MOBILE HOME SELF-INSURED OPTION (MHSI) – SUMMARY

MaineHousing self-insures eligible mobile home loans having a loan-to-value greater than 80% and less than or equal to 95%. Borrowers are required to pay a higher interest rate in lieu of paying mortgage insurance. Eligible property types include single-wide and double-wide mobile homes located on owned land, approved parks or privately leased lots.

Eligible Applicants:
- First-time homebuyers and those who have not owned their own homes in the past 3 years. **Exceptions:**
  - Persons who have owned unattached mobile home on leased land
  - Honorably discharged veterans, retired military & active duty military who have owned a home within the past 3 years but have sold it prior to the MaineHousing closing and have never previously received a mortgage financed with Mortgage Revenue Bonds

Underwriting:
- Maximum debt ratios: 33% for housing (PITI)/41% for total debt to income
- Minimum credit score of 640
- Presented with strong compensating factors, MaineHousing will consider exceptions on a case-by-case basis. Underwriter must submit Underwriting Risk Assessment form HMP-54 and obtain MaineHousing’s (written) approval three days prior to closing.

Income Limits:
Household income limits apply, and vary by location and household size

Purchase Price Limits:
$150,000 maximum statewide

Seller Contributions
Maximum Seller contributions. Up to 3% of the Purchase Price may be used toward closing costs and prepaid expenses. Seller may not contribute to the down payment.

Property Requirements:
- Single-wide and double-wide mobile homes < 20 years of age, must be permanently attached per code at the time of closing
- Must be owner occupied within 60 days of closing
- Units located in an approved park require a written lease with the same term as the mortgage
- Commercial use limit. Must not use more than 15% of the residence for trade or business. Includes total square footage of all buildings.

Terms:

<table>
<thead>
<tr>
<th>Mobile Home Age</th>
<th>Loan term must equal:</th>
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<tbody>
<tr>
<td>0-10 years</td>
<td>30 years</td>
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<tr>
<td>11-15 years</td>
<td>25 years</td>
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<tr>
<td>16-20 years</td>
<td>20 years</td>
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Down Payment:
5% down payment required; 3% must be from borrowers’ own funds (even if combined with Advantage)

Advantage:
MaineHousing’s down payment and closing cost assistance option can provide $3,500 toward the cash needed for closing. Applicants choosing Advantage must take a hoMEworks approved homebuyer education class prior to closing and must make a minimum borrower contribution of 1% of the loan amount. The 1% requirement can be met within the 3% “own funds” down payment requirement, and not in addition to it. The cost of the homebuyer education class counts towards the 1%.

Purchase Plus Improvement
Allows borrowers to add up to $35,000 to the loan amount for repairs. Note: The total of home purchase price and repairs must not exceed $150,000.

Interest Rate:
Current First Home rate except for Mobile Home Self Insured loans.

<table>
<thead>
<tr>
<th>Program Option</th>
<th>Rate Add-on</th>
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<tbody>
<tr>
<td>Mobile Home Self Insured</td>
<td>1.00%</td>
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