



Frontier Housing

Discover the New Frontier

CALL US 606.784.2131

"BUILDING HOMES, FULFILLING DREAMS, EVERY DAY."

How to Eliminate the Worst Housing Stock in Appalachia - Replace pre-1976 HUD Code mobile homes with new ENERGY STAR manufactured homes.

Has Manufactured Housing Done Right™ Worked Before?

Ask Mrs. Kelly - Dreams Do Come True

The Solution – A Case Study

Phyllis Kelly is a resident of Isonville, which is located in rural Elliott County, Kentucky. Mrs. Kelly called Frontier Housing in July of 2007. **She was in desperate need of decent, safe, affordable housing.** She was living with her daughter and granddaughter in a 12 foot by 55 foot 1970 single-wide mobile home. It was located on the property she and her husband Dewayne purchased in August of 1987. When Dewayne passed away, Phyllis couldn't make ends meet, and struggled to keep their home and property. Even though Mrs. Kelly owns a 45-acre tract of land, only one quarter of an acre is usable due to steep mountainous terrain.



The mobile home she lived in was constructed before the HUD Code improved factory built housing with nationwide safety, and structural stability standards. Energy efficiency was not even a consideration in 1970. With the passage of time, the windows and doors leaked air, the water pipes froze in the winter months, the heating system was inadequate, the floor was falling in and the house was cooled by only one small window air-conditioner. At times, her monthly utility bill exceeded \$500! It carried warnings about disconnect dates. **Although at one point a marvel of its time, the mobile home was in a severe state of disrepair.**



Frontier Housing www.frontierhousing.org/energyhome

Frontier Homeownership Center 5445 Flemingsburg Rd., Morehead, KY 40351 606-784-2131



Frontier Housing

Discover the New Frontier

CALL US 606.784.2131

"BUILDING HOMES, FULFILLING DREAMS, EVERY DAY."

Mrs. Kelly's home was served by a homemade septic system; a pipe that connected from the home to a 55 gallon metal drum and then distributed into the soil. The waste visibly leached into the yard.

This is not a particularly pathetic story. The Kelly family own land and have an unsubsidized home. This is a common story for over a million homes tucked down the back roads of rural counties or sitting shoulder to shoulder in mobile home "parks" across the country. **The current estimate for the number of pre-HUD Code mobile homes housing families is close to two million households.**

What is the best solution for Phyllis Kelly? And for all of the others? Will remodeling or repairs do the trick? Frontier has a history of 35 years. We started repairing homes in rural Appalachia a few years after Mrs. Kelly's home was built. What Frontier discovered in those early years was that even many site built homes, in a region with no enforced building code, were too unsound to fix up or weatherize.

When do we move from repairing to replacing; when is it long past time to effectively patch it up? We can create long term solutions with low maintenance, energy efficient, clean, safe homes.

Phyllis Kelly now lives in the Discovery model of Frontier's Ridgeline Series of single section manufactured homes. **Her monthly mortgage payment and utility bill are now less than her electric bill in her previous home.** The home is ENERGY STAR® rated, on a solid masonry FHA Title II foundation, and is deeded as real estate. It has a composite shingle roof, vinyl siding, and gutters. The home has 2 x 6 inch exterior walls, efficient heating and cooling equipment, a high efficiency water heater, high performance windows, tight construction and sealed ducts to reduce leaks, drafts, and outdoor noise. **This home is vastly different from the majority of single section manufactured homes being built today.**

Frontier got a call from the staff at Grayson Rural Electric, GRECC. Prior to the replacement of Mrs. Kelly's old mobile home her kilowatt usage per month was approximately **6,000 KW/month**. In her new home, her kilowatt usage dropped to **1,600 KW/month**. When the usage dropped so drastically, the electric company questioned if Mrs. Kelly was still occupying her residence.



Frontier Housing

Discover the New Frontier

CALL US 606.784.2131

"BUILDING HOMES, FULFILLING DREAMS, EVERY DAY."

An employee who lived nearby drove past the lot and **discovered not a vacant unit but a larger new home.** The utility staff wanted to know all about this Frontier home and how it could help them with the worst energy draws on their grid. They reported that 30% of their customers live in pre-1976 mobile homes.

Mrs. Kelly's yard and landscaping received a special touch with the help of a group of students from Turners Falls High School in Turners Falls, Massachusetts. They were here volunteering on their spring break. "Working with Frontier Housing widened my horizons", said one volunteer. "I was impressed with the homes that were being built and their availability to low income families." **These energy-efficient, roomy and attractive homes are allowing Frontier to again serve homeowners at lower income levels we have not been able to reach in recent years.**

Getting back to Phyllis Kelly. She is now the proud owner of a new home. A home that will provide she and her grandchildren with warmth, durability and energy-efficiency for many years to come.

A home that, in her words, is "her dream home."



How did Mrs. Kelly's mortgage loan work?

- \$60,000** USDA Section 502 Direct Loan: 1%/30 years, \$303 PITI and \$75 for utilities
- \$ PLUS** Soft second financing: Appalachian Regional Commission & USDA Housing Preservation Grants



Frontier Housing

Discover the New Frontier

CALL US 606.784.2131

"BUILDING HOMES, FULFILLING DREAMS, EVERY DAY."

How do you make the financing work for the family?

Frontier has been able to utilize the Rural Development 502 Direct Mortgage as low as 1% for 30 years. Other mortgage lending includes FHA/VA, Rural Development 502 Guarantee and local banks. Subsidies include the USDA Housing Preservation Grant, HOME, Appalachian Regional Commission, State Trust Fund, Federal Home Loan Bank, NeighborWorks® America, I'M HOME, Project Redwood and Rural Housing and Economic Development Grants.

What steps should my nonprofit take to develop a Manufactured Housing Done Right™ replacement program?

- Determine your needs assessment by determining the number of pre-HUD code homes in your service area. Your electric provider is a good resource. Also, talk to your Weatherization Assistance Program provider.
- Determine what staffing and marketing resources you need to start the program.
- Seek training and support for your local workers from Frontier Housing.



Frontier Housing, www.frontierhousing.org, an affordable housing nonprofit for 35 years in Eastern Kentucky, builds and develops single and multi-family housing. Frontier, an Exemplary Organization in the NeighborWorks® Network, has become the largest residential builder in their service area and the largest nonprofit builder in Kentucky. Further, they have a track record of ensuring sustainable homeownership with a low foreclosure rate of less than 1%. Frontier has proven that when quality products are coupled with responsible lending, low-income families can be successful homeowners. Frontier trains and provides technical assistance to other nonprofits so they may effectively use Frontier's delivery system for providing quality manufactured housing to homebuyers.

For more information call - Frontier Homeownership Center 606-784-2131
5445 Flemingsburg Rd., Morehead, KY 40351

Frontier Housing www.frontierhousing.org/energyhome

Frontier Homeownership Center 5445 Flemingsburg Rd., Morehead, KY 40351 606-784-2131