



MARYLAND
LEGAL AID

Advancing
Human Rights and
Justice for All

January 23, 2023

The Honorable Kumar P. Barve
Chair of the Environment and Transportation Committee
House Office Building
Annapolis, Maryland 21401

Re: Maryland Legal Aid's Testimony in Support for House Bill 23

Dear Mr. Chair and Members of the Committee:

Thank you for the opportunity to testify in support of House Bill 23, which would provide necessary protections for residents of manufactured housing communities, including mobile home parks. The bill will provide resident of manufactured housing communities with a right to purchase the community. I submit this testimony on behalf of Maryland Legal Aid (MLA) at the request of Delegate Stewart.

MLA is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents. MLA handles civil legal cases involving a wide range of issues, including representing people and families struggling with housing and eviction.

There is an affordable housing crisis in this country. The crisis particularly affects extremely low-income families but also has an outsized effect on working people and the elderly. For some of these families, manufactured housing communities are a real, though vanishing, opportunity for an affordable home. Although the number of families residing in these homes is small, in many largely rural Maryland jurisdictions like Western Maryland, Southern Maryland and the Eastern Shore, these communities are a valuable and significant affordable housing resource.

At the same time, real estate investors increasingly view manufactured housing communities as key growth market.¹ For instance, a popular real estate blog advises:

If you need more convincing that mobile home parks could be an incredible investment, perhaps Warren Buffett can help. His holding company, Berkshire Hathaway, has owned America's largest manufactured homes builder, Clayton Homes, since 2003, when they paid a whopping \$1.7 billion for it. And of course, all those mobile homes need.

¹ Sheelah Kolhatkar, "What happens when investment firms acquire trailer parks," The New Yorker (March 8, 2021), <https://www.newyorker.com/magazine/2021/03/15/what-happens-when-investment-firms-acquire-trailer-parks>.

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Although HB 23 does not prevent owners of manufactured communities from using other means to displace residents, it will provide residents a tool to intercede in a sale. Facing loss of housing in the aftermath of a sale to investors, existing park residents would be able to protect themselves and their homes through joint ownership.

In 2018 MLA represented residents of the Bush River Manor Mobile Park, in Failure to Pay Rent actions in which the new park owner charged “outrageous water bills, which... tenants allege have increased since a new owner took over the property last spring.” One tenant said “It’s been terrible for the whole entire community, especially the retired [residents] and the veterans. Vatrice Malloy, co-chair of the Bush River Manor Tenants Council, said: “I have tenants who have been in and out of the hospital due to stress levels.”

Though the residents of Bush River Manor Mobile Park filed a class action which favorably resolved their dispute, the stress residents suffered could have been avoided if they had been given an opportunity to purchase the property or, as HB 23 allows, to assign their first right of refusal to county government or a non-profit.

For these reasons, we urge the Committee to issue a favorable report on HB 23.

Sincerely,

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Maryland Legal Aid
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