



HINTS FOR HOMEBUYERS

New Financing Options Increase Home Purchase Opportunities For Buyers

(NAPSA)—New financing options modeled after traditional construction loans are opening up a new door to homebuyers interested in owning a brand new home.

Factory-built homes, now recognized for their design excellence, comparability to site-built homes and quality, were historically financed through “home only” loans. Now that the industry has helped create a number of new financing options, the value offered by factory-built homes can be enjoyed by more people at significantly lower financing costs.

“Today, factory-built homes provide homebuyers with more design and amenity options,” said Grover Tarlton, vice president of marketing for Champion Enterprises, the world’s largest homebuilder and industry leader. “As a result, we are seeing a significant increase in the number of homes we sell for placement in subdivisions and on private property, being financed with conforming real estate loans.”

The Manufactured Housing Institute (MHI) is a trade organization that tracks such trends. In a recent report, MHI stated that at least 60 percent of new manufactured home loans are now financed through means other than “home only” loans. The MHI’s chief economist forecasts a continuing trend, especially for conforming real estate loans and the manufactured housing industry.

“The number of factory-built homes financed with conforming real estate loans has more than doubled in the last decade and we expect that rate of growth to be duplicated in the next,” said Dr. James Clifton, chief economist at MHI. “Better interest rates and a product comparable to site-built homes are driving the growth and making it a beneficial trend.”

Built indoors, in a quality- and climate-controlled environment, factory-built homes have long been known for their precision engineering, ever-increasing quality and reduced costs when com-



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pared with site-built homes.

In terms of speed, though, there is no comparison. New construction of site-built homes can take as much as ten to twelve months and factory-built homes are generally ready in less than half that time.

When placed on a permanent foundation, manufactured homes can be considered real estate property as opposed to personal property and are eligible to be appraised similarly to other single-family homes. They also appreciate in the same manner, making them solid real estate investments for savvy homebuyers thinking about their financial futures.

“Factory-built homes offer all the qualities of a site-built home for less, add value with the efficiencies and quality of factory craftsmanship and can make the whole process of building a new home easier,” said Tarlton. “Now with the availability of financing through traditional mortgages, consumers also can gain appreciation and equity of the land, and enjoy lower interest rates.”

Buyers can work with their manufactured housing retail sales center to learn more about loan requirements.

Retailers can also help buyers think through decisions about floor plans and the many custom options and features available. Buyers should be certain to ask about energy efficiency options. Factory-built homes containing specific energy saving features may qualify for special financing packages that offer homebuyers significant savings. Homes labeled by the ENERGY STAR® program is one such example.