



Fannie Mae®

Multifamily Selling and Servicing Guide

Effective as of June 7, 2024

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603.01C MH Community

Requirements

An eligible MH Community must:

- have a minimum of 50 MH Sites;
- consist of contiguous parcels or, if the MH Community is made up of Non-Contiguous Parcels:
 - all parcels must be located within the same MSA; and
 - each separate parcel (individually), and all Non-Contiguous Parcels (together), must comply with the Guide; and
- achieve at least a Level 3 Quality Rating per the Manufactured Housing Community Quality Rating Standards table in [Part III, Chapter 6: Manufactured Housing Communities, Section 603.02: MH Community Score](#).

An MH Community must be served by either

- public underground utilities, or
- private sewage treatment plants, septic systems, and private water wells which are:
 - common for the market;
 - owned by the Borrower or an Affiliate; and
 - in compliance with all applicable government requirements.

Guidance

The Mortgage Loan may be secured by either an Age-Restricted MH Community or an All-Age MH Community.

You should consider the following:

- For an MH Community that is more than 25 years old, does the Borrower have a plan for placing new Manufactured Homes in the MH Community as MH Sites with older Manufactured Homes are vacated?
- Are the landscaping and entrance signage high quality and well maintained?
- For an MH Community served by a private sewage treatment plant, septic system, or a private water well, then:



- Address the availability and cost of obtaining a backup source for water if the MH Community has a private water well.
- Ensure that the operator of the facility, including its employees and contractors, meet all applicable government requirements to perform ongoing operation and maintenance.
- If the operator is an employee of the Borrower, identify a local, qualified vendor that could be retained if substitute services are needed.
- Exercise reasonable due diligence, including contacting municipal agencies, to confirm that
 - the MH Community's connection to a municipal system has not been mandated, and
 - no mandate is expected to occur during the term of the Mortgage Loan.
- If hookup is imminent, determine if an escrow for the cost is appropriate.



Glossary

A

Affiliate

When referring to an affiliate of a Lender, any other Person or entity that Controls, is Controlled by, or is under common Control with, the Lender.

When referring to an affiliate of a Borrower or Key Principal:

- any Person that owns any direct ownership interest in Borrower or Key Principal;
- any Person that indirectly owns, with the power to vote, 20% or more of the ownership interests in Borrower or Key Principal;
- any Person Controlled by, under common Control with, or which Controls, Borrower or Key Principal;
- any entity in which Borrower or Key Principal directly or indirectly owns, with the power to vote, 20% or more of the ownership interests in such entity; or
- any other individual that is related (to the third degree of consanguinity) by blood or marriage to Borrower or Key Principal.

Synonyms

- Affiliates
- Affiliate's

Age-Restricted MH Community

MH Community that limits residents to those who are over a particular age (e.g., persons who are age 62 or older, or at least 80% of the Manufactured Homes occupied by at least 1 person who is age 55 or older).

All-Age MH Community

MH Community that accepts residents of any age.

B

Borrower

Person who is the obligor per the Note.

Synonyms

- Borrowers
- Borrower's



G

Guide

Multifamily Selling and Servicing Guide controlling all Lender and Servicer requirements unless a Lender Contract specifies otherwise.

Synonyms

- DUS Guide

M

Manufactured Housing Community

Residential real estate development with lots on which manufactured homes are located, together with amenities, utility services, landscaping, roads, and other infrastructure.

Synonyms

- Manufactured Housing Property
- MH Community
- MH Community's
- MH Communities
- MHC

Mortgage Loan

Mortgage debt obligation evidenced, or when made will be evidenced, by

- the Loan Documents, or
- a mortgage debt obligation with a Fannie Mae credit enhancement.

Synonyms

- Mortgage Loans
- Mortgage Loan's

N

Non-Contiguous Parcels

Multiple parcels of land securing a Mortgage Loan that do not share common boundaries or that are separated by dedicated or private streets that are major arterials.

Synonyms

- Non-Contiguous Parcel