

Creative Cooperative Coordination

MaineHousing
Special Achievement

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CREATIVE COOPERATIVE COORDINATION

Maine’s Housing Affordability: Mobile Home Parks as an Important Component

Maine acutely needs more housing, as does the rest of the nation, and has several distinct supply-and-demand challenges – namely very high percentages of aged housing stock, seasonal homes, and retirement-age residents leaving the workforce. Estimates based on the current limited house and rental inventories plus population projections indicate that an additional 84,000 housing units will be needed by 2030.¹ As such, maintaining existing affordable housing options is critical. Maine’s 476 licensed mobile home parks, where approximately 45,000 residents (the majority of whom qualify as low-income) reside, are a critical element. Home to 3% of the state’s total population, these 20,000 units represent vital affordable housing stock.²

The Dilemma of a Mobile Home Park Resident, and a Promising Solution

Most mobile home park residents own their homes and rent the land below them, a hybrid circumstance that crosses traditional program boundaries. Lot rent increases, park sale, and poor operation or upkeep of the park are common threats to the residents’ homes and equity investments. Moving a mobile home to a new park is costly, available lots are scarce, and relocating to a park elsewhere has the same risks.

Since 2014, long-time mobile home park ownership by local families has shifted to corporate entities seeking investment vehicles. One-fifth of Maine parks are now owned by out-of-state investors,³ and rapid increases in lot rents for a tenant population that skews toward young families and retired individuals often follow such transfers. As one resident stated, many “are one lot rent raise away from joining the homeless ranks.”⁴ At a mobile home park in Bowdoin, lot rents have increased by 53% since the 2021 purchase by a conglomerate.⁵

Collective ownership of mobile home parks by tenant groups (“Resident-owned Cooperatives,” or “ROCs”), introduced in Maine in 2008, offers affordability preservation and increased stability through risk reduction, improvement to park conditions, and community empowerment.

Structural Challenges to Mobile Home Park Financing and Early Successes

ROC financing is more complicated than traditional mortgage lending. Mobile homes and parks are subject to less favorable loan terms, such as lower loan-to-value requirements and more restrictive municipal regulations, than stick-built houses and developments. Funding for early cooperatives in Maine therefore relied on an unpredictable mix, feasible only for modest transactions, of community banks, government grants, foundation support, private donations, and nonprofit assistance.

The Genesis Community Loan Fund (Genesis) spearheaded the financing of Maine’s first coop park in 2009, and MaineHousing became involved in the initiative as a lender in 2015. A key component was helping residents organize into a cooperative and training them for operational challenges of ownership and operation. The Cooperative Development Institute (CDI), a regional nonprofit organization with technical assistance expertise, was and continues to be a critical contracted partner for these cooperatives since they began in Maine. The complexities of funding, however, required more strategizing, particularly as prices for mobile home parks rose, because traditional financing terms are simply not favorable to the ROC model.

¹ [State of Maine Housing Production Needs Study](#), HR&A Advisors, October 2023.

² [Maine Mobile Home Community Research April 2025](#), The Genesis Community Loan Fund, *Mobile Home Communities in Maine and the United States*, April 2025.

³ [Housing Investors Own 1-in-5 of Maine's Mobile Home Parks](#), April 4, 2024, Bangor Daily News.

⁴ Genesis, *Ibid.*

⁵ Genesis, *Ibid.*



Maine Acts to Structure and Support Mobile Home Park Cooperative Opportunities

Recognizing both the role of mobile home parks in affordable housing and these lending challenges, Maine’s legislature in 2023 passed the Opportunity to Purchase Act, LD 1931⁶ (the “Act”), and the Governor created the Mobile Home Park Preservation Fund (the “Fund”). A supplemental budget allocation of \$5,000,000, the Fund is a fixed financing resource for park cooperative transactions “to help leverage support from private lenders, community banks and municipalities, and also to stabilize costs for residents.”⁷

Governor Mills, when announcing the establishment of the Fund, described it as supporting “the purchase of mobile home parks by their residents, who are vulnerable to being displaced from their homes, or having rents suddenly increase, from a change in park ownership.” Speaking to its potential impact, she noted that in the preceding three months alone, “residents of four mobile home parks in Maine – totaling more than 1,000 households – have been notified by their park’s owner of an intent to sell.”⁸ The primary advantage of the Fund is the flexibility of a largely unrestricted resource, allocated to MaineHousing with full discretion, to make even significant transactions financially feasible for residents purchasing a park.

With the Fund, MaineHousing, again in partnership with Genesis, CDI, local communities and banks, and charitable organizations, was able to nimbly address financing gaps and needs with ROC park purchases. MaineHousing has proven that a relatively modest public investment – an average of \$10,000 per home – can significantly increase the feasibility of financing larger-scale ROC purchases. To date, the collaborative efforts have facilitated the purchase of two mobile home parks with a total of more than 400 housing units.

Program Successes

Linnhaven Mobile Home Park in Brunswick, with a purchase price of \$26.3 million, was the testing ground for new financing strategies and illustrated the need for a flexible resource such as the Fund. When federal lender Freddie Mac failed to provide Blueberry Fields Cooperative, the organization formed by the residents to purchase the park, with the expected workable financing through a local bank, MaineHousing stepped in, pledging that same day to replace the lost \$17,610,000 in financing.

In just a week, MaineHousing put together a \$20,610,000 financing package comprised of a \$17,610,000 6.00% fixed-rate 30-year loan and a \$3,000,000 grant from the Fund. This provided the Cooperative with the lost financing and ultimately also structured a more limited first year rent increase than projected under the Freddie Mac terms. When 151 resident income surveys showed that more than 32% of the residents were at or below 30% AMI and over 70% of residents were below 60% AMI, MaineHousing realized the Freddie Mac increase of \$230-250 per month would be potentially impossible for many residents. Instead, MaineHousing’s 30-year loan, interest-only for the first five years, and \$200,000 in grant funds for a Rent Stabilization Fund released to the Cooperative annually over three years as mortgage assistance, restricted rent increases to \$100 per month for the first year and \$30 over the following two years, minimizing rent burden.

The transaction was only possible due to MaineHousing’s financing and partnerships with Genesis, CDI, the Town of Brunswick (which contributed \$700,000 in grants), and M&T Bank (which generously provided Genesis with capital at extremely favorable terms to make the second lien loan behind MaineHousing). Finally, MaineHousing use of a portion of the Mobile Home Park Preservation Fund to fill the gap made the transaction financially feasible. Without this funding, the entire transaction would not be possible. The park is now the largest mobile home coop in Maine, at 278 homes.

⁶ “An Act to Foster Stable and Affordable Home Ownership in Mobile Home Parks by Amending the Laws Relating to the Sale of Mobile Home Parks,” codified at [Title 10, §9094-A: Restrictions on sale when a mobile home park is sold](#)

⁷ [Residents buy Bangor mobile home park for \\$8M, plan new homes](#), February 24, 2025, MaineBiz

⁸ [Governor Mills Proposes Budget Change Package Investments](#), March 29, 2024, Office of Governor Janet T. Mills



Cedar Falls Mobile Home Park in Bangor, the second ROC purchase since the Act and Fund were established, closed in February 2025. Cedar Falls is a 79-acre parcel with 127 owner-occupied homes and 21 available infill lots on the improved 22-acre portion of the property. In addition, there was a plan for an additional 49 lots on the remaining acreage. In this \$8,782,000 deal, preserving 127 existing homes and the possibility of creating 70 additional new affordable homesites was extremely important. Bangor Savings Bank was the primary lender on the park purchase, with second lien lending provided by Genesis, a grant from the City of Bangor, and \$1,100,000 from the Fund, which included a \$100,000 rent stabilization fund similar to that in the Linnhaven transaction. Additionally, the Cedar Falls Cooperative and CDI worked with the Bangor Housing Authority on a development deal for the additional 70 homesites. Bangor Savings agreed to take a first lien on only the 22 improved acres, leaving the 57 unimproved acres available for collateral for MaineHousing, which lent Bangor Housing Authority \$3,000,000 for the site work and purchase of 70 new homes to be sold in the coop. Once the development is completed and the loan repaid, MaineHousing will release the lien, allowing MaineHousing's First Time Homebuyer Program to make loans and have secure leasehold mortgages on the sites. This allows first-time homebuyers the ability to access a true mortgage product rather than less favorable chattel loans, which are the norm for mobile home purchases.

Critical Program Components

Partnerships with Genesis, for community finance coordination, and with CDI, for organizing and training the cooperatives, were foundational requirements for residents to successfully organize around a deal. Their knowledge and expertise are vital to the ongoing success of the program. Collaboration with community lending partners, nonprofits, and municipalities continues to be key.

The Act, by requiring notice of the intent to sell, created the necessary time and opportunity for proactive organization of park residents to form cooperatives and make an offer.

The Fund, a flexible financial resource that could be applied as needed and for purposes other than direct principal reduction, was integral in leveraging other funds, including creative financing instruments that could be structured to preserve affordability. Such strategies from current program successes include interest-only terms, strict limits on rent increases, establishing rent stabilization funds, and the use of taxable bonds to finance the purchase as a multifamily rental property owned by the cooperative.

Current Program Status and Future Outlook

The Linnhaven and Cedar Falls transactions proved the Fund's efficacy, as over \$30,000,000 in other financing was leveraged from the state's \$5,000,000.⁹ An additional 42 homes are slated to be preserved in a pending third park coop transaction. In light of this success, Governor Mills has since proposed an additional \$3,000,000 state budget allocation. There is also legislation pending to create tax incentives when park owners sell to tenant groups, addressing a pertinent issue captured by Erik Jorgensen, MaineHousing's Senior Director of Government Relations & Communications: "... [H]ow do you motivate sellers to choose the option with greater public purpose?"

⁹ Genesis, *Ibid*

Maine's Mobile Home Park Cooperative Movement

1983

The Resident-Owned Community model begins in neighboring New Hampshire

2008

The Genesis Community Loan Fund takes on the task of bringing the ROC model to Maine

2009

Maine's first ROC: Medomak Mobile Home Park, Waldoboro, where 37 units and 11 pad sites for expansion are preserved

2013

The Cooperative Development Institute joins the Maine ROC initiative for the first time with the 44-unit Brunswick Bay Mobile Home Cooperative transaction

2015

MaineHousing's first ROC financing deal: Wardtown Mobile Home Cooperative (60 units). The second, Sunset Terrace, follows within months

2023

Maine's LD 1931 is enacted, requiring advance notice to mobile home park residents of impending sale, providing opportunity to purchase.

2024

Maine's Governor Janet Mills establishes the Mobile Home Park Preservation Fund, a one-time flexible financing tool

MHPPF monies are first used in, and prove critical to, the Linnhaven Mobile Home Cooperative transaction, which preserves 278 homes

2025

Cedar Falls Mobile Home Cooperative transaction closes; the Fund helps preserve 129 homes and 82 lot pads

Gov. Mills proposes an additional \$3,000,000 allocation to the Fund

LD 554, An Act to Encourage Resident-owned Communities and Cooperatives and Preserve Affordable Housing Through Tax Credits, is pending in legislature

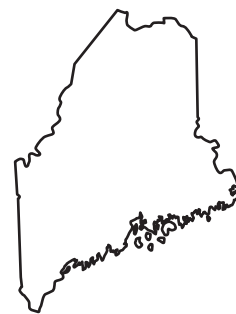
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“The government needs to do more to correct the power imbalance between property owners and tenants, especially in manufactured housing communities where residents are *particularly vulnerable to predatory and abusive practices* ... The recent notice law in *Maine* and similar laws in other states are good first steps.”

*Lisa Sitkin, supervising attorney,
National Housing Law Project.*

Maine Counties with Resident-Owned Cooperatives:



Cumberland
Kennebec
Knox
Lincoln
Penobscot
York

“This [program] is a model for how lenders, public partners, and community organizations can collaborate to *mobilize resources and make resident ownership a reality* for those who live in mobile home communities.”

Liza Fleming-Ives, Executive Director, Genesis Community Loan Fund



Board members of the Blueberry Fields Cooperative celebrating the signing of closing documents on Oct. 10, 2024.(Photo courtesy of CDI.)

“The day that we voted to become a resident-owned community, the members all gathered at the local high school cafeteria to cast their votes. As the votes were being counted, the members began banging on the tables in support. When I shouted that the vote was unanimous with 187 voting yes, the roar was deafening. **WE DID IT!** ... Our purchase of this property provides a long-term benefit for the lives of more than 275 residents who currently are tenants, but **equally important, those who will live in the cooperative long after we're gone.**”

Janet Fournier, Blueberry Fields Cooperative Board President (Linnhaven Mobile Home Park)

“Manufactured homes are a **key part of the solution** to the housing crisis because they provide permanent, lower-cost options for residents in different income brackets through housing that’s already **readily available.**”

Erik Jorgensen, Senior Director of Government Relations & Communications, MaineHousing

“Mobile homes and manufactured housing parks are some of the **last truly affordable housing options in our state** [and] many tenants ... either own the home themselves, or have a rent-to-own agreement, making manufactured housing an **important and accessible path to home ownership.**”

Maine Senator Cameron Remy (D-Lincoln)

“This [Linnhaven] is exactly the type of outcome that we envisioned when we created the Mobile Home Park Preservation Fund and the Opportunity to Purchase law. We still have more work to do to protect Maine people and mobile home parks from being exploited by companies who want to use them to make a profit, but now we have a model of how we can preserve this vital housing for low and moderate-income people in Maine.”

Maine Governor Janet Mills



“*I want every person in Maine*, at every stage of their life, *to be confident* that they can rent a safe apartment or buy a home that is the right size for their family and be able to afford to stay there as long as they want, *unafraid* that a surprise rent increase will break their budget or that someone will buy the land they live on out from under them. [Linnhaven] ... preserved their *independence* and secured their housing as permanently affordable – creating much-needed long-term *stability* for their community.”

Maine Governor Janet Mills

“**B**ecause of the foresight of the Maine Legislature and Governor Mills and the work of our partners at Genesis and CDI, we were able to bring together the financial resources needed to help preserve a large number of affordable homes for a relatively low cost. ... But this deal [Linnhaven] is about way more than that. *This deal is helping to preserve a wonderful community of people who care and look out for one another*, as is so apparent in the hard work they put into making this new cooperative a reality. This is an enormous accomplishment and one that all of Maine should be proud of.”

Dan Brennan, Director, MaineHousing

“Congratulations ... on becoming *owners of your own future*.

May the example you have set be *replicated across our state, and across the country*, until every person has the same lasting foundation and safe and affordable place to live as you do.”

*Maine Governor Janet Mills
(to Linnhaven resident-owners)*

“Affordable housing is a critical issue across the state that will only be fully addressed through *innovative* projects like [Linnhaven].”

*Phil Cohen, Maine Regional President,
M&T Bank*

“[Linnhaven] will help preserve affordable housing ... for decades to come ... [w]e are grateful for the public-private partnership with the State, Genesis, M&T, and CDI who have demonstrated a deep commitment to addressing [Brunswick’s] affordable housing crisis by supporting one of our most *vulnerable residential communities* in their time of need.”

Abby King, Brunswick Town Council Chair

“... between 2010-2020, [mobile home parks] represented the *highest financial returns* [for investors] among all real estate classes including offices, parking, industrial, commercial and residential.”

The Genesis Fund, Mobile Home Communities in Maine and the United States, March 2025

National figures show rent increases of up to **60%** after investor buyout of mobile home parks.

The Maine Monitor, March 22, 2025



However, lot rents in Maine’s 12 resident-owned communities have seen a slower, shallower rise, more in keeping with expenses. For example ...

Charter Oaks Cooperative,
Arundel, over 5 years: **33%**

Brunswick Bay Mobile Home Cooperative,
Brunswick, over 13 years: **31%**

Bangor Daily News, April 5, 2025