

MANUFACTURED HOMES: POSSIBLE LOW INCOME HOUSING

Classified as Personal Property (In a park, not on a foundation, leased space)

Registration & Title: Controlled by Dept. of Housing Community Development (HCD)

Lenders: Most banks, credit unions & mortgage corporations will not touch them; following lenders will: AMC, Manufactured Home Financing, Forward Financial, Green Pt., Conseco, Santiago Financial.

Interest Rates: 9% to 12% based on deposit made, age of home & credit score. (*This information is for illustration purposes only. Check with a lender to find out current interest rates.*)

Price of Available Homes on MLS: \$19,000 to \$90,000 (This does not include homes being sold by Tahoe Verde).

Buyer's Closing Costs: (*All figures are approximate and are used for this illustration only*) (Escrows are normally done at Fidelity Title through Jenny; Rita at TSI will also do them.)

Escrow: \$600 split 50/50 Buyer & Seller

Local Prop Tax: 1.25% (\$250 on a \$20,000 sale, \$625 on a \$50,000 sale)

Health & Safety Inspection: \$160 (Bruce Pickering at Inn-Spec)

HCD: \$50

Hold Pending HCD Clearance: \$100 (Held by Jenny from both Buyer & Seller until HCD processes paper work which is taking up to 6 to 8 weeks; close escrow when conditions of contract/escrow instructions are met and don't have to wait until HCD processes their documents.)

Next month's rent, sewer & garbage: approximately \$558.

Total: \$1,518 for \$20,000 sale; \$1,893 for \$50,000 sale

Example/Illustration:

	<u>\$20,000 purchase</u>		<u>\$50,000 purchase</u>	
	<u>5% Down</u>	<u>20% Down</u>	<u>5% Down</u>	<u>20% Down</u>
Down:	\$1,000	\$4,000	\$2,500	\$10,000
Loan:	\$19,000	\$16,000	\$47,500	\$40,000
Payment:	\$205	\$172 (15 year, 10% fixed)	\$511	\$430
Est. Mo.Pay:	\$725	\$692 (\$520 rent + mtg)	\$1,031	\$950
Est. \$ to Buy:	\$2,518	\$5,518	\$4,393	\$11,893

Friend or Family Member Loan: interest rates lower than mortgage rate but can be higher than bank fixed rate interest (ie: 6-8%); lender protected as legal owner on title and home as collateral; buyer is then only the registered owner; escrow completes note and HCD shows legal owner on title; places lender and buyer in a win-win situation.