were a single amortization schedule.

(5) Start of Amortization: All loans must commence amortization no later than the month in which the issue date of the securities occurs. For mortgages backing MH pools, the date of the first scheduled monthly payment of principal and interest must be not more than 48 months before the issue date of the securities, and no mortgage shall have had a loan application date prior to June 1, 2009.

(6) Combination loan instruments: A combination loan to purchase a manufactured home and lot may be evidenced by either one loan instrument or separate loan instruments. Separate instruments must be:

(a) cross-collateralized so that a default on one will be deemed a default on both, permitting the Issuer to have recourse against either or both parts of the collateral;

(b) written so that each instrument bears the same face rate of interest; and

(c) written so that payments are applied first to the interest portion on both loans, on a pro rata basis, and then to the principal portion of each on a pro rata basis

(7) Purpose of combination loan: A combination loan must have been made for the purpose of acquiring a manufactured home unit on a developed lot. The definitions of developed lot are those in use by FHA as provided in its Title I manufactured home loan guidance, communicated in the FHA Single Family Housing Policy Handbook (Handbook 4000.1).

(8) Modification agreements: Any manufactured home loan for which a modification agreement has been executed to reduce the interest rate may be included in another MH pool if the amount of the loan is not increased and the loan in all other respects meets Ginnie Mae's eligibility requirements.

The term of this kind of loan modification includes the period from the date of modification to the final maturity date of the loan. The maturities of individual loans may be "rounded up" to the nearest full term. For example, a loan with a remaining term of 13 years and 2 months may be considered a 14-year loan after modification.

Section B. Pool Requirements

Effective Date: 2010-10-01

(1) Minimum pool balances: For all manufactured home loans whose loan application date occurs on or after June 1, 2009, the only eligible pool type is the Ginnie Mae MBS II Custom pool type (“C MH”). Moreover, the “C MH” pool type must have an original principal balance, at pooling, of $1,000,000 and contain at least eight manufactured home loans. Effective October 1, 2010, “X MH” and “M MH” pool types will no longer be eligible for pooling in the Ginnie Mae MH program.

(2) Maturity: An MH pool may contain loans with different maturities, provided that:

(a) at least 50 percent of the original principal amount of the pool contains loans with an original term equal to that of the loan with the latest maturity in the pool; and

(b) no loan has a maturity that exceeds by more than 60 months the term of any other loan in the pool.

For maturity of loans subject to a modification agreement, see MBS Guide, Ch. 30, Part 3, § A(8), above.

PART 4. REQUIRED DOCUMENTS

The procedures and basic document submission requirements that apply, with limited exceptions, to all pool and loan package types are found in MBS Guide, Ch. 10, 11, and 13.

Section A. For Certification by Document Custodian

Effective Date: 2010-10-01

The loan documents required for initial and final certification of a MH pool by the document custodian are the same as those required for SF pools, except as modified by this section. (*Please See MBS Guide Chapter 13, Part 4 and Chapter 24*)

Ginnie Mae recognizes that the laws governing filing, recordation and perfection of security interests in manufactured homes may vary significantly from state to state. Perfection or recordation of manufactured home or lot security interests or liens is governed by the state laws

relating to fixtures or goods under the UCC, real property law, or motor vehicle titling, as appropriate. Issuers must keep all UCC filing obligations current while a loan is in a Ginnie Mae pool.

It is the Issuer's obligation to ensure that it has a valid, enforceable first lien or security interest on the manufactured home or manufactured home and lot combination, and that it delivers to the document custodian all documents and unrecorded assignments necessary for Ginnie Mae to become the secured creditor or lien holder of record under applicable state laws.

(1) For initial certification: The Issuer must deliver the following documents to the document custodian for each manufactured home loan:

(c) Original obligation endorsed in blank (see Note, below);

(d) Title, certificate of origin, bill of sale or other evidence of borrower's ownership;

(e) For a combination manufactured home and lot loan, the Issuer must also deliver an original obligation endorsed in blank.

(2) For final certification: The Issuer must deliver the following loan documents to the document custodian within twelve months of issuance, for each loan:

(a) A recorded or perfected original security agreement, financing statement, lien on the title certificate, retail installment sales contract or other documentary evidence of a first lien against the manufactured home and its furnishings, equipment, accessories, or a lot and fixtures, if any, which may be financed by the loan, with evidence of recordation or filing;

(b) Recorded or perfected interim assignments that were not available at initial certification;

(c) For FHA-insured loans, a copy or facsimile of the billing statement or other appropriate FHA form indicating FHA's acceptance of each pooled loan for insurance;

The loan documents required for both initial and final certification by the document custodian are summarized in the following table:

Documents	Form Number	Appendix
For Initial Certification		
Schedule of Pooled Mortgages	HUD 11706	III-7
Release of Security Interest, executed original, if applicable	HUD 11711A	III-5
Certification and Agreement, executed original	HUD 11711B	III-5
Original obligations, endorsed in blank, without recourse		
Evidence of borrower's ownership For combination home/lot loans original obligations endorsed in blank		

For Final Certification		
Documentary evidence of a first lien against everything financed by the loan (must include evidence of recordation or filing)		
All recorded interim assignments		
For FHA loans, original evidence of FHA acceptance of loan for insurance, signed by FHA		

The term "mortgage" as used in forms HUD 11711A and 11711B includes loans as referred to in this chapter.

Section B. For Approval by PPA and Ginnie Mae

Effective Date: 2023-12-01

The pool documents required for approval by Ginnie Mae are the same as those discussed in MBS Guide, Ch. 10, Part 3, except that the Issuer must also submit the following:

All MBS II Custom pools whose collateral contains manufactured home loans with an application date on or after June 1, 2009, may only be pooled using Ginnie Mae's electronic pooling application.

The pooling documents required for approval by Ginnie Mae are summarized in the following table.

Document Name	Form Number	Appendix
Schedule of Subscribers and Ginnie Mae Guaranty Agreement	HUD 11705	III-6
Schedule of Pooled Mortgages	HUD 11706	III-7
Master Servicing Agreement	HUD 11707	III-1
Master Agreement for Servicer's Principal and Interest Custodial Account	HUD 11709	III-2
Master Agreement for Servicer's Escrow Custodial Account	HUD 11720	III-3
Master Custodial Agreement	HUD 11715	III-4

Section C. Insurance Coverage

Effective Date: 2010-10-01

The Issuer must have in its possession a valid standard policy of insurance for fire and extended coverage, or comparable insurance coverage, for each manufactured home and for each combination manufactured home and lot.

This coverage must be in an amount equal to the unpaid balance of the obligation or the value of the manufactured home or combination manufactured home and lot, whichever is less, with loss payable endorsements designating the Issuer as payee. The policies must include a standard mortgage clause the interest of Ginnie Mae, its successors and assigns as well as that of the Issuer and the homeowner.

PART 5. THE SECURITIES

Effective Date: 2026-11-03

Preparation and delivery of securities through the Depository are described in MBS Guide, Ch. 12. A partial statement of the terms of MH securities held in uncertificated (book-entry) form is set forth in Appendix IV-27 for the Ginnie Mae II MBS Program. This section describes additional requirements for securities backed by MH pools. Note: Pursuant to instructions published in All Participants Memorandum ("APM") 08-24, *Changes in Policy Regarding Physical Certificates*, dated November 13, 2008, Ginnie Mae will no longer support security interests held in certificated form, unless prior written approval has been obtained. All security positions shall be created and held with the Ginnie Mae Depository in book-entry form only.

The securities issued in connection with a MH pool must bear a single rate of interest, even though the pool may include loans that bear different face interest rates, and may include all FHA-insured loans whose loan application dates occur on or after June 1, 2009. The rate on the securities must satisfy the following requirements:

(1) The security interest rate must be a multiple of .25 percent (e.g., a rate of 9.25 percent is acceptable; a rate of 9.05 percent is not acceptable).

(2) All FHA-Insured Title I loans:

For all manufactured home loans whose loan application date occurs on or after June 1, 2009, the securities rate must be at least 3.25 percent lower than the lowest face rate on the loans but not more than 4.75 percent lower than the highest face rate.

(3) VA-guaranteed loans:

VA-guaranteed MH loan collateral will be ineligible for pooling in the C MH pool type.

PART 6. POOL ADMINISTRATION

Effective Date: 2010-10-01

General pool and loan package administration requirements for all pool types are described in MBS Guide, Ch. 14 through 20. This section describes additional requirements for the administration of MH pools.

When loans with different face interest rates are included in a single pool, the Issuer must use the "weighted average interest rate," when submitting the RFS Issuer Monthly Report of Pool and Loan Data (Appendix VI-19).