

Mobile Home Parks

Section 207(m)

U.S. Department of Housing and Urban Development



Is your mobile home park at risk of being sold or converted to another use? FHA offers a mortgage insurance program which could assist mobile home owners in financing the purchase of the park. FHA's generous terms allow you to amortize your debt over longer periods, and to access extremely low interest rates in conjunction with tax-exempt bond financing.

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 (1.1 Debt Service Coverage).
- Low Annual Cost
FHA's annual MIP is just 0.5% 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
No risk to personal assets of borrowers.

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For More Information:
Visit Our Website at www.hud.gov/local/sea/mfh/seamfhpg.html

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