

Announcement # 22-26

Date: April 07, 2022

## April Product Highlight | Conforming Conventional Manufactured Homes

### Why Manufactured Homes?

Manufactured homes are a type of factory-built housing with characteristics comparable to site-built homes, but at a fraction of the cost. Furthermore, manufactured homes can be financed using Fannie Mae & Freddie Mac mortgage products that allow for low down payment and reduced MI coverage. The dual benefit of an affordable home and an affordable financing option makes manufactured homes a prime opportunity to assist borrowers in achieving the dream of homeownership.

Pennymac is excited to expand our existing Conforming Conventional product suite to allow manufactured homes, including Fannie Mae's MH Advantage and Freddie Mac's CHOICEHomes. Full details can be found on our product profiles and are available to our Correspondents as outlined below:

- Delegated – minimum of 2 years of experience in originating manufactured homes and prior approval by Pennymac is required
- Non-Delegated – coming soon!

### Did You Know?

- Manufactured homes are **not** the same as mobile homes. Mobile homes are able to be transported to different locations and are legally considered personal property. On the other hand, manufactured homes are affixed to a permanent foundation, permanently connected to utilities, and titled as real property – all qualities shared by traditional site-built homes!
- Manufactured homes are more affordable than site-built homes thanks to efficiencies in the factory building process, not from compromising on the quality of building materials. The cost savings stem from various advantages such as:
  - Purchasing large quantities of material at less cost per unit
  - Having production under a controlled, factory environment
  - Avoid delays from bad weather, vandalism, and conflicts with contractors
  - Uniform HUD code allows builders to avoid inconsistent local and/or state codes
- HUD ensures the safety and durability of manufactured homes by enforcing standards on their design, construction, transportability, fire safety, and more. This is also commonly known as the HUD code and applies to all manufactured homes produced from June 15, 1976 and onwards.

Please contact your Sales Representative with any questions.