

Submitter:

Amber Lewis

On Behalf Of:

Committee: House Committee On Housing and Homelessness

Measure, Appointment or Topic: HB3054

HB3054 from the point of view of a manufactured homeowner.

HB3054 is a violation of the rights of manufactured homeowners as it strips them of access to the full equitable return on the sale of their home. Rent control in the short term seems to be a legitimate way to allow residents to be able to afford housing in the ever-rising cost of living but it only causes the value of a manufactured home to decrease based on the park's inability to maintain infrastructure since it limits the quantitative ability to raise rents.

Well intentioned legislature that seeks to stabilize the rental market for renters should not be applied to homeowners. Manufactured homeowners' assets are decreased by this legislation as it encroaches on the park's solvency and ability to maintain the critical infrastructure that homeowners rely on to maintain the value of their homes. Unlike apartment complexes, manufactured home parks require tenants to take an active role in maintaining the structure because they own it. Most homeowners view their home as an asset whose value needs to be maintained. Access to water and sewer services, roads and safe lighting are usually purported duties of municipalities but for manufactured home parks it's the park's owners who maintain these services. The maintenance costs of these services are not able to be covered by the CPI percentage increase.

This bill ties both hands of manufactured home park owners as it caps the ability to pass along costs of infrastructure repairs while also evaluating and instituting how much infrastructure repair the owner is required to do endangering the continuity of operations. Manufactured home parks do not need to be so heavily regulated. It is a business whose model requires the division of the cost of maintenance of the infrastructure to be passed on to all its tenants. The management fee of the infrastructure is for most park owners a modest income, not billions of dollars. This business model works as it regulates itself since most people who could purchase a manufactured home will only want to do so in a nice park that is well managed. No one wants to buy a manufactured home that is new or aged in a park that does not maintain its aesthetics, its streets, and utility access. If no one wants to purchase a home or rent a vacant lot, then no rent is received, and the park loses money. You must constantly maintain the infrastructure of the park to maintain tenancy rates.

Manufactured homes are a pathway to owning a home with land. A large portion of our homeowners sell their manufactured home and use the sale proceeds as a down payment on a home with land attached to it. Limiting the ability of parks to inspect the exterior of the homes or raising the rental rates on homes in the park decreases the park value which then decreases the value of the homes in the park. This then will prevent the homeowner from getting the full value of their asset and moving forward in purchasing a home with land attached to it.

Passing this bill hurts tax paying manufactured homeowners and is not in their best interest. We urge you to vote no on this bill as a representative of your constituents.

Sincerely

Amber Lewis

Park manager, Homeowner and Resident at Rose Grove, MHP, LTD.