



Frontier Housing
Discover the New Frontier

Affordable Housing Done Right™





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Building a National Delivery System

A New Delivery System for Factory Built Housing





Mobile Home

A residential structure manufactured **prior** to the enactment of the Federal Manufactured Housing and Construction Standards, also known as the HUD Code, on June 15, **1976**. **Mobile homes are no longer being constructed.**

Manufactured Home

Single family residential dwelling built **in compliance** with the Federal Manufactured Housing and Construction Standards, as amended, also known as the HUD Code, **after June 15, 1976**. Built in multi-sectional or single section units.

Modular Home

Homes **built to the state Code where the home will be located**. Sectional units are built in a production facility, transported to the site and assembled.



Frontier Housing has teamed up with **Clayton Homes** to **create and distribute** an innovative and special line of manufactured homes to meet the specific requirements of nonprofit housing providers and the customers they serve.

Solution: A Scaled Market Strategy

We have developed performance standards to ensure quality, not only for the homes, but for the entire home buying and placement experience. We call it –

Affordable Housing Done Right™



In 2004, life got really interesting. Epperson was accepted in the Achieving Excellence Program offered by NeighborWorks®.

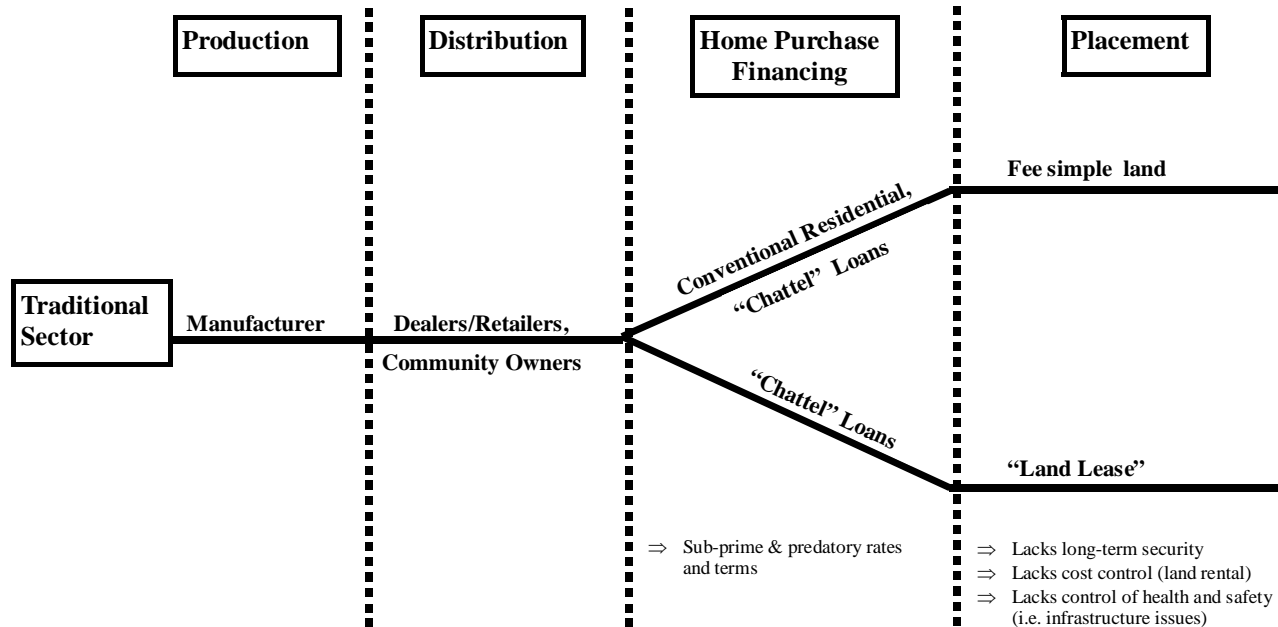
“My Appalachian colleagues and I had a long standing disdain for the manufactured housing industry. We saw it as the problem in our region. We grew tired of talking to families who were upside down on their loan or were living in homes falling down around them.”

“But I also grew tired of our inability to make widespread lasting change and our reluctance to engage the industry in that change.” **Really, manufactured housing is a major solution for providing better quality, affordable housing in a scalable delivery system.**



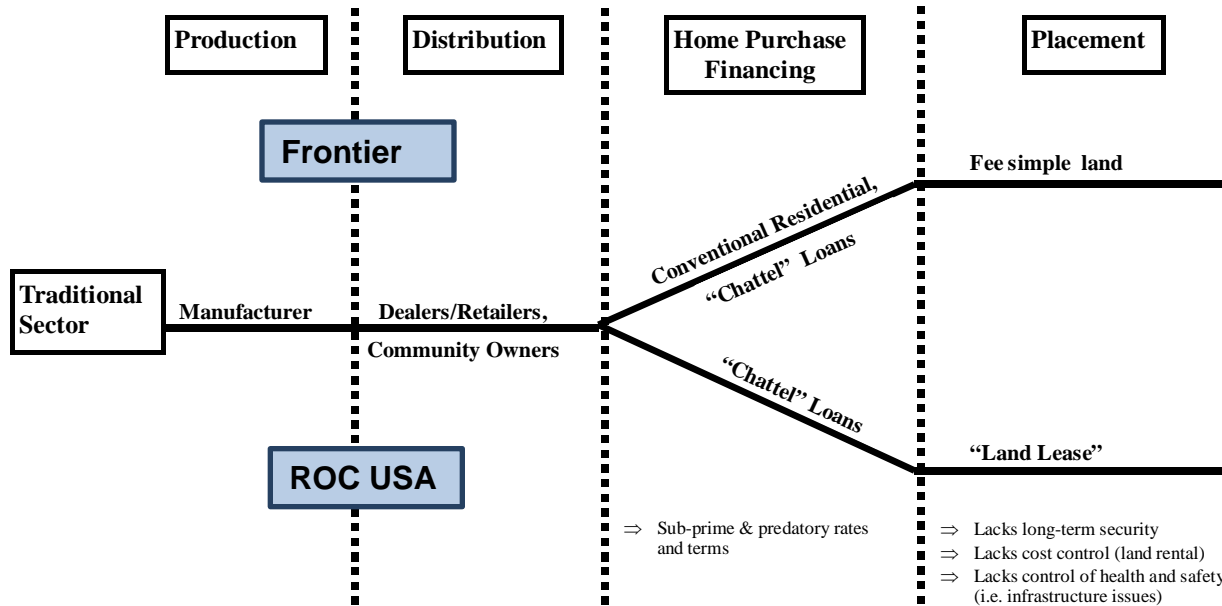


The Manufactured Housing Sector





The Manufactured Housing Sector

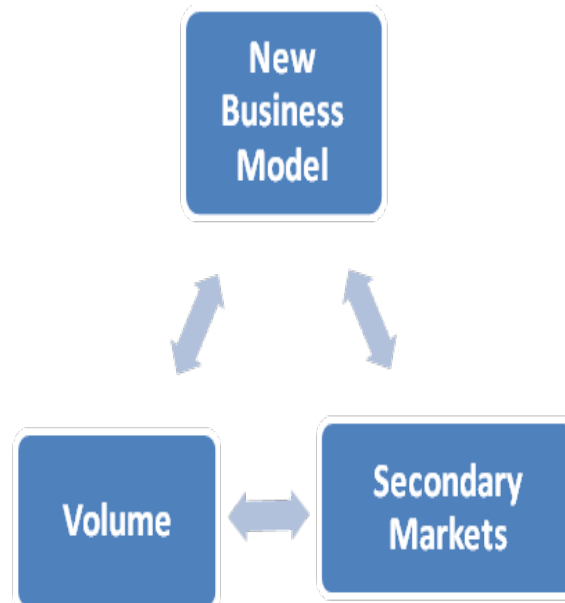




- Our mission is to build a national distribution system to delivery high quality, energy efficient, factory built housing at scale, allowing nonprofits to help homeowners achieve wealth by growing equity, preserving assets and replacing substandard mobile homes with new ENERGY STAR homes.
- Frontier is thrilled to announce our strategic alliance with Clayton Homes, the nation's leading homebuilder and home manufacturer.



Our Theory of Change -





In order to bring this initiative to scale progress must be made on several fronts at the same time –

- There has to be a new business model that makes this activity a profit center in its own right, not simply an occasional add-on to other housing programs.
- Keeping housing prices low requires a high volume of sales, which means building an efficient distribution system for the homes. It will also require doing a marketing campaign to attract new and replacement home buyers, and to prepare them for purchase.
- National secondary markets must agree to treat high quality manufactured homes in the same way as traditionally built housing, making financing more affordable.



Frontier is distributing high-quality manufactured homes to nonprofits nationwide to serve their local customers.

Frontier will train and assist other nonprofits so the manufactured homes purchased by their customers appreciate in value and build financial security. The new venture will serve as an aggregator between local nonprofits and Clayton Homes to secure volume discounts and ensure the homes meet the broadest federal and state funder requirements for down payment assistance, grants and mortgages.

Frontier launched their mentoring program for Berea Performance Compact members. H.O.P.E., Helping Overcome Poverty's Existence, Inc., in Wytheville, VA was the first of four nonprofits in the initiative to complete a home. Unlike Frontier, who spent five months building their first multi-section manufactured home; H.O.P.E. had theirs done in 30 days.



Affordable Housing Done Right™

This system for doing business includes:

- Prepared and supported homebuyers through certified homebuyer programs.
- Quality made and set homes on FHA Title II Permanent Foundations.
- Transparent and total pricing to the nonprofit and ultimately to the customer.
- Sustainable financing; mortgages with fair terms that enable families to earn wealth or preserve assets.
- “A Home is a Home” policy commitment advocating that owners of manufactured homes have the same rights as owners of site-built homes.



Affordable Housing Done Right!™

- Prepared and supported homebuyers through **certified homebuyer programs.**

We endorse the National Industry Standards for Homeownership Education and Counseling and eHomeAmerica.org to deliver high quality, effective homebuyer education.

Homebuyers are provided a general overview of everything they need to know about the home buying process - from how to tell if they're ready, to working with a realtor, to understanding their credit.

NeighborWorks® America





Affordable Housing Done Right™

- **Quality made and set homes** on FHA Title II Permanent Foundations.

Frontier's special line of Clayton Homes is

- ENERGY STAR rated
- Meets the requirements of HUD
- Meets the requirements of USDA Rural Development
- Meets Universal and Minimum Design Standards of Kentucky Housing Corporation





Affordable Housing Done Right™

- Quality made and set homes on **FHA Title II Permanent Foundations.**

FHA Title II Permanent Foundations –

- Meet the requirements for real property
- Allow for mortgage loans rather than higher interest consumer loans
- Block perimeter walls protect the crawl space
- Structurally provides for greater support against wind and lateral forces





Affordable Housing Done Right™

- **Transparent and total pricing** to the nonprofit and ultimately to the customer.





Affordable Housing Done Right™

- **Sustainable financing;** mortgages with fair terms that enable families to earn wealth or preserve assets.

You can improve health and safety issues for your families for a mortgage payment which may be less than the utilities bill paid for their old home.

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.



Affordable Housing Done Right™

- **We can train your local construction crews** in a new building methodology, adding to their long term viability in the job market.
- Though it requires less hours per house; your local crews may be **fully employed supplying more homes** for your community.
- You can generate **more business for your local suppliers** as they provide needed materials for site development, landscaping and infrastructure for a larger volume of new homes.
- Clayton's home office is in eastern Tennessee, where **they employ a rural workforce** to build homes, "Made in Appalachia".



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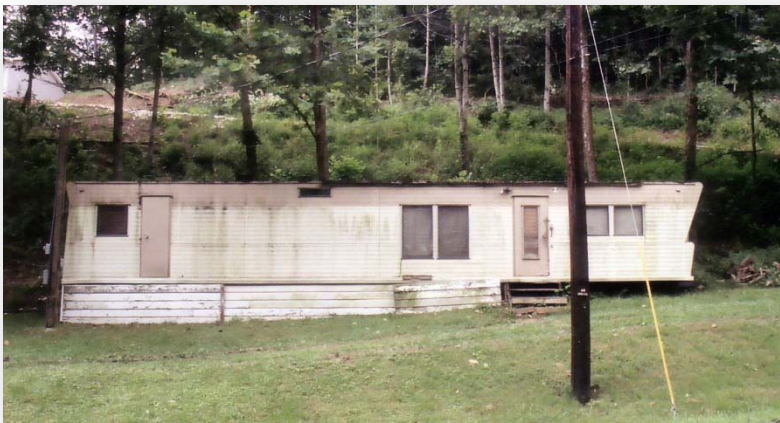
A Nationwide Problem





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Nearly Two Million Households





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Mrs. Kelly's Story



Weatherization?

Repair?



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Mrs. Kelly's Dream Home





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