



MH Wholesale Program

OVERVIEW: Land Home Financial Services has approved a program for accepting wholesale loans from approved brokers using the criteria, pricing and underwriting guidelines addressed herein. The Land/Home Financial Wholesale Program enables brokers to provide borrowers with a lending source that can offer industry-leading pricing through a mortgage lender that has over 18 years of mortgage expertise in all aspects of the factory-built housing industry.

LAND/HOME FINANCIAL PROGRAM GUIDELINES

- **Eligible Properties**
 - HUD Code Manufactured Homes affixed to a permanent foundation in compliance with Fannie Mae, Freddie Mac, FHA or VA standards. Homes built after 1970 that are not HUD-Code are eligible for non-conforming programs (call for details).
 - Modular, panelized or other factory-built homes meeting State and local building codes. Modular homes may be permanently affixed either “on-frame” or “off-frame” to a permanent foundation system.
 - 1 Unit properties – SFR or PUDs.
 - Primary residence and second homes only.
 - Homes must be classified as Real Property with Title required per State guidelines.
 - Existing homes only (see next bullet)
 - Special provisions (See Broker Requirements below) for construction-to-permanent loans that are facilitated through a General Contractor or a factory-built home retail location.
 - Multi-section homes or Single-section HUD Code homes with acceptable like-property (i.e. single-section) resale comparable sales within the past six months.
 - No metal-on-metal HUD Code homes.
 - The siding used on the home must be of high quality and be in conformance with the standard siding prevalent in the immediate area.
 - Landscaping and hardscapes (i.e. walkways and driveways) as appropriate to the predominant style of homes in the area.
 - Skirting (if necessary) must be of high quality materials, be professionally installed and be comparable with the “look” of homes in the immediate area. Metal skirting is not acceptable.
 - All improvements and utility services must meet County code requirements and be compatible with similar features of homes in the immediate area.

- **HUD Code Manufactured Homes and “On-Frame” Modular Homes**

- Conforming loans will be subject to the specific Manufactured Home underwriting guidelines, rates, program limitations and pricing as specified by Fannie Mae and Freddie Mac.
 - Multi-section homes only.
 - Minimum of 700 sq ft.
 - 10-30 yr conforming, fixed rate loans and limited ARMs available.
 - Construction-to-Permanent loans available following specific program matrix.
 - Land/Home Financial’s MH Residential Program allows site-built rates and underwriting criteria to be used for Manufactured Homes meeting specific quality, amenities, architectural and installation guidelines.
- Non-conforming loans will be subject to specific underwriting guidelines, rates, program limitations and pricing as delineated by Land/Home Financial in separate program matrices.
 - Invoice-based advance conventional MH land-home mortgage program available.
 - Minimum of 700 sq ft.
 - 10-30 yr conforming, fixed rate loans and limited ARMs available.
 - Single-section homes acceptable
 - Construction-to-Permanent loans available following specific program matrix.
 - Alt-A “Niche” products available including cash-out, debt consolidation, second homes, a “Buy-For” by relatives program, and limited stated-income mortgages.
- Comparable sales must be HUD Code Homes meeting standard distance and have at least two acceptable resale comparable sales within the past six months.

- **“Off-Frame” Modular and Other Similar Factory-Built Housing**

- Will be subject to standard “site-built” underwriting and appraisal requirements.
- Standard retail rates for site-built homes will be available.
- All loan products available for site-built homes, including Stated Income and No Ratio loan programs will be available.
- Site-built or modular comparable sales can be used interchangeably to validate collateral value. Normal conforming or government loan appraisal requirements must be adhered to.
- Loan approval will be based on “site-built” home criteria.
- Installation of the home must meet the more stringent home placement criteria established by appropriate regulatory agencies and Land/Home Financial.

Broker Requirements

- Broker must be appropriately licensed and bonded in compliance with State regulatory requirements.
 - Broker must be specifically approved by Land/Home Financial and sign a “Broker Agreement.”
 - Take all necessary actions to originate the loan in compliance with all Federal, State and local regulatory requirements, including the provision of RESPA-related disclosures which specify any and all points and fees charged by the Broker and Land/Home Financial.
 - Provide full-package submissions only (except for construction-to-permanent loans addressed herein), including appraisals that meet established GSE, Investor, and/or Land/Home Financial standard criteria/product matrices (including Invoice-Based Advance program) and underwriting review standards. FNMA standard AUS outputs, including Expanded levels EA1 and EA2 are acceptable. Alt A programs are available on a limited basis.
 - For construction-to-permanent loans, Land/Home Financial will accept referrals from Mortgage Brokers who complete an initial series of RESPA compliance requirements per the Land/Home Financial Broker Check List, and then turn the transaction over to Land/Home Financial (hard copy and electronic Fannie Mae 3.0 format) for consummation and construction management. Brokers will receive compensation for compliant referrals as delineated in **Exhibit A**, which also contains information regarding pricing and fees.
 - Coordinate as necessary between Land/Home Financial and all parties, including third-party vendors like appraisers and title companies, to ensure the consummation of the mortgage transaction in a smooth and timely manner.
 - Coordinate a time for Land/Home Financial to conduct a telephone interview(s) with the principal borrower on the mortgage transaction prior to funding.
 - Provide an agreed-upon volume of originated loans on an annual basis.
- **Land/Home Financial Provided Information**
 - Broker Application Package
 - Confidentiality and Non-Disclosure Agreement
 - Broker Welcome Guide
 - Product and Program Information
 - MH Full Doc Conforming Program
 - MH Full Doc Non-conforming Program
 - MH C-to-P Conforming Program (with option for alternative non-conforming approach)
 - Policy and Procedures Manual
 - Daily Rate Sheets
 - Access to Web Site and real-time loan status (as required).

EXHIBIT A

FEE SCHEDULE AND BROKER COMPENSATION GUIDELINES

Fees and Broker-related Charges

- A Document Preparation Fee of \$695 will be charged and paid to Land/Home Financial. Typical 3rd party vendor fees (Tax Service, Flood certification, Wire Fee, Courier service, etc.) will be charged and paid to Land/Home Financial Services.
- Separate Fee schedule applies to Construction-to-Permanent loans (contained in the matrix which is provided separately).
- Cumulative broker-charged points, fees and Yield Spread Premium (YSP) are limited to a maximum of 2.5 points plus a \$500 broker processing fee.
- The back-end rebate is limited to a maximum 1.0 points. Brokers must also ensure that applicable State predatory lending limitations are not exceeded when considering total transaction costs.

Broker Compensation

- Broker will receive at closing 100% of all broker-assigned points, fees and rebate (capped at 1%), up to a maximum cap of 2.5% of the loan amount plus a processing fee of \$500.
- For construction-to-permanent referrals, following completion of the RESPA-compliant Broker Check List and turn-over of the referral to Land/Home Financial, Broker will receive a 1% Origination Fee at closing that shall comprise the entire Broker compensation for the transaction.