

Manufactured Home Replacement Program 2022



Program Guide

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The OHCS Manufactured Home Replacement Program is designed to replace older, energy-inefficient, and unhealthy manufactured homes. This guide is designed to help you navigate

your way through the process of replacing your manufactured home with a new, energy-efficient, safe home. During this process, there can be times when things might seem confusing. There will be different organizations and agencies working with you to complete the steps necessary to replace your home. However, do not let this discourage you. You will have a manufactured home replacement navigator (manufactured housing navigator) to help you each step of the way.

The manufactured housing navigator will assist you with every aspect of replacing your home, from your first contact with Oregon Housing and Community Services (OHCS) until you move into your new home. The manufactured housing navigator can help you work with manufactured home dealers/retailers, find contractors and review construction bids, acquire building permits, apply for grants and loans, and maneuver all other aspects of replacing your manufactured home.

Each manufactured home replacement is unique and will be based on your individual circumstances. Some of the factors that will be considered for your manufactured home replacement are the county you live in, where your current home is located (in a park or on your own land), what resources you have, and what resources are available to you. As you can see, there is not a one-size-fits-all road map that will guide you from start to finish. Again, do not be discouraged. Let the manufactured housing navigator help you design a replacement plan tailored specifically for you.



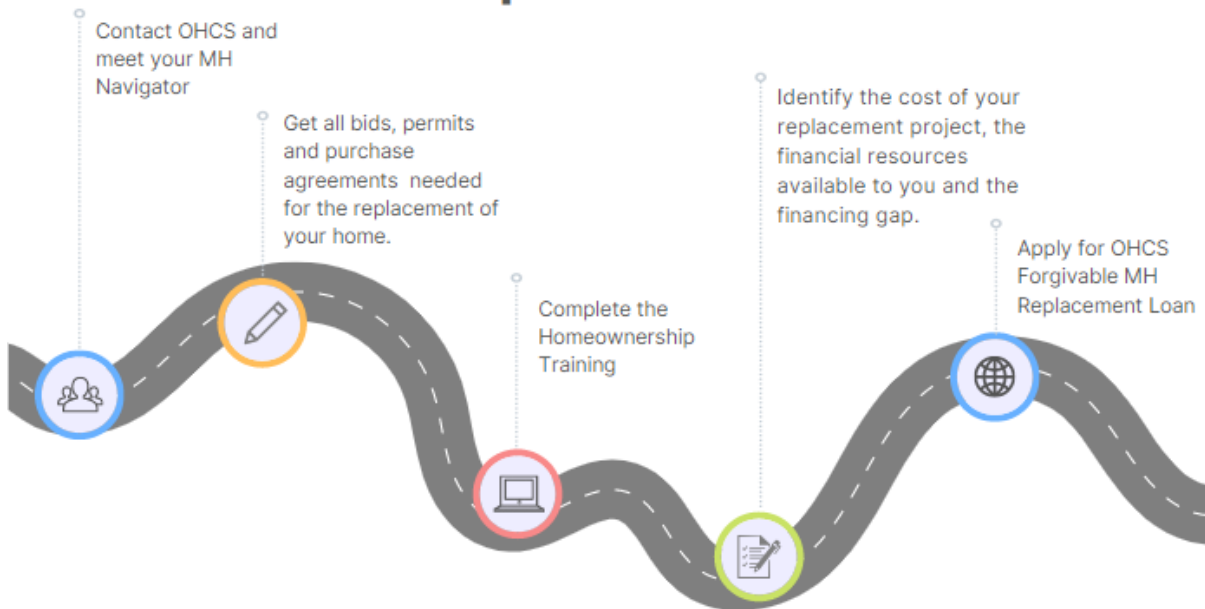
The following is a list of steps that are required to replace your manufactured home. Remember, your process might not be in this order, but you and your manufactured housing navigator will complete all steps in this process together.

1. Visit OHCS' Manufactured Housing Replacement Program webpage at mhreplacement.oregon.gov to read more information and connect with a program navigator.
2. Determine if you are eligible for an OHCS Manufactured Home Replacement Loan (MHRL) by answering these questions:
 - Is your current home your primary residence?
 - Is your current home energy inefficient? (Most manufactured homes built before 1995 are considered energy inefficient.)

- Is your annual household income at or below 100% of Oregon’s average median income (\$72,700 for a household of two)?
- Is your home located on your personally owned property, in a cooperatively or nonprofit-owned manufactured home park, or in a privately owned park that has a written agreement with OHCS?

If you can answer yes to these questions, you are eligible for a replacement loan. (If you need assistance determining your eligibility, please contact a manufactured housing navigator).

Manufactured Home Replacement



3. For homeowners who live in a mobile home park, contact your park manager and obtain permission to replace your manufactured home.
4. To qualify for OHCS’ Manufactured Home Replacement Program and receive a forgivable loan, you must complete an approved homeownership training course. This training will be provided to you by a counselor from one of OHCS’ certified homeownership centers and will help prepare you for the process. Please ask the manufactured housing navigator to help you schedule this training and let him know if you need language assistance or require special accommodation to complete it. **This is a requirement for a replacement loan, so we highly recommend that you schedule this as soon as possible.**

5. Find a Construction Contractors Board (CCB)-licensed general contractor that can decommission and dispose of your current manufactured home. Get a demolition bid from that contractor.
6. Contact a manufactured home retailer/dealer and choose a home that is an **Energy Star or NEEM 2.0 energy-rated home**. Please note that this is an in-kind program. That means if you currently live in a single-wide home, OHCS can only replace a single-wide home. If you currently live in a double-wide home, OHCS can replace it with a double-wide home. You may also choose to downsize from a double-wide home to a single-wide home.
7. After reviewing your options, get a purchase agreement (PA) or purchase bid (PB) from the retailer/dealer.
8. Find a CCB-licensed general contractor (can be the same as the disposal contractor) and get a bid for all required site work. This may include gutters, skirting, front and back porches, septic work (if needed), excavation, building permits, and other authorized work. (Note: OHCS forgivable loans cannot be used to pay for site work beyond what is required to replace your home including, but not limited to, landscaping, irrigation systems, etc.)
9. Once you have all your construction bids and purchase agreement/bid consolidated, add them together. This will give you and the manufactured home navigator a snapshot of how much money your manufactured home replacement project will cost.
10. You will be required to contribute, at a minimum, 10% of your adjusted federal gross household income to your replacement project. Identify what personal resources you have or could access to help finance your new home. Do you have any savings or are you involved in a homeowner's insurance claim? Are there any other sources of capital (like home equity or other types of loans) available to you? Add those amounts together and determine what is the (affordable) amount, that you can contribute to your replacement. (Note: You will not be expected to draw from retirement accounts like 401Ks or IRAs from which you would incur a financial penalty).
11. The next step is to identify and apply for grants, energy provider rebates, community action agency grants, and other assistance that may be available through the community to cover some of the costs of your replacement. (Your manufactured housing navigator can assist you with these applications.)
12. Apply for financing from an OHCS-approved financial institution, Community Developed Financial Institution (which will more than likely be Craft3), your preferred credit union or bank, other applicable government lending programs, or an OHCS-approved chattel loan provider. Find out the amount you qualify to borrow and how much you can (reasonably) afford to borrow.
13. Add the total amount of grants, loans, and other contributions together. Subtract that amount from your total project cost estimate. This will establish your gap amount or the amount of funding you need to complete your manufactured home replacement project.

FINANCIAL GAP WORKSHEET

1	Cost Estimate of Replacement	\$90,000
2	Total Amount of Grants and Assistance	\$20,000
3	Total Amount of Personal Contribution	\$3,000
4	Total Amount of Financing	\$17,000
5	Available Financial Resources:	\$40,000
	Add lines 2, 3 and 4	
	Difference Between Cost and Resources	
	Subtract line 5 from line 1	
	Line 1	\$90,000
	Line 5	\$40,000
	Total Gap	\$50,000

NOTE: This is an example, and the dollar amounts for each replacement will be different. Do not let this example calculator deter you from replacing your manufactured home.

14. Once you have identified your funding gap, apply for the OHCS manufactured home replacement (zero-interest, no-payment) forgivable loan. This loan can cover the remaining gap and make your manufactured home replacement affordable. Again, your manufactured housing navigator will assist you with this. (Note: The maximum amounts OHCS can finance are \$100K for a single-wide home and \$175K for a double-wide home).

If you live in an older manufactured home and want to replace your home with a new, safe, affordable, and energy-efficient manufactured home, please call a manufactured housing navigator at 971-208-4120 or email Hcs.mnr@hcs.oregon.gov.