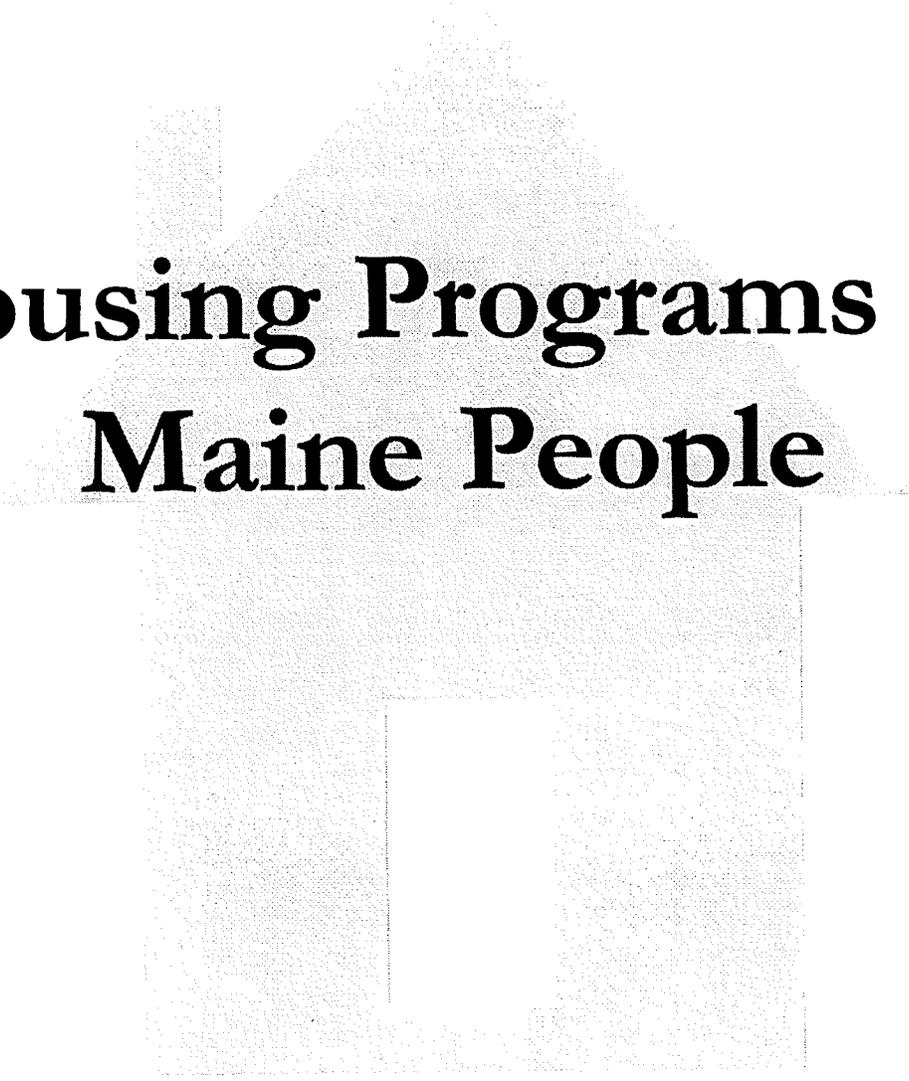


MAINE STATE LEGISLATURE

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A large, light-colored, stylized graphic of a house with a gabled roof and a central window, rendered in a dotted or halftone pattern. It is centered behind the main title text.

Housing Programs for Maine People

August 1998

Mission Statement for Maine State Housing Authority

The mission of the Maine State Housing Authority is to assist Maine people to obtain and maintain decent, safe, affordable housing and services suitable to their unique housing needs.

In carrying out this mission, MSHA will provide leadership, maximize resources, and promote partnerships to develop and implement sound housing policy.

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MSHA

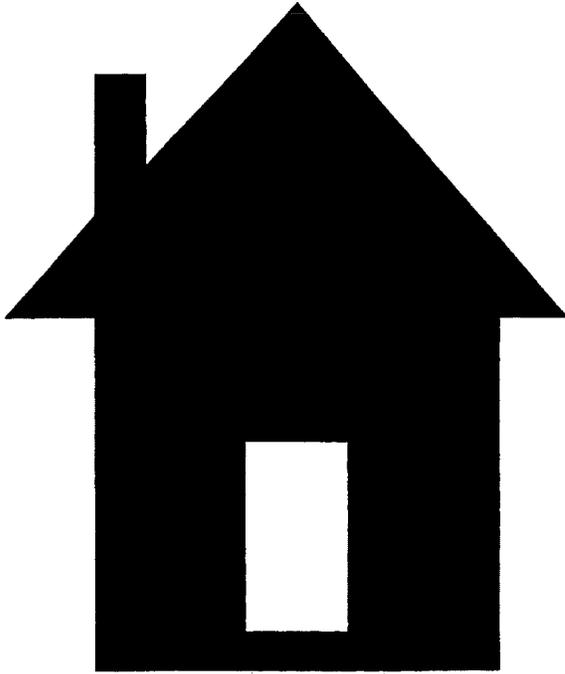
353 Water Street

Augusta, Maine 04330-4633

Tel: (207)626-4600; 1-800-452-4668 (voice); 1-800-452-4603 (TDD)

FAX: (207)626-4678. Web address www.mainehousing.org

Housing Programs for Maine People



The mission of the Maine State Housing Authority is “to assist Maine people to obtain and maintain decent, safe, affordable housing and services suitable to their unique housing needs.”

Every year more than 15,000 Maine people — the Housing Authority’s customers and partners — call on the agency. Some need housing assistance. Some want information — how to buy a first home, or where to apply for assisted housing, or whether there are programs to improve or repair homes.

A real estate professional may need to know what interest rate MSHA’s homeownership program carries. A private developer or nonprofit organization may call asking what programs the Housing Authority offers to finance low income rental housing. A social worker might want to know if MSHA has any programs to help elderly living in assisted housing, or what sort of housing is available for someone who is homeless.

MSHA is Maine’s housing finance agency, created in 1969 to finance affordable housing for Maine people and distribute federal housing funds in the state. More than 30,000 Maine people live in housing MSHA financed. MSHA financing comes primarily from bonds, which are not debts of the state of Maine. These bonds not only finance housing, they also provide MSHA with money to operate and pay for its staff.

MSHA offers a wide variety of programs that address Maine’s pressing housing needs. MSHA programs target customers in five areas of need: First-time homebuyers; owners of substandard housing; renters needing assistance; people with special needs; and people who are homeless.

The Housing Authority’s staff is knowledgeable about housing and is committed to helping the customers we serve and the partners with whom we work.

This booklet provides general information about MSHA’s housing programs. Many of these programs have their own brochures that provide more specific and detailed information. If you need more help than the booklet contains, call one of MSHA’s divisions for information.

David Lakari
Director
Maine State Housing Authority

Homeownership Programs

Summary

Customer: Low and moderate income first-time home buyers.

Partners: Banks and lenders, with support from real estate professionals. MSHA *first* real estate professionals have received specific training in MSHA programs.

Budget: Approximately \$100 - \$150 million.

Accomplishments: Helped an estimated 2,250 low and moderate income families become home owners in 1997.

Goals: Provide lower interest rate financing and other benefits to make it possible for 2,000 low/moderate income Maine families to become home owners in 1998.

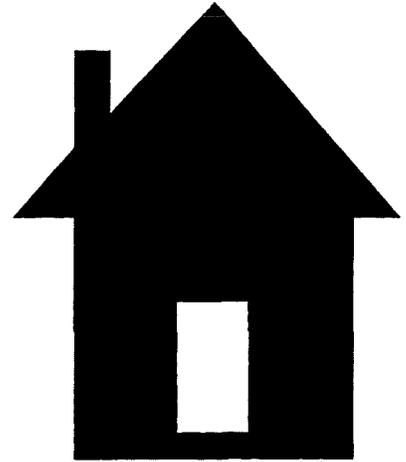
Overview

This flagship MSHA program helps Maine families realize the American dream — “to own a home.” It provides lower interest rate mortgages, generally one to two points below conventional interest rates, to low and moderate income Maine people for the purchase of their first homes. The program has maximum income limits for borrowers and prices for eligible homes. It can be used to finance single-family homes; mobile homes; two-to-four unit owner-occupied homes; and condominiums. In the coming years MSHA plans to make \$100 million or more in mortgages annually, helping 2,000 or more Maine families buy their first homes.

In order to reduce the required downpayment, MSHA’s program requires borrowers to use mortgage insurance. Mortgage insurance reduces the downpayment to 5% or less, depending on the type of insurance used. Borrowers have the option of using private mortgage insurance; Federal Housing Administration (FHA) insurance; Veterans Administration (VA) guarantee; or the Rural Development (formerly Farmers Home) insurance. Each type of insurance has slightly different eligibility requirements. Borrowers who complete a home buying course may qualify for a reduced downpayment (3% instead of 5%). MSHA also finances some types of mobile homes for which no mortgage insurance is available, with a 5% downpayment.

Closing Cost Assistance is available for borrowers who do not have the cash to cover these costs, which include such fees as title examination, credit check, and several others. Eligible applicants may borrow 2% of the mortgage amount to use to pay these costs. The assistance is repaid by a slightly higher interest rate on the mortgage.

For a limited number of lower income borrowers, the Housing Authority offers its **“Down Home”** loans that permit a family to buy a home with as little as \$750 or \$1,000 in total out-of-pocket expenses. The option is limited to borrowers who qualify for the MSHA purchase program, use FHA insurance, have less than \$4,000 in liquid assets, and have an income that is 90% or less of the median income. The agency plans to make several hundred of these loans in 1998. The difference between the borrower’s payment and the actual up front costs are repaid when the borrower sells the home.



MSHA also offers a **Purchase Plus Improvement** option that allows applicants to borrow more than the purchase price in order to make immediate repairs or improvements to the home. Details on Closing Cost Assistance, Down Home, and Purchase Plus Improvement are available from MSHA or from participating lenders.

Effective in May 1996, the Housing Authority offered special financing to encourage homeownership in inner-city low income neighborhoods in Portland, Lewiston and Bangor. The **New Neighbors** program incentives include higher income and home price limits than are allowed in the regular program. The first-time homebuyer restriction also is lifted for people buying homes in these neighborhoods. The program is being operated in conjunction with the local Community Development offices in the three cities. The Housing Authority may expand the program to other Maine cities with qualifying low income neighborhoods in the future.

For more information about the New Neighbors program, contact MSHA's Homeownership division at (207) 626-4600.

Effective in May 1997 the Housing Authority offered special financing to eligible families through the new **Homestretch** program. The program is designed to provide homeownership opportunities for low income first-time homebuyers and to improve Maine's housing stock. MSHA's partners in the program are the Community Action Program agencies that have participated in operating loan programs and overseeing rehab activities. The agencies will purchase homes in need of repair, upgrade the properties, and then sell them to very low income first-time homebuyers.

For more information about Homestretch, contact MSHA's Homeownership division at (207) 626-4600.

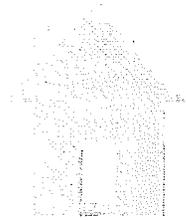
Application Information

Persons who think they may qualify for a MSHA mortgage should apply for the loan at one of the many participating banks and other lending institutions that work with MSHA to bring this program to Maine people (see list on page 4). Other information needed for an application includes a purchase and sale agreement on the home, and copies of the borrower's past three years federal income tax returns.

For More Information

Contact your local real estate professional, a participating lender or MSHA's Homeownership division at 1-800-452-4668. The current interest rate and a list of lenders are available from the Homeownership division. Call Georgia Baillargeon at (207) 626-4663 (email at gbaillar@mainehousing.org) for an information package. Information about the program also is available at MSHA's web site at www.mainehousing.org.





Lending Institution	Phone	Insurance Type*
Androscoggin Savings Bank	784-9164	RD/VA
Augusta Federal Savings	622-4907	(PMI only)
Bangor Savings Bank	1-800-432-1591	RD/VA
Bar Harbor Banking & Trust Co.	1-800-924-7787	(PMI only)
Bath Savings Institution	1-800-447-4559	FHA/VA
Camden National Bank	236-8821	FHA/VA/RD
Coastal Bank	1-800-551-3360	FHA/VA/RD
Countrywide Home Loans, Inc.	1-800-846-8337	FHA/VA/RD
Crossland Mortgage	1-800-300-0095	FHA/VA/RD
Cuso Mortgage Corp.	1-800-360-CUSO	FHA/VA/RD
Downeast Mortgage	773-6161	FHA/VA
First Financial Mortgage Corp.	1-888-775-4200	FHA/VA/RD
First National Bank of Bar Harbor	1-800-244-3341	RD
First National Bank of Damariscotta	1-800-564-3195	RD
Fleet Mortgage		
Northern & Central	1-800-244-6616	FHA/VA
Southern	1-800-442-8001	FHA/VA
Franklin Savings Bank	778-2900	RD
Gardiner Savings Institution	582-5550	FHA/VA
GMAC Mortgage Corp.	1-800-533-4622	FHA/VA
Gorham Savings Bank	839-3342	VA/RD
Homeowners Assistance Corp.	1-800-274-5537	FHA/VA/RD
Katahdin Federal Credit Union	723-9718	(PMI only)
Kennebec Federal Savings & Loan	1-888-249-0606	RD
Kennebunk Savings Bank	1-800-339-6573	FHA/RD
Key Bank National Association	1-800-452-8762	FHA/VA/RD
Kingfield Bank	1-800-962-0070	VA/RD
KV Federal Credit Union	623-5171	(PMI only)
Machias Savings Bank	1-800-339-3347	VA/RD
Mechanics Savings Bank	786-5700	FHA/VA
Merrill Merchants Bank	942-4801	FHA/RD
Merrimack Mortgage	1-800-600-3007	FHA/VA
National City Mortgage	1-800-465-0550	FHA/VA/RD
North American Mortgage	774-9863	FHA/VA/RD
Northeast Bank	1-800-284-5989	VA/RD
Norwest Mortgage		
Southern	1-800-933-4701	FHA/VA
Northern	990-3182	FHA/VA
Ocean National Bank	1-800-473-7835	RD
Peoples Heritage Bank		
Northern	1-800-272-5559	FHA/VA
Central & Southern	1-800-462-6606	FHA/VA
Rockland Savings & Loan Association	594-8465	VA
Salem 5 Mortgage Co.	1-800-932-5626	FHA/VA/RD
Schaefer Mortgage	1-800-649-1355	FHA/VA
Skowhegan Savings Bank	1-800-303-9511	FHA/VA/RD
United Bank	942-5263	(PMI only)
Waldoboro Bank	1-800-540-5363	RD

* All lenders offer Private Mortgage Insurance (PMI)

Rental Loan Program



Summary

Customer: Low and very low income renters.

Partners: Private and nonprofit housing developers (large scale).

Budget (1998): \$2 million in subsidy money and \$10 million in bonds, plus subsidy of \$1.3 million through the federal low income housing tax credit.

Accomplishments (1997): 1,233 units; 639 for very low income renters.

Goals: Financing for development of large scale affordable apartment buildings. In 1998 MSHA plans to finance 190 or more units.

Overview

The Rental Loan Program (RLP) is MSHA's program for development of affordable rental housing in projects of 20 or more units. The program provides long term mortgage financing at attractive interest rates. RLP financing generally is linked with the subsidy available from the federal **Housing Tax Credit** (see Financing, below). Developers using RLP and/or the housing credit must reserve a portion of the units for low or very low income renters. The RLP program may be used for acquisition, acquisition/rehab, or new construction of apartment buildings.

Financing

Program interest rates and terms are determined by changes in the national bond markets, and the availability of additional subsidies, such as state and federal grant money. The program's interest rates for those using tax-exempt or taxable bonds are typically well below conventional rates. The Housing Tax Credits are a federal resource allocated in Maine by MSHA. The credits are allocated to developers, who sell (syndicate) them to corporate investors. Money raised from the sale is used as equity in the developer's rental housing project. The Maine Housing Investment Fund, which MSHA created in 1995, helps developers market the credits. The Fund can be reached at (207) 772-8255.

Eligibility and Selection

Both nonprofit and for-profit developers may apply for RLP financing. Applicants must show how they will provide the required number of low income units. Recent program offerings require that from 20% to 40% of units must be rented to very low income tenants. Prior to applying under the RLP, developers must demonstrate site control and meet with MSHA development staff. The Housing Authority offers several rounds of Requests for Proposals for RLP loans each year. Sponsors of qualified low income housing, as defined by the Internal Revenue Code (Section 42), are eligible to apply for the Housing Credits.

In general, MSHA selects for RLP financing and housing credits those developments that will provide the greatest amount of long term, low income housing benefit at the least cost of scarce subsidy dollars. MSHA continually refines the program to establish selection criteria that meet current market needs.

For More Information

For information about RLP, call John Gallagher in MSHA's Development division at (207) 626-4690 (email at jgallagh@mainehousing.org).



New Lease Program

Summary

Customer: Low and very low income renters.

Partners: Private developers (small scale).

Budget: \$600,000 (1998) in state HOME money, plus \$1 million in MSHA bond funds.

Accomplishments: Provided additional low income rental housing and improved rental housing stock. MSHA financed 146 low income units through the program in 1996-97.

Goals: Provide additional low income rental housing and improve rental housing stock. MSHA's target is to finance 55 low income units through the program in 1998.

Overview

The New Lease Program provides reduced interest rate loans to finance the acquisition and rehab of housing that is 4 to 19 units in size. The program serves two primary purposes: creating more affordable units, and upgrading existing, substandard units. New Lease provides financing at 4% interest for 30 years for acquisition and rehab of rental properties. When completed, 30% of the units are rented to tenants with incomes at or below 60% of the area median income; 40% of the units are rented to tenants with incomes at or below 40% of the area median income; and 1 unit is rented to tenants with an income at or below 30% of the area median income.

To encourage geographic diversification, maximum points will be awarded to projects in communities that have a demonstrated need. Only one project in a municipality, and one project per developer, will be selected.

Financing

The Housing Authority uses two sources of funds in the programs: the agency's own bonds and state grant funds.

Application and Selection

Apartment owners interested in rehabilitating apartments through the New Lease Program should contact MSHA's Development division for more information. The funds are awarded on a competitive basis through rounds of applications.

For More Information

Call Valerie Iverson at (207) 626-4666 (email at viverson@mainehousing.org) in MSHA's Development division.



Supportive Housing Program

Summary

Customer: Persons who need supportive housing and services.

Partners: Nonprofit housing developers and service providers.

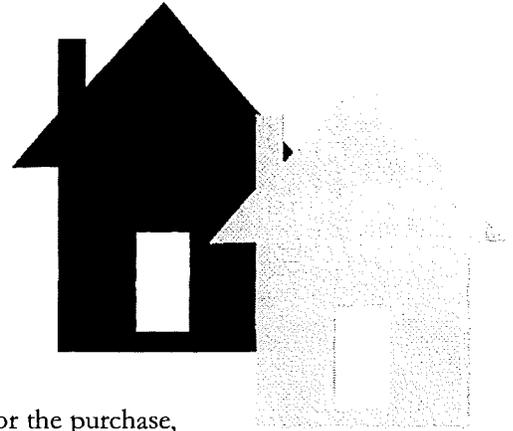
Budget (1998): \$860,000 in state HOME money and \$1.6 million in state bond funds, plus MSHA's 501(c)(3) bonds for nonprofit organizations.

Accomplishments (1997): Financed development of 176 units/beds.

Goals: Provide tax-exempt financing and subsidy financing for nonprofit groups to develop housing for persons who need supportive housing. The 1998 goal is 125 units/beds.

Overview

The Supportive Housing Program (SHP) provides reduced interest rate mortgage financing and subsidy funding to eligible nonprofit sponsors to create housing for persons with special needs. The program targets low income tenants, with special emphasis on those with incomes at or below 30% of the median income. Eligible sponsors must be 501(c)(3) nonprofit corporations. The program may be used for the purchase, purchase and rehab, or new construction of facilities such as transitional housing, group homes, emergency shelters, and supported or independent apartments. Sponsors must show that revenue from the housing or other support will amortize the mortgage.



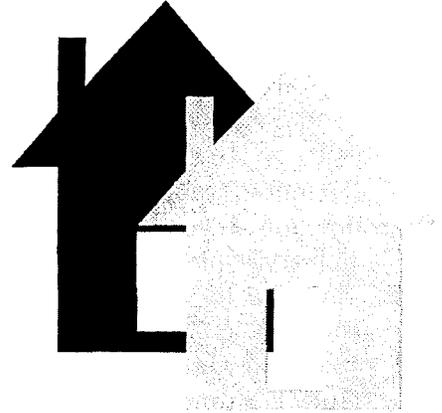
Financing

MSHA's debt financing is from the sale of tax-exempt bonds, often supplemented by other MSHA funds to reduce the interest rate or the debt. Loans have a 30-year amortization. For 1998 there are three components to the Supportive Housing Program:

(a) **Supportive Housing Program (SHP) Debt:** A total of \$2 million of tax-exempt financing is available for 1998. The current interest rate is 7%; the term is 30 years. Qualified 501(c)(3) nonprofits can apply on a walk-in basis for funding to provide housing with a service component to people with a need for both services and affordable housing.

(b) **SHP Request For Proposals (RFP):** A total of \$860,000 in subsidy will be available in two competitive rounds. 501(c)(3) nonprofit organizations may apply for up to \$200,000 of subsidy to develop housing and services for specific target populations (such as elderly, victims of domestic violence, and homeless children and families). Applicants may request debt financing in conjunction with a subsidy request. The terms of the debt financing are the same as with the SHP Debt program (above).

(c) **SHP C:** Proceeds from a 1995 mental health general obligation (state) bond issue are available to qualified 501(c)(3) nonprofit sponsors for creation of appropriate housing for people with mental health service needs. Fixed rate debt financing and interest-free subsidies are available to applicants for the development of appropriate housing, such as group homes, transitional housing, and supportive apartments, for the eligible mental health population.



Eligibility and Selection

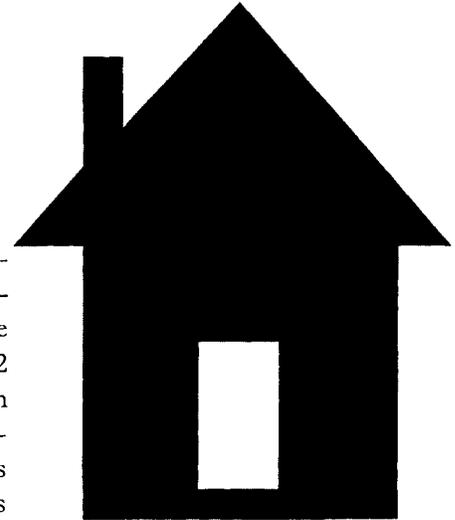
Sponsoring organizations must be tax-exempt nonprofit corporations. In selecting projects to finance, the Housing Authority will consider such things as the need for the housing, the capacity of the sponsor to develop and operate the housing, the appropriate service delivery system, affordability, and other related issues.

For More Information

Call Bill Olsen at (207) 626-4633 (email at bolson@mainehousing.org) or Carol Dudley at (207) 626-4685 (email at cdudley@mainehousing.org) at MSHA's Development division for additional information.



FIX ME Program



Summary

Customer: Low income home owners in substandard housing.

Partners: Community Action Agencies.

Budget (1998): \$12 million, including subsidy and MSHA bond funds.

Accomplishments: Creative program design that provides loans through a unique combination of bond monies, federal grant funds, and MSHA funds. FIX ME has financed repairs for more than 2,700 homes in the past three years.

Goals: Provide a source of loan funds, at very low interest rates, for low income home owners to finance needed home repairs. MSHA plans for the program to help 1,200 home owners make repairs in 1998.

Overview

The FIX ME program represents a commitment to address a major state housing need — repairing homes of low and very low income home owners. The agency plans to invest \$12 million to finance repairs to 1,200 homes in 1998. The need for a program to repair substandard homes of low income home owners has been identified as a priority by the state's consolidated housing plan. There are an estimated 85,000 home owners in the state with incomes of half or less of the median income, including about 30,000 with annual incomes that are \$10,000 or less. FIX ME lenders are the state's Community Action Program (CAP) agencies.

Financing

The FIX ME financing comes from four sources: MSHA tax-exempt bonds; MSHA state HOME Funds; MSHA Federal housing block grant funds; and funding from the Maine Municipal Bond Bank.

Application and Selection

The FIX ME program is aimed at helping low and very low income home owners afford basic home repairs. The income levels for eligible borrowers vary by county and family size. The loans carry an interest rate of either 4% or 2%, depending on the type and scope of the repairs needed. The program is targeted toward basic improvements, such as repairs to home systems (electrical, plumbing, heating), repairs to roofs, energy conservation, septic systems, and accessibility improvements. Applicants may borrow up to \$15,000 for up to 15 years. A home replacement option allows borrowers access to up to \$25,000 with up to 20 years to repay.

Low and very low income home owners interested in applying for a FIX ME loan apply at their regional CAP agency (see list). The CAP agencies may link the FIX ME loans with other programs they offer (including the Department of Energy and Health and Human Services Weatherization programs) to provide borrowers additional benefits.

Keeping Seniors Home (Demonstration) Program

The Housing Authority has initiated a pilot program to repair homes of selected low income seniors. These are elderly home owners who receive in-home nursing care, and who need the repairs in order to remain in their homes. Demonstration grants in 1998 will result in repairing and retrofitting 20 homes in Kennebec, Somerset, Penobscot and Piscataquis counties.

For More Information

For FIX ME, contact the CAP agency representative in your area (listed below) or call John Guimond at MSHA's Energy and Housing Services division at (207) 624-5707 (email at jguimond@mainehousing.org). For more information about Keeping Seniors Home, contact David Ranslow in MSHA's Energy and Housing Services division at (207) 626-4602 (email at dranslow@mainehousing.org).

<u>AGENCY</u>	<u>TELEPHONE #</u>	<u>FIX ME CONTACT PERSON</u>
Aroostook County Action Program, Presque Isle	764-3721	Ken Feller
Coastal Economic Development Corp., Bath	442-7963	Rick Churchill
Community Concepts, Inc., South Paris	743-7716	Dexter Akers
Kennebec Valley Community Action Program, Waterville	873-2122	Nancy Findlan
Coastal Community Action Program, Rockland	596-0361	Joseph Pfander
Penquis Community Action Program, Bangor	973-3500	Steve Mooers
Peoples Regional Opportunity Program, Portland	874-1140	Carla Peterson
Rural Community Action Ministries (RCAM), Leeds	946-5095	Sue Patenaude
Waldo County Committee for Social Action, Belfast	338-6809	Oliver Wilder
Washington-Hancock Community Agency, Milbridge	546-7544	Mike Bonzagni
Western Maine Community Action, Inc., East Wilton	645-3764	Michael Burrill
York County Community Action Corp., Sanford	324-5762	Wes Riley



Weatherization/Central Heating Improvement Programs

Summary

Customer: Low income home owners and renters.

Partners: Community Action Agencies.

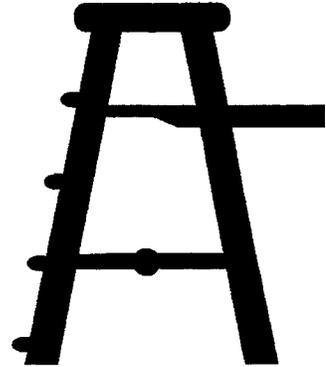
Budget: \$4.3 million in the Weatherization and CHIP programs.

Accomplishments: The Weatherization program financed repairs for 1,200 households in 1997; the CHIP program financed repairs for 500 households.

Goals: Deliver weatherization and central heating repair/replacement to low income home owners and renters. May be combined with other funds if possible to accomplish a greater repair to home (see FIX ME program).

Overview

MSHA operates the Weatherization and Central Heating Improvement Programs (CHIP) to finance energy related repairs for low income home owners and renters. The programs are run through Maine's Community Action Program (CAP) agencies. The Weatherization program may be used to pay for improvements that increase the energy efficiency of the home — such things as insulation, weatherstripping, and in some cases safety related repairs or more general improvements. The CHIP program pays for repairs or replacement of central heating equipment.



Financing

The federal Departments of Energy and Health and Human Services finance the Weatherization and CHIP programs. Combined, the programs improved the housing for about 1,700 Maine families in 1997. The average Weatherization grant varies from \$1,100 to \$1,500, depending on the funding source; the average CHIP grant is about \$1,750. The federal funding for 1998 is expected to be about the same as last year.

Application and Selection

The Housing Authority distributes the federal funds to Maine's Community Action agencies. Low income persons in need of weatherization services, or repairs to their heating system, should contact their local CAP agency (see page 11).

For More Information

Call Tony Gill at MSHA's Energy and Housing Services division at (207) 626-4651 (email at tgill@mainehousing.org) or your regional Community Action Program agency (see page 11 for list and telephone numbers).



Low Income Home Energy Assistance Program (LIHEAP)

Summary

Customer: Low and very low income home owners and renters in need of fuel aid.

Partners: Community Action Agencies.

Budget: \$12.7 million in 1997.

Accomplishments: Helped approximately 38,000 low income Maine households pay home heating bills in 1997-98 heating season.

Goals: Provide funds to help pay heating costs for low/very low income Maine residents.

Overview

The Low Income Home Energy Assistance Program (commonly called LIHEAP or HEAP) provides money to low income home owners and renters to help pay heating costs. The funds are distributed throughout Maine by 12 Community Action Programs, in most cases directly to the fuel vendors. The program is not intended to pay for all heating costs, but to assist in paying the heating bills. The average benefit in Maine in 1997 was about \$315, and the program served about 38,000 households (90,000 people).

Financing

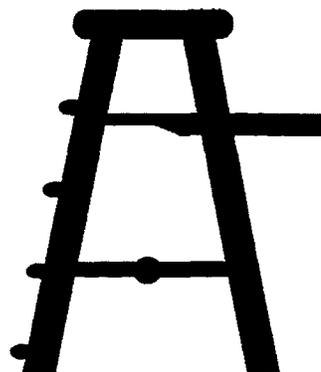
LIHEAP is federally funded through the Department of Health and Human Services. Funding levels are established by the federal government annually.

Application and Selection

LIHEAP is targeted to low and very low income Maine home owners and renters. Persons interested in applying for LIHEAP assistance should apply at the nearest Community Action Program office.

For More Information

Call the Community Action Program serving the region. See the list of CAP agencies and telephone numbers on page 11, or call Jo-Ann Choate at MSHA's Energy and Housing Services division at (207) 624-5708 (email at jchoate@mainehousing.org).



Homeless Housing Programs

Summary

Customer: Homeless persons or families, or persons in jeopardy of becoming homeless.

Partners: Homeless shelters and Community Action Agencies.

Budget (1997): \$1.7 million.

Accomplishments: Helped provide operating subsidies and support for 37 homeless shelters that provided 147,731 bed nights and served 13,614 clients in 1997.

Goals: To keep emergency shelters operating, and to prevent families or individuals from becoming homeless.

Overview

The four homeless programs administered by MSHA provide funds for existing shelters, help prevent homelessness, and coordinate efforts to better serve the homeless population. The state and federal programs provide money to homeless shelters to help pay operating expenses and improve the physical facilities. The state Temporary Housing Assistance Program (THAP) prevents homelessness by providing funds to pay security deposits and back rent. The homeless shelters provided their guests with shelter for a total of 147,731 nights in 1997.

Financing

In 1997 MSHA allocated \$1,700,000 directly to eligible shelters. The 12 CAP agencies loaned or granted \$250,000 in THAP funds.

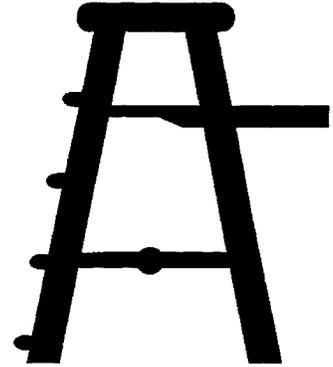
Application and Selection

Emergency shelters serving the homeless are eligible to apply for the state and federal operating funds. Shelters receive funds based upon a formula which generally reflects each shelter's share of homeless guests.

The CAP agencies administer the distribution of funds under the THAP.

For More Information

Call Stephanie Flanary at MSHA's Energy and Housing Services division at (207) 626-4604 (email at sflanary@mainehousing.org). For information about the THAP program, call the appropriate regional Community Action Program agency. The telephone numbers are listed on page 11.



MSHA Assisted Housing

Summary

Customer: Very low and low income elderly and families.

Partners: Housing developers, owners, and managers.

Budget: MSHA distributed \$40 million in federal rental assistance through these programs in 1997.

Accomplishments: MSHA-financed housing through federal subsidy programs, and its own programs provide about 12,000 apartment units for low and very low income people.

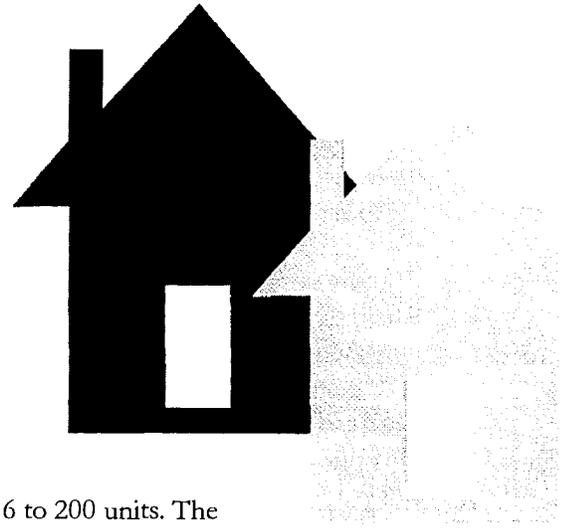
Goals: To maintain financial and physical viability of subsidized housing in order to continue providing affordable housing to very low income families and elderly.

Overview

There are several types of affordable rental housing that MSHA oversees. Two are:

(1) Housing MSHA financed under the federal **Section 8 New Construction/Substantial Rehabilitation Program**. That program ended in 1982, but the 5,000 housing units and the subsidies remain. The typical development under this program is 24 units, but size ranges from 6 to 200 units. The federal subsidy pays the difference between the tenant's payment (30% of tenant's income) and the actual rent. The subsidy is tied to the development. Property owners/managers determine eligibility of the tenants. The **Moderate Rehabilitation** program is similar, but the level of housing rehab is less and the federal subsidy is guaranteed for fewer years. In addition, eligibility of tenants is determined by MSHA or a local housing authority. There are 400 units financed through the federal Moderate Rehabilitation program.

(2) Affordable housing MSHA has financed through a variety of its own programs. MSHA has developed this housing through its Rental Loan Program, supportive housing programs, and small apartment acquisition/repair programs. These programs provide favorable financing rates for developers to acquire or construct rental units. In turn, developers agree to rent and income restraints on some or all units. There were more than 700 affordable units (and 1,200 total units) created under these programs in 1997. MSHA's Management division oversees the management of these projects and delivery of low income benefits to the tenants who live in them.



Application and Selection

The demand for subsidized housing in Maine far outstrips the supply of assisted units. Most housing projects have waiting lists, and in some cases the waiting lists are lengthy. Applications for subsidized housing are made through the individual development's owner or management agent.

For More Information

Call Bob Conroy at (207) 626-4624 (email at bconroy@mainehousing.org) or Sarah Tracy at (207) 626-4623 (email at stracy@mainehousing.org) at MSHA's Management division for information about MSHA-financed developments. For information and lists of all subsidized housing in Maine, call MSHA's Consumer Assistance Line at (207) 626-4618 or toll free at 1-800-452-4668 (email at msha@maine.com). For application information for some subsidized housing see the list on pages 17-19 of MSHA management agents and local housing authorities.



MSHA Tenant Assistance

Summary

Customer: Very low and low income elderly and families.

Partners: Housing management agents, local housing authorities, and private landlords.

Budget: MSHA distributed \$16 million in federal rental assistance through these programs in 1997.

Accomplishments: MSHA-allocated federal housing subsidy that provides affordable rental housing to about 3,400 very low income tenants throughout Maine.

Goals: (*Management*) To maintain and if possible increase the number of assisted housing units, ensure program requirements are followed, and inspect the physical conditions of the properties to make sure they meet codes.



Overview

MSHA uses federal rent subsidies in a program that provides a rental certificate or voucher to low income elderly or families, who may use it in any private apartment in which the landlord agrees to participate in the program. The assistance pays the difference between the tenant's contribution (generally 30% of income) and the actual rent. MSHA's program provides affordable rental housing for about 3,400 tenants in the state. Many local housing authorities also have a federal allocation of certificates and vouchers (see list attached) and serve about 7,000 customers with this rental assistance.



Application and Selection

As with other subsidized housing, the need outweighs the supply. Persons who need rental assistance should apply in the appropriate areas from the MSHA Management Agents listed below. MSHA gives preference to persons who are homeless. Local housing authorities may set different preferences, or have no preferences.

For More Information

Call Maureen Brown at (207) 626-4639 (email at mbrown@mainehousing.org) at MSHA's Management division.

Penquis Community Action Program, Bangor	Penobscot, Piscataquis	973-3500
Aroostook County Action Program, Inc., Presque Isle	Aroostook	764-3721
Bath Housing Authority, Bath	Lincoln, Sagadahoc	445-3116
Community Concepts, Inc., Lewiston	Oxford, Franklin, Androscoggin, Somerset	743-7716
Dirigo Housing Associates, Augusta	Kennebec, Waldo, Knox	622-9310
Washington-Hancock Community Agency, Milbridge	Washington, Hancock	546-7544
York-Cumberland Housing Development Corp., Gorham	York, Cumberland	839-6516

LOCAL HOUSING AUTHORITIES

Auburn Housing Authority

143 Mill Street
P.O. Box 3037
Auburn, Maine 04212-3037
Tel. 784-7351

Augusta Housing Authority

16 Cony Street, City Center Plaza
Augusta, Maine 04330
Tel. 626-2357

Bangor Housing Authority

161 Davis Road
Bangor, Maine 04401-2399
Tel. 942-6365

Bath Housing Authority

80 Congress Avenue
Bath, Maine 04530
Tel. 443-3116 or 1-800-288-3121

Biddeford Housing Authority

Community Development Director
Municipal Building
P.O. Box 586
205 Main Street
Biddeford, Maine 04005
Tel. 282-6537

Brewer Housing Authority

One Colonial Circle
Brewer, Maine 04412
Tel. 989-7890

Brunswick Housing Authority

12 Stone Street
Brunswick, Maine 04011
Tel. 725-8711

Caribou Housing Authority

City of Caribou
25 High Street
Caribou, Maine 04736
Tel. 493-4234

Ellsworth Housing Authority

430 Water Street
Ellsworth, Maine 04605
Tel. 667-9705

Fort Fairfield Housing Authority

255 Main Street
Fort Fairfield, Maine 04742
Tel. 476-5771

Indian Township Passamaquoddy Reservation Housing Authority

P.O. Box 99
Princeton, Maine 04668
Tel. 796-8004

Lewiston Housing Authority

One College Street
Lewiston, Maine 04240
Tel. 783-1423

Mt. Desert Island Housing Authority

80 Mt. Desert Street
Bar Harbor, Maine 04609
Tel. 288-4770

Old Town Housing Authority

P.O. Box 404
Old Town, Maine 04468
Tel. 827-6151

Penobscot Tribal Reservations Housing Authority

P.O. Box 498
Old Town, Maine 04668
Tel. 827-7147

Pleasant Point Passamaquoddy Reservation Housing Authority

RR 1, P.O. Box 339
Perry, Maine 04667
Tel. 853-6021



LOCAL HOUSING AUTHORITIES (continued)

Portland Housing Authority

14 Baxter Boulevard
Portland, Maine 04101-1822
Tel. 773-4753

Presque Isle Housing Authority

58 Birch Street
Presque Isle, Maine 04769
Tel. 768-8231

Sanford Housing Authority

277 Main Street
P.O. Box 1008
Sanford, Maine 04073
Tel. 324-6747

South Portland Housing Authority

51 Landry Circle
P.O. Box 2128
South Portland, Maine 04106
Tel. 773-4140

Topsham Housing Authority

95-A Lisbon Street
P.O. Box 100
Lewiston, Maine 04243-0100
Tel. 784-0303

Van Buren Housing Authority

16 Champlain Street
P.O. Box 158
Van Buren, Maine 04785
Tel. 868-5441

Waterville Housing Authority

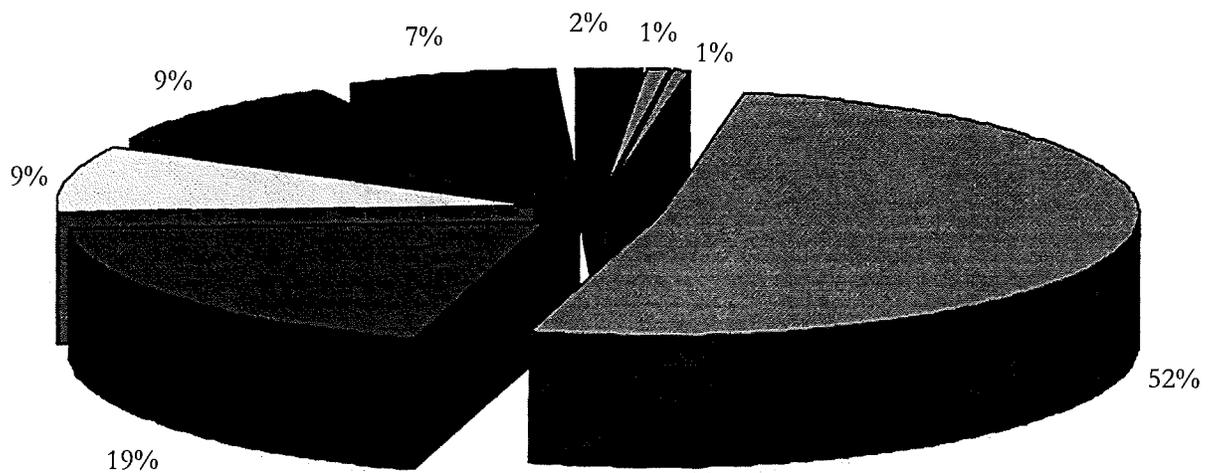
60 Elm Street
Waterville, Maine 04901
Tel. 873-2155

Westbrook Housing Authority

30 Liza Harmon Drive, Box 500
Westbrook, Maine 04098
Tel. 854-9779

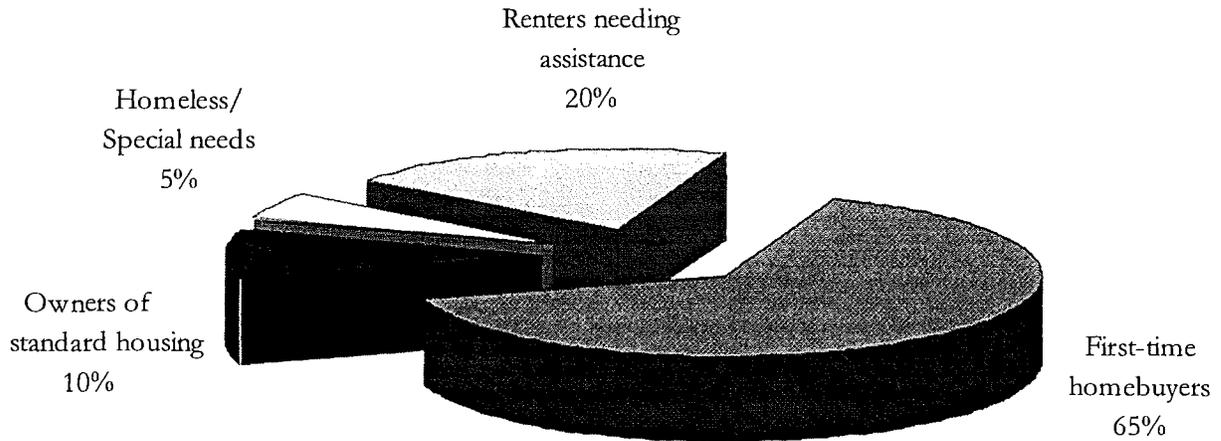


MSHA Federal Funding by Housing Program -- 1997



Program	Federal \$ Amount (in \$\$ millions)
■ Mortgage Revenue Bonds (MRB)	109,000,000
■ Rental Assistance (project based)	40,500,000
□ Rental Assistance (tenant based)	19,000,000
■ Low Income Housing Credit	19,000,000
■ Heating assistance (LIHEAP)	15,400,000
■ HOME Program	4,900,000
■ Weatherization	1,600,000
■ Homeless funds	1,100,000
Total	\$210,500,000

HOME Fund Allocation - 1997



Housing Opportunities for Maine (HOME) Fund

Over the past two years the state HOME fund has been used to leverage funds to finance homes for more than 4,000 first-time homebuyers, repair homes for 2,400 low income homeowners, and finance development of several hundred units of affordable rental housing.

The Legislature created the Housing Opportunities for Maine (HOME) fund in 1982 as a mechanism to provide state funds for the financing and development of affordable housing. The money is committed to MSHA and may be used for any housing purpose, except to pay for the operation and staff at the Housing Authority.

It has been used primarily to finance housing for which no other funding is available, and to leverage other housing funds, such as tax-exempt bonds. Since 1986 the fund has been tied to revenue generated by the Real Estate Transfer Tax. Currently, 22.5% of this tax is dedicated to the agency's housing programs. The rest of the tax is used in general state programs or by the counties.





The Maine State Housing Authority does not discriminate on the basis of disability status in the admission or access to, or treatment or employment in, its programs and activities. MSHA will provide special communication assistance to persons with vision or hearing impairments. Maine State Housing Authority, 353 Water Street, Augusta, Maine 04330-4633 • Telephone Number (207) 626-4600 or 1-800-452-4668 (voice); 1-800-452-4603 (TDD).