

- The date the displacee is offered comparable replacement housing.

The maximum rental supplement for this category is \$5,250 unless Last Resort Housing provisions apply. (See Page 24) The methods used in this category are the same as conventional dwellings.

### **OWNER-OCCUPANTS OF LESS THAN 90 DAYS**

Owner occupants of less than 90 days are not eligible for a supplemental housing payment to assist in purchasing replacement housing. Unless the market is volatile, it is assumed that a home owner in this category can purchase the replacement dwelling for the same price paid for the displacement. This situation is rarely encountered and the Relocation Supervisor will be consulted to determine the course of action.

## **OWNER OF THE MOBILE HOME AND TENANT ON THE SITE**

This is the most common of the four categories of mobile home displacements. Generally, the mobile home is considered as personal property and the Iowa Department of Transportation will reimburse the costs associated with moving and reestablishing the mobile home at another location.

In addition, as the tenant on the site, the displacee is eligible for a rental supplement to relocate to another site. The rent and utilities of the displacement site are compared to the rent and utilities of a comparable replacement site and a rent differential is computed based on a period of 42 months.

### **OCCUPANTS OF 90 DAYS OR MORE**

A person is considered to be in this category and may be eligible for an RHP if the person has actually owned or rented the mobile home and occupied the displacement site for not less than 90 days prior to the initiation of negotiations (See Page 16) for its purchase by the Iowa Department of Transportation.

The maximum Replacement Housing Payment (RHP) for this category is \$5,250 unless Last Resort Housing provisions apply. (See page 24) This maximum payment is based on moving the mobile home and a rental supplement for the site.

Generally, site tenants in this category are in mobile home parks and it is quite possible that the mobile home can be moved to another location in the same park, with little or no rental supplement for the site.

Example:

Monthly rent of comparable site:	\$ 150
Less monthly rent of displacement site:	<u>- 100</u>
Rent difference:	\$ 50
	<u>x 42 mos.</u>
Supplemental site payment:	\$ 2,100

Rather than continue to rent a site, the displacee may decide to purchase a replacement site and it is the policy of the Iowa Department of Transportation to encourage this if it is a viable alternative for the displacee. (See page 50)

The full amount of the rental supplement payment must be applied to the purchase price of the replacement site. The purchase price of the replacement site can include sewer and water costs, if necessary.

Although the relocation advisor does not need to locate sites for the displacee to purchase, it is important for the advisor to advise the displacee of zoning requirements, availability of utilities, DSS requirements, etc.

In certain circumstances, the Iowa Department of Transportation will acquire the mobile home if it determines that the mobile home:

- Is not and cannot economically be made DSS; or
- Cannot be relocated without substantial damage or unreasonable cost; or
- Cannot be relocated because there is no available comparable replacement site; or
- Cannot be relocated because it does not meet mobile home park entrance requirements.

If the mobile home will be acquired under any of these circumstances, its salvage value or trade-in value, whichever is higher, will be used as the acquisition cost of the mobile home for purposes of computing the supplemental housing payment.

Example:

Cost of comparable mobile home:	\$ 15,000
Less trade-in value:	<u>- 5,000</u>
Supplemental housing payment:	\$ 10,000

Monthly rent of comparable site:	\$ 150
Less monthly rent of displacement site:	- 100
Rent difference:	\$ 50
	<u>x 42 mos.</u>
Supplemental site payment:	\$ 2,100
 Total RHP:	 \$ 12, 100

If the displacee chooses to purchase a replacement site, the supplemental site payment would be increased to \$ 5,250, thus increasing the RHP to \$15,250.

If the owner-occupant disagrees with the Iowa Department of Transportation's determination that the mobile home can be relocated after making reimbursable repairs or modifications and insists on receiving a replacement housing payment, the cost of a comparable replacement mobile home is the sum of:

- 1) The value of the displaced mobile home;
- 2) The estimated cost of any necessary repairs or modifications (DSS requirements);
- 3) The estimated cost of moving the mobile home to a replacement site; and,
- 4) Any necessary related expenses.

From this total, the value of the displaced mobile home is deducted to arrive at the supplemental housing payment. If the payment is accepted, the owner retains ownership of the mobile home and will still be responsible for removing the mobile home from the acquisition area.

Example:

1.	Value of displaced mobile home:	\$ 10,000
2.	Cost of repairs/modifications:	+ 2,500
3.	Cost of moving mobile home:	+ 3,000
4.	Miscellaneous expenses:	<u>+ 500</u>
	Cost of comparable housing:	\$ 16,000
	Less value of displaced mobile home:	<u>- 10,000</u>
	Replacement Housing Payment:	\$ 6,000

The displacee retains ownership of the mobile home and is responsible to remove it from the acquisition area.

**OCCUPANTS OF LESS THAN 90 DAYS**

A person is considered to be in this category if the person has actually owned and occupied the mobile home and/or occupied the site for less than 90 days prior to, or after, the initiation of negotiations (See Page 16) for its purchase by the Iowa Department of Transportation.

Persons in this category are eligible for reimbursement of the costs associated with moving the mobile home to another location and a possible rental supplement for the site. This rental supplement is the same for occupants of more than 90 days except that if there is a replacement site available within the displacee’s financial means, the displacee is not eligible for a rental supplemental payment. (See Financial Means on Page 19)

All moving and RHP payments to displacees in this category will be paid under Last Resort Housing provisions. (See Page 24)

**TENANT IN THE MOBILE HOME AND OWNER OF THE SITE**

This is the least common of the four categories of mobile home displacements. The mobile home is considered as personal property and the cost to move it to another location will be paid to the owner of the mobile home. The non-occupant owner of the mobile home is not eligible to receive an RHP, but may be eligible for reestablishment expenses as a landlord. (See Pages 83 - 85)

**OCCUPANT OF 180 DAYS OR MORE**

A person is considered to be in this category if the person has actually rented the mobile home for at least 90 days and owned and occupied the site for at least 180 days prior to the initiation of negotiations (See Page 16) for its purchase by the Iowa Department of Transportation.

As a tenant in the mobile home, the displacee is eligible for a rental supplement based on a comparable replacement mobile home and the maximum rental supplement is limited to \$5,250 unless Last Resort Housing provisions apply. (See Page 24)

As the owner of the site, the displacee also may be eligible for a supplemental payment based on a comparable replacement site. The maximum supplemental payment for this portion is \$22,500 unless Last Resort Housing provisions apply.

Example:

Monthly rent for comparable mobile home:	\$ 500
Monthly rent for displacement mobile home:	<u>- 400</u>
Monthly difference:	\$ 100
 Difference times 42 months:	 \$ 4,200
 Sale price for comparable replacement site:	 \$35,000