Manufactured Homes Versus All Others

Summary and Recommendation

The paragraphs and accompanying photos below describe the differences between manufactured homes, modular homes, and kit homes. Stick-built homes were not covered in this review. Based primarily on how HUD, FHA, USDA, Fannie Mae and Freddie Mac treat manufactured homes versus stick-built, modular and kit homes for financing, we need to modify the input sheet to show:

In the Property Type section:

Single Family (all types EXCEPT manufactured)

Manufactured (remove Prefab/Modular) Provide Link to description

Manufactured Homes

Other names used for manufactured homes: single-wide, double-wide, mobile, HUD homes.

This is the term used by HUD to identify a specific type of home construction. **These homes are appraised differently than all other types of homes using Fannie Mae Form 1004C/Freddie Mac Form 706.** FHA and USDA loans require the same forms. At least one manufactured home comparable sale must be included in the sales analysis.

A manufactured home is any home that is factory-built in the U.S. to the HUD Title 6 construction standards (commonly known as 'the HUD-code'). The HUD-code took effect June 15, 1976. A HUD-code home will display documentation called the Certification Label and the Data Plate. The red Certification Label (sometimes called the HUD Label) can be located on the tail end of each transportable section (usually left front and right rear) of the home. The Data Plate will be located inside the home, usually on the inside of the door under the kitchen sink (but sometimes located on the back of a bedroom closet door). Regulation states that the Data Plate be affixed inside the home on or near the main electrical breaker box, or other readily visible/accessible location. This plate is an 8.5" x 11" sheet listing the manufacturer's name, model number, date of manufacture, VIN numbers, serial numbers of the heating/cooling units and appliances, roof load limits, and These documents are extremely important; as per the HUD Title 6 regulation removal is illegal. Removal could hinder the buying, selling, financing, or insuring of a manufactured home; they are not replaceable.

Manufactured homes are built in one or more sections in a factory. The sections are complete with floors, walls, ceilings, exterior siding, lighting, and electrical connections. Heating and air condition systems along with all ordered appliance are included. The sections are mounted on multi-axled chassis' and transported via truck to the building site. The sections are placed on and permanently attached to a poured concrete or block foundation. The axles and trailer hitch are removed. The sections are joined down the middle. Garages, deck, and porches are then attached to the assembled sections, usually by local contractors.

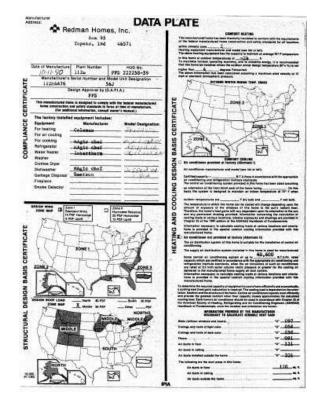
Identifying a manufactured home. The roof has a shorter pitch. The interior walls are usually panels with color coordinated vertical strips. The ceiling is almost always vaulted down the middle. Rare exceptions: drywalled walls and drywalled flat ceilings. Gross living areas for two section (i.e, double-wide) homes usually range from 1,040 sf (26' x 40') to 1,872 sf (26' x 72'). By law, the exterior

Certification Labels are attached to the ends of each section. Sometimes they are missing due to installation of new exterior siding. Sometimes the interior Data Plate is missing.

In auditor records, the State Land Use Code is 560 – Manufactured Home/Permanent Foundation. Manufactured homes built before June 15, 1976 are considered personal property. In order for the home to be converted to real property, title must be inactivated through the county Clerk of Common Pleas and the Recorder's office.



Certification Label



Data Plate



Interior showing vaulted ceiling and wall panels



Manufactured home with no attachments



Manufactured home with attached garage and attached front porch

Modular Homes

Other names used for modular homes: pre-fab, factory-built, panelized, systems-built.

Modular homes are sectional prefabricated houses that consist of multiple sections called modules. "Modular" is a method of construction differing from other methods of building. The module sections are constructed at an off-site facility and then delivered to the intended site of use. Construction of the prefabricated sections is completed on site. The prefabricated sections are sometimes lifted and placed on basement walls using a crane, then joined together to make a single building. The modules can be placed side-by-side, end-to-end, or stacked, allowing a wide variety of configurations and styles in the building layout.

Modular homes are built to the same or higher building standards as on-site stick-built homes. The building method is referred to as permanent modular construction. Modular homes are built the same and considered the same as a stick built home. Material for stick built and modular homes are the same. Modular homes are NOT manufactured homes as defined by HUD.

Modular homes are classified as real property. The State Land Use Codes are the same as those for stick-built homes: 510 - 515. Once built, they are indistinguishable from stick-built homes.



Modular Home



Modular Home

Kit Homes

Other names for kit homes: Sears Catalog Homes (1908-1942), log home kits.

Kit homes are similar in that the basic parts are already made and transported to the site for the owner/local contractor to construct, but they require further work versus a modular home to achieve a completed home. Individually numbered parts (studs, plates, exterior siding, roofing material, etc.) are delivered via flatbed trailers and are built with a set of plans from the manufacturer. Electrical panels, wiring, switches, outlets, ductwork, and heating and air conditioning systems are usually acquired locally and installed by licensed contractors.

Kit homes are classified as real property. The State Land Use Codes are the same as those for stick-built homes: 510 – 515. Once built, they are indistinguishable from stick-built homes.



Kit Home



Kit Home