

Manufactured Home Parks

Section 207(m)

U.S. Department of Housing and Urban Development
Northwest/Alaska Multifamily Hub



Whether you're looking to develop or substantially rehabilitate a manufactured home park, the FHA mortgage insurance program may be key to financing the project. FHA's generous terms allow you to amortize your debt over longer periods, and to access extremely low interest rates. FHA financing can be easily combined with tax-exempt bond financing and other local and state subsidy sources to preserve affordable housing, also.

Program Features

- “AAA” Bond Rating
FHA-insured loans may be sold to Ginnie Mae, which secures a “AAA” rating for bond financing and correspondingly low interest rates.
- Longer Amortization Factor
FHA insured loans may be amortized over 40 years, with no balloon payments.
- Higher Loan to Value Ratios
Sponsors may borrow up to 90% of the value.
- Lower Debt Coverage Ratios
FHA allows sponsors to use up to 90% of project cash flow for debt (1.11 Debt Service Coverage).
- Low Annual Cost
FHA's annual MIP is just 0.50% of the loan's outstanding balance.
- Can be combined with tax credits, other local and federal funding sources
- Construction and permanent financing combined in one loan
- Financing for Cooperatives
FHA will insure loans to cooperative associations.
- Non-Recourse Loans

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For More Information:
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