Fannie Mae Mobile Home Park Loan Guidelines

The Madison Group works with Fannie Mae to provide financing options for residential real estate developments where the borrower owns the mobile home community sites, associated common areas, amenities, and infrastructure. This program provides flexible financing, competitive pricing, and a speedy execution.

Eligibility

- Existing, stabilized, professionally managed MHC, with or without age restrictions,
- Minimum of 50 pad sites
- Quality Level 3, 4, or 5 Star communities
- At least one Key Principal of the Borrower should have experience in operating MHC

Term	5-30 years
Amortization	Up to 30 years
Max LTV	80%
Min DSCR	1.25x
Recourse	Non-recourse execution with standard carve-outs for "bad acts" such as fraud and bankruptcy
Escrows	Standard DUS escrow requirements for taxes insurance. Replacement Reserves are required at a min of $25 per site per annum (but may be waived).
Third Party Reports	Standard DUS third-party reports: Appraisal, Phase I Environmental, Physical Needs Assessment are required
Interest Rate	Fixed and Variable rates
Assumption	Loans are typically assumable
Rate Lock	30—90 day commitments. An early rate lock feature is available allowing the borrower to lock a rate 45 to 180 days in advance of closing
Prepayment Options	Yield maintenance and other graduated prepayment options
Supplemental Financing	Available
Additional Considerations	• The percentage of tenant-occupied homes generally may not exceed 35%. • Density is based on market norms and generally should not exceed 12 Manufactured Homes per acre for an existing community and 7 Manufactured Homes per acre for a new community. • With limited exceptions, all Manufactured Homes should conform to applicable Manufactured Housing HUD Code standards. • FNMA prefers parks with at least 50% doublewide pad sites and market amenities although waivers can be requested.