



Mobile Home Replacement Initiative

Effective June 15, 2018

The Mobile Home Replacement Initiative (Initiative) provides the combination of an amortizing, interest bearing MaineHousing Mortgage Loan and a \$30,000 MaineHousing grant. The Initiative is designed to assist income eligible Maine Residents seeking to replace their pre-1976 mobile home with a new Energy Star certified manufactured home on the same site.

Eligible Applicants

- Applicants who own and occupy a pre-1976 mobile home.
- Applicants with annual household incomes at or below 80% of the First Home Program Income Limits. **See chart on page 2.**
- Applicants who qualify for the First Home or SaluteME Uninsured Mortgage Loan (80% LTV maximum) for permanent financing.

Note: First-Time Homebuyer requirement is waived.

Eligible Uses of Loan/Grant Funds

- **Project Costs** - All funds required to dismantle and remove the pre-1976 mobile home unit and install, on its original site, a new Energy Star certified manufactured home purchased from a licensed Maine dealer.
- **Project Funding Costs** – All funds used to pay off an existing mortgage loan, to pay for Borrower closing costs and to pay for outstanding assessments.

Existing Property Requirements

- Pre-1976 mobile home; owned and occupied by the Applicant.

Acquisition Cost Limit

- \$150,000 – As calculated on the **Acquisition Cost Worksheet HMP- 06** and defined in **Section 3.2 of the MaineHousing Home Mortgage Procedural Guide.**

Replacement Property Requirements

- New units must be Energy Star certified manufactured homes which are permanently connected to water, sewer, electric and other utilities.
- Mobile Home units must be anchored to a permanent foundation in accordance with the provisions set forth by the Maine Manufactured Housing Board with the wheels, axles, towing hitch and tongue removed.
- Units must be located on the site of the removed pre-1976 mobile home which may be owned land, private leased land or in a park.
- Units located on leased land must have a recorded lease equal to or greater than the 30 year term of MaineHousing’s first Mortgage Loan term. **Section 5.15 of the MaineHousing Home Mortgage Procedural Guide.**
- Payable First Home or SaluteME Mortgage Loan must have a valid first-lien Mortgage position as evidenced by an acceptable title insurance policy.

Underwriting Requirements

- Borrowers must be credit qualified for a Home Mortgage Program payable Loan. Lenders will follow **Procedural Guide Section 4 and 4.2** Uninsured Loan underwriting requirements.
 - ✓ Maximum Ratios 33/43
 - ✓ Minimum credit score of 640
 - ✓ Maximum LTV 80% (for amortizing Mortgage Loan only)
- Borrowers must execute a deferred, forgivable Note and Mortgage to ensure compliance with the 15 year occupancy requirement.

Restrictions

- ADVANTAGE – MaineHousing’s down payment and closing cost assistance option is not allowed with the Mobile Home Replacement Initiative
- No cash back to the Borrower allowed at Closing; any excess assistance must be applied as a principal reduction on the first Mortgage Loan.

| County: | 1-2 Person | 3 or more |
|--|-------------------|------------------|
| Androscoggin County | \$54,480 | \$62,640 |
| Aroostook County | \$54,480 | \$62,640 |
| Bangor HMFA* | \$56,160 | \$64,560 |
| Cumberland County | \$57,040 | \$65,520 |
| Franklin County | \$54,480 | \$62,640 |
| Hancock County | \$54,480 | \$62,640 |
| Kennebec County | \$54,480 | \$62,640 |
| Knox County | \$54,480 | \$62,640 |
| Lincoln County | \$54,480 | \$62,640 |
| Oxford County | \$54,480 | \$62,640 |
| Penobscot County | \$54,480 | \$62,640 |
| Piscataquis County | \$54,480 | \$62,640 |
| Portland HMFA* | \$72,080 | \$82,880 |
| Sagadahoc County | \$56,640 | \$65,120 |
| Somerset County | \$54,480 | \$62,640 |
| Waldo County | \$54,480 | \$62,640 |
| Washington County | \$54,480 | \$62,640 |
| York County | \$57,760 | \$66,400 |
| York-Kittery HMFA* | \$73,120 | \$84,080 |
| *HMFA=HUD Metro Fair Market Rent Area | | |

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