



Manufactured Home “HUD Tags”, “Hud Plates”, “Data Plates”, “Certification Labels”... I’m confused by all these terms and my home seems to be missing them! What do I do?

QUESTION: So, what are these things anyway and why do I care?

First, let's shed some light on the often confusing and misused terms. Following the passing of The Manufactured Home Construction and Safety Act of 1974, the Department of Housing and Urban Development (HUD) began regulating the construction standards for all single family mobile / manufactured homes. These federal building standards pre-empt state laws and set national home construction and safety standards. Congressional intent was explained as:

“The Congress declares that the purposes of this chapter are to reduce the number of personal injuries and deaths and the amount of insurance costs and property damage resulting from manufactured home accidents and to improve the quality and durability of manufactured homes. Therefore, the Congress determines that it is necessary to establish Federal construction and safety standards for manufactured homes and to authorize manufactured home safety research and development.”

(The National Manufactured Housing Construction and Safety Standards Act of 1974, 42 U.S.C. 5401 et seq.; 24 CFR Part 3280 and Part 3282)

Therefore, every manufactured home built after June 15th, 1976 is required to have a HUD approved label (“HUD Tag”) certifying compliance with these building standards.

Common Terms:

“HUD Tags”, aka “HUD Plates”, aka “Certification Labels”

- 1) These are DIFFERENT than what is referred to as a “Data Plate”.
- 2) HUD Plates are located on the OUTSIDE of the home
- 3) They are metal, red with silver lettering and permanently affixed with rivets, approximately 2” x 4” in size.
- 4) There is a separate HUD Plate for each “section” of the home. (For example, Doublewide = two plates, Triple = 3)



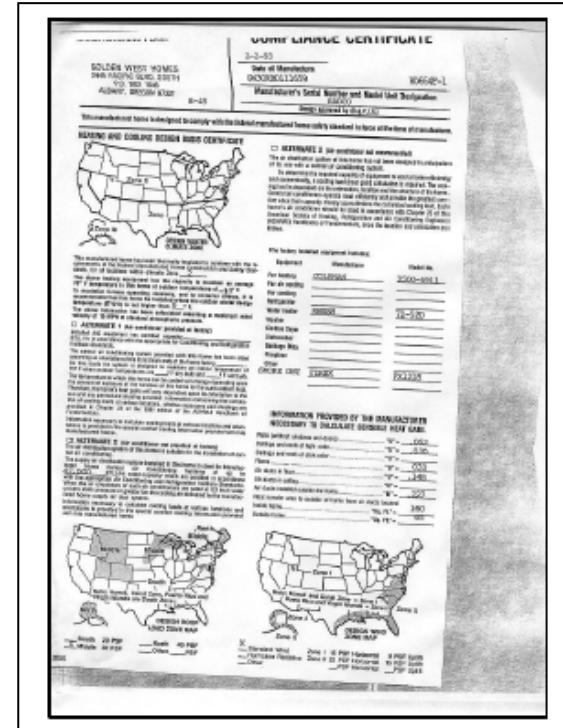
Sample HUD Tag

“Data Plates”

- 1) Data Plates are a paper label inside the home
- 2) They are typically located in a kitchen cabinet, electrical panel or in a bedroom closet
- 3) The Data Plate includes information on the Manufacturer Name (different than the Dealer Name many times), location where the home was manufactured, **Serial Numbers** and Model, and the date the home was built.
- 4) Additional information regarding factory-installed equipment with manufacturer name and model number, Roof Load Zone and Wind Zone Load design specs are all listed on the Data Plates.

“Serial Numbers”

- 1) Located on the Data Plate
- 2) In some states, the Serial Number and the VIN Number can be the same. (Manufactured Homes are licensed as “vehicles” through the Dept of Licensing in most states, until the home is placed on “Real Property” and “Title Eliminated”.
(For more info see the section on “Real Property Financing” below)
- 3) If the home is a multi-wide unit, the Serial Number will contain the letters A/B for a double-wide unit, or A/B/C for a triple-wide.



Sample Data Plate

QUESTION: So, why do I need to know what and where these HUD Tags and Data Plates are in the first place? What's the benefit?

When financing a manufactured home as “Real Property”, evidence that the home was built post July 15, 1976 is required. Documenting a factory installed HUD Tag, aka HUD Plate confirms the date of manufacture. Financing a “non-HUD home” as commonly referred to, is very difficult, as the vast majority of institutional lenders, including FHA, Fannie Mae and Freddie Mac require that the home be HUD Approved. This is the standard for the mortgage industry.

Appraisals on Manufactured Homes are done slightly differently than site-built homes. Much of the appraisal value is determined by a “Book Value” and comparing factory installed features and quality of manufacturing. The Manufacturer Name, Serial Number and Model name are important details given to an appraiser to help determine value. Of course, location, size, amenities, condition, market trends, etc... all factor in as well.

“Real Property” vs. “Chattel”

When a home is manufactured and initially licensed to be sold through a Home Dealer, it is typically done thru a vehicle title process. (Hence the term “mobile” home.) The home’s framework is placed on axles / wheels for ease in delivery to the location.

If the home is to be placed on a leased space in a mobile home park, or on land where an owner is only financing the home itself and not encumbering the land it is placed on, the home is considered to be what’s called “Chattel”, and is financed as personal property. Again, this is somewhat similar to a vehicle loan. We have investors who lend on these types of transactions.

When the home is to be placed on land and the mortgage financing encumbers the land AND the home, it is necessary to have the vehicle title eliminated. (Title Elimination). This process converts the home to “Real Property” and is taxed as such with the County Assessor’s office. Construction, Conventional, FHA, etc... essentially standard mortgage financing can then be obtained on the home. We have loan programs and investors for Manufactured and Modular homes on real property as well.

QUESTION: My home doesn’t appear to have a HUD Tag! What do I do? Can I get a replacement one?

Unfortunately, on occasion an older home may be missing a HUD Tag. It could have been removed for a variety of reasons. Hopefully, it wasn’t to hide the age or ownership of the home. Unfortunately, without a HUD Tag, it’s very difficult to prove the manufacturing date and document that the home meets lending and HUD’s building and safety standards.

HUD does not provide replacement labels or tags. The HUD Tags are affixed at the factory where they are manufactured. In lieu of a replacement tag, HUD does refer to a contracting company called the Institute of Building Technology and Safety. (IBTS). This company acts as a national monitoring service that holds the records for manufactured homes being built.

While the IBTS can’t provide a replacement HUD Tag, if the information can be verified in their database, they can provide a Verification Letter typically within 3-5 business days of the request. (1-2 days on a rush). This Verification Letter will suffice in most circumstances of a lost HUD Tag.

Again, it is important to be able to obtain this information in order to be able to secure financing of a Manufactured Home. If a HUD Tag is missing, it is important to research and get this information as quickly as possible, so as to not delay an appraisal and / or loan underwriting approval.

Please see: http://www.ibts.org/label_req.shtml to order Verification Letters. For additional information on missing HUD Tags and /or Data Plates, see HUD’s website: <http://www.hud.gov/offices/hsg/rmra/mhs/mhslabels.cfm>

Please note: There is a fee for researching and obtaining a HUD Tag Verification Letter. Prior to your request, you'll need to gather this information:

- Label Number
- Serial Number for EACH section
- Date of Manufacture
- Name of Manufacturer
- Type of home (single, double, triple)
- Location of first shipment

The primary source for this information is on the Data Plate which would have this information listed on it. **If the Data Plate is also missing**, locating this information becomes much more difficult to locate. The owner should have some information from their original bill of sale, or escrow closing paperwork. If this isn't available through the seller, (In the case of a foreclosure or bank REO property) sometimes the Home Dealer may still have this information on file if it's known where the home was originally purchased.

In addition, the Manufacturer may also have this information on hand. However, if the home has changed hands more than once, or is an older model, this information can be increasingly difficult to obtain. A Dealer or Manufacturer's records may only go back so far, and there have also been many closures of Dealers and/or Factories. An underlying lender may have record of this information if the home is still encumbered with a mortgage. However, unless it is the owner of record contacting the bank it will be difficult to get. Lastly, if it was a Home-Only Chattel transaction, there is a possibility that the record of the sale on the Excise Tax Affidavit may have the Serial Number and Model of the home. Again, these are searches that we've used in the past to assist our clients in locating the information.

If you need assistance with financing a Manufactured Home or want more information on this or other mortgage financing questions, please feel free to contact me directly!

Michael Patterson

WA Regional Branch Manager, Manufactured Lending Specialist

NMLS ID / MLO # 69386

Land /Home Financial Services, Inc.

206.423.4000

michaelp@LandHomeNW.com

www.LandHomeNW.com/MHLending



Land/Home Financial Services, Inc. currently provides loans in 42 States plus Washington DC. Some products may not be available in all states. Restrictions apply. Mortgage Lending in Washington State is authorized under WA Dept of Financial Institutions Consumer Loan License # CL-89331. Land/Home Financial Services is an Equal Housing Opportunity Lender and lends only in states we are licensed in.