



USDA Rural Development – New Hampshire/Vermont Rural Housing Service Programs

Rural Housing Assistance for Manufactured Homes

What USDA programs can provide housing assistance for manufactured homes?

USDA Rural Development administers the Section 502 Direct Loan Program, the Section 502 Guaranteed Loan Program, and the Section 504 Home Repair Loan and Grant Program. The New Hampshire and Vermont Offices of USDA Rural Development also administer a pilot program to support the purchase of manufactured homes in mobile home parks under certain circumstances.

The Section 502 Direct and Guaranteed programs help moderate, low, and very low income applicants obtain decent, safe, and sanitary housing in eligible rural areas. These loans offer:

- 100% financing
- Affordable fixed rates
- 30 year mortgage term
- No private mortgage insurance requirement

In addition, the Section 504 Home Repair Program offers 20-year term loans of up to \$40,000 with a 1% interest rate to very-low-income residents to help them make critical repairs to their owner-occupied homes. Qualifying seniors over the age of 62 may also be eligible for up to \$10,000 in grant funds.

Who may apply for these programs?

A number of factors are considered when determining an applicant's eligibility for USDA single family housing assistance. At a minimum, applicants for loans and grants must:

- Occupy the property as their primary residence
- Meet citizenship or eligible noncitizen requirements
- Not be suspended or debarred from participation in federal programs

- Meet income limits and other requirements specific to the program for which they apply (502 Direct, 502 Guaranteed, or 504 Home Repair)

Applicants for loans must also:

- Demonstrate the ability to repay debt
- Have the legal capacity to incur a loan obligation

What is an eligible area?

Generally, rural areas with a population of less than 35,000 are eligible for USDA Single Family Housing programs. Visit the USDA Income and Property Eligibility website at <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do> for complete details.

What are the requirements for manufactured homes?

To qualify for USDA loans, manufactured homes must:

- Be located on land owned by the homeowner or for which the homeowner has a long-term lease arrangement that is at least 2 years longer than the loan term
- Be built by an approved manufacturer and have documentation that the home and foundation is built to applicable codes and program regulations
- Meet Energy Star efficiency standards
- Not have market value in excess of the applicable area loan limit (502 Direct and 504 Home Repair programs only)
- Not be designed for income producing activities

If the home is located in a mobile home park, the following must be provided:

- Current bylaws and addendums to bylaws
- Articles of incorporation
- Occupancy agreement/leasehold agreement
- Membership application and park rules

- Evidence the park is in good standing with the state and is USDA certified for the Pilot
- Written verification from applicable state regulatory agencies that private onsite water and sewer systems meet state and federal requirements.

For 502 Direct and Guaranteed loans, the mobile home park board/management must also adopt an amendment to the bylaws with provisions for USDA or the lender in the instance of default, foreclosure, voluntary conveyance, abandonment, cancellation, or termination of the occupancy agreement/leasehold, or other issues. Contact USDA for more details.

How may funds be used?

Loan funds may be used to help individuals or households build, repair, or renovate a home. For housing on land owned solely by the homeowner, funds may also be used to purchase and prepare sites, including providing water and sewage facilities (not applicable in mobile home parks).

How much down payment is required?

Typically, no down payment is required. Applicants with assets higher than the asset limits may be required to use a portion of those assets.

Is there a deadline to apply?

Applications for these programs are accepted year-round.

How long does an application take?

Processing times vary depending on funding availability, program demand in the area in which an applicant is interested, and completeness of the application package.

How do I get started?

Contact the USDA Rural Development NH/VT State Office:

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NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled "What Law Governs this Program?" You may also contact [your local office](#) for assistance. **You will find additional forms, resources, and program information at www.rd.usda.gov**