



## Support Affordable, Sustainable Housing-Vote YES on HB71

### The Issue

Manufactured or mobile homes are an important component of affordable housing solutions as well and have a smaller environmental footprint than traditional homes. In 2017, there were 36,318 mobile homes in Maryland with the highest percentage in Cecil County (7.4%) followed by Wicomico (4.4%) and Allegheny (4.3%).

Nationally, the median household income for families living in manufactured housing communities is \$35,688 compared with \$50,056 for conventional renters and \$91,342 for conventional homeowners<sup>1</sup> according to a study by Noah J. Durst at Michigan State University and Esther Sullivan at University of Colorado-Boulder. The same study found that families in manufactured housing had an average rental cost of \$661 per month, compared to \$993 for renters, and \$1309 for homeowners. Nationally, mobile home parks comprise one of the largest sources of non-subsidized low-income housing in the country.<sup>2</sup>

DHCD found that there is a shortage of affordable housing serving low-income families and homes that can be modified to accommodate individuals with disabilities -manufactured housing addresses those gaps for some families.

### The Problem

Residents of manufactured housing communities are low-income households and their housing is particularly vulnerable. Because residents own their homes but not the land under their homes, these communities are vulnerable to a landlord selling the land and forcing them to move. Despite the term “mobile” it is actually costly and difficult to move manufactured homes-often costing thousands of dollars to move them-money that is far beyond what most residents of manufactured housing-31% of whom are low-income can afford.

Another problem residents face is that they rent the land from the owner of the park. Should the owner sell the park, there are few protections for residents if the new owner chooses to raise rents or increase the charges for water or other services to unaffordable rates. Unfortunately, that is the situation that has been happening for

---

1

<https://homeless.cnsmaryland.org/2021/01/17/wall-street-investors-pricing-americans-out-of-last-bastion-of-affordable-housing/>

2

<https://www.newyorker.com/magazine/2021/03/15/what-happens-when-investment-firms-acquire-trailer-parks>



the past few years as private equity firms have been investing in manufactured housing communities. As private equity investors purchase manufactured housing communities, they often drive up rents, increase and institute new fees, and make these homes unaffordable for many low-income residents. Some examples include:

- Swartz Creek Estates, MI-after purchase by Havenpark Capital Partners, rent & new fees increased monthly costs for residents by 40%
- Table Mount Park, IA-after purchase by RV Horizons rent increased 15% and new fees were charged for water and trash removal which had previously been included in rent.
- Midwest Estates, IA -after being acquired by Havenpark, rents increased 69%.

This practice makes the last bastion of affordable housing beyond the reach of low-income families. Many are displaced and taxpayers must cover the costs of shelter, food, and services for families that were recently self-sufficient.

#### **The Solution:**

Providing adequate notice to residents of mobile home communities will inform residents that the community is being sold. In addition, community members can work together to submit an offer to the seller to consider to increase competition for the community and provide the possibility of community ownership.

There are community-owned mobile home parks that are run as co-ops or as land trusts in Oregon, Washington, Missouri, New York, New Hampshire, and Vermont.

#### **What HB 71 Will Do**

- Provide adequate notice to residents of the sale of their manufactured housing community
- Ensure that the seller consider all offers to purchase the community
- Notice to government agencies regarding the sale
- Save the state money by helping low-income families remain in their homes

#### **What HB 71 Won't Do**

- Require a seller to accept a non-competitive offer

HB 71 supports low-income residents in their ability to remain in their homes in manufactured housing communities or receive adequate notice about the sale of the community that they are able to leave in a sustainable and dignified manner. It increases transparency for residents, informs government officials, and provides the opportunity for the residents to work together to develop a competitive offer that the seller must consider in good faith.

#### **Vote YES on HB71**



Maryland Consumer Rights Coalition

For more information, contact Marceline White at [marceline@marylandconsumers.org](mailto:marceline@marylandconsumers.org)