



The MHI Community Attributes System:

Improving Lending in Manufactured Home Communities

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The Manufactured Housing Institute's Community Attributes System (CAS) was created by an MHI task force of community owners and lenders and approved by the MHI Board of Directors to improve and increase lending in land-lease communities. For years, community owners have been frustrated by the subjective "ratings" (4 stars, B+, etc.) applied to their communities by lenders and appraisers. These ratings are often based on inaccurate, out-dated or incomplete information. At the same time, lenders have been frustrated by the lack of available information on a community that they were making loans into and often had to rely on the subjective rating systems, internally-developed systems or no system at all when deciding whether to make a loan on a home. The CAS collects a uniform set of over 75 objective attributes about a community and is designed to end both of these frustrations.

Frequently Asked Questions about the CAS

Q. Will the CAS "rate" or "classify" a community?

A. No. The CAS will collect the same information about each community without making "bottom-line" judgments about the community. Lenders will continue to make their own lending decisions but with more complete and accurate information.

Q. What types of attributes and information will be collected about individual communities?

A. The CAS is broken down into five components:

1. Management/Infrastructure/Economic Attributes (e.g. rent, year built, lease terms, school district, area growth rate, apartment occupancy rate, etc.);
2. Community Feature/Amenity Attributes (e.g. pool, clubhouse, street type, percentage of pre-HUD Code homes, etc.);

3. Home Activity/Resale Market Attributes (average home selling prices, fill rate, resale restrictions, etc.);
4. Recent closed sales and homes currently for sale in the community; and
5. Recent photos of the community.

Q. How will the CAS be accessed?

- A. The CAS will be maintained as a secure database online through the website, www.mhicas.org.

Q. Who will have access to the CAS?

- A. Lenders and appraisers will have access to the CAS. Community owners will have access to the information on their own communities and will be able to enter and update their own information.

Q. How will the identities of lenders, appraisers and community owners be verified?

- A. The first thing any potential user (lender, appraiser, community owner) must do is create an account by providing information such as name, address, company, phone, etc. A valid e-mail address will be required to use the CAS.

Appraisers will be required to provide their state-assigned appraisal license number and a valid credit card number and expiration date. Prior to authorizing access to the CAS, their appraisal license information will be validated and their credit card will be authorized for charges. The credit card verifies they are who they say they are, and the license check verifies they have a valid appraiser license.

MHI members will have their status verified by the MHI certified representative for that company, who will be required to reply by email that the user is an authorized employee and user of the system. The MHI certified representative can also approve users in advance when they register on the CAS website. State association community members whose state association provides us with a certified list of community members with valid e-mail addresses will be authenticated in the same manner.

All non-member lenders and community owners, as well as state association members whose association does not provide us a certified member list, will be required to enter a valid credit card to use the CAS. A follow-up phone call will be made to the user's company to verify employment and authorization to use the system.

Q. Can lenders and appraisers enter information on communities?

A. Yes. Some lenders have field reps that may inspect communities and may enter or add information. Most appraisers provide neighborhood information as part of their appraisal and may enter or add that information.

Q. Will the community owner be notified if a lender or appraiser updates the information on their community?

A. Yes. A community owner who has registered on the site and provided an email address will be notified about changes made to the information on their community.

Q. What if the community owner disagrees with an update made to their community information?

A. The community owner simply re-enters the corrected information. The CAS system keeps track of all updates and who entered them on a field by field basis, and lenders will be able to view the entire history of a community's CAS entries.

Q. Will there be a charge for accessing the CAS?

A. Lenders and appraisers will be charged a small fee for accessing the CAS. Community owners will not be charged for entering and updating information on their own communities.

Q. Will lenders require a CAS form to be in the database in order to make a loan in that community?

A. Lenders will make their own determinations as to whether to require a CAS form be completed.

Q. Is entering information online the only way to enter and/or update information on a community?

A. No. Hard copies of the CAS form can be completed and faxed or mailed in. A blank CAS form can be downloaded from www.mhicas.org. There will be a fee to process and input forms and photos that are mailed or faxed in, however.

Q. Will the CAS bring more lenders into the industry?

A. One of the main goals of the CAS is to encourage more lenders to enter the industry by providing more information on the communities they may lend into so they can make more informed lending decisions. It is also hoped that Wall Street, Fannie Mae, Freddie Mac and FHA will view this as another positive step by the industry to bring more transparency to the chattel lending process and make more funds available to lenders in this market.

Q. Can I see a sample of a completed CAS form?

A. Yes. A sample can be viewed online at www.mhicas.org.

Q. Where do I go to access the CAS and enter or access information?

A. Community owners can go to www.mhicas.org today to begin the process of entering information or accessing reports. Lenders and appraisers will be able to begin accessing reports in late July.