

## **The Manufactured Housing Tenant's Bill of Rights**

Senator Jeanne Shaheen (D-NH)

*Supported by: All Parks Alliance for Change, Colorado Coalition of Manufactured Home Owners, Connecticut Manufactured Home Owners Alliance, Manufactured Home Owners' Association of NJ, Inc., MH Action, National Consumer Law Center (on behalf of its low-income clients), National Housing Law Project, National Low Income Housing Coalition, National Manufactured Home Owners Association, Prosperity Now, Resident-Owned Communities – New Hampshire, ROC USA, WorkMoney*

More than 3 million Americans live in manufactured housing communities (MHCs), which represent one of the few naturally occurring sources of affordable housing. However, because residents typically own the home itself but not the land it sits on, they may struggle with unexpected cost increases and be at higher risk of evictions. Outside investors have often purchased MHCs and pushed residents out or raised rents as much as 70%. Because of their ownership structure, manufactured housing tenants can fall into cracks, where residents may lack the protections of either homeowners or other renters.

### **Legislation:**

The *Manufactured Housing Tenant's Bill of Rights* would establish a set of minimum standards for tenants in MHCs that receive federal financing through Fannie Mae, Freddie Mac, or the Federal Housing Administration. The protections include:

- The right to a one-year renewable lease absent good cause for nonrenewal.
- A 5-day grace period for late rent payments.
- A minimum 60-day written notice of rent increases or, critically, new charges that were previously included in the rent like water or sewer of up to 5% of the prior rent, with longer notice for larger rent increases (an additional 30 days required for each 2.5% rent increase above 5%, so a 20% rent increase would require 240 days notice).
- Rights for the tenant to:
  - Sell the manufactured home without having to relocate it.
  - Sublet the home or assign the lease to a buyer of the home provided the buyer meets the MHC's rules and regulations.
  - Post "for sale" signs on the home.
  - Sell the manufactured home in place within 45 days after eviction, to prevent the homeowner from losing their equity.
  - Receive at least 60 days advanced notice of the MHC's planned sale or closure and that the residents have an opportunity to purchase the MHC.

In addition, the bill would:

- Require that the list of properties where these protections are in place is posted publicly so tenants know their rights and ensure compensation for residents who were harmed by violations.
- Encourage MHC purchasers to go beyond these basic standards by creating a commission to craft further tenant protections that could be paired with an incentive for park owners.

Finally, the bill directs the FHFA to develop a standard lease agreement which would allow Fannie Mae and Freddie Mac to finally begin purchasing manufactured home leases through their single-family mortgage programs in order help both lower interest rates on manufactured home loans and provide more certainty on site leases for residents.