



Fire victims from mobile parks need help

Residents burned out of manufactured home parks in the Alameda fire are now victims of a housing market that has outpaced their resources. This is not theirs or the park owners' fault, but creative solutions involving mortgage lenders and state and local governments are necessary to help fire victims remain in the Rogue Valley.

Manufactured homes have long been considered an affordable option for people who can't afford to buy a conventional stick-built home. But that relative affordability comes with a hidden cost that can come due without warning.

Sometimes it's the decision of the park owner to sell the property or redevelop it for less affordable housing. In this case, it was a devastating wildfire.

Park residents may own the homes they live in, but they don't own the land underneath them. Manufactured homes, especially older ones, as many of those lost in the Alameda fire were, cannot realistically be moved without substantial expense or major damage to the structure.

Manufactured homes also do not increase in value over time, as stick-built homes do. The reverse is true. So when a home burns, as hundreds did in the Alameda fire, replacing them costs far more than they were worth.

To take one example, a Bear Lake Estates resident and her elderly mother were sharing a 1979 home worth \$45,000. The park owner estimates the average value of the homes that burned was \$70,000. The homes that will replace them will likely range from \$120,000 to more than \$170,000.

Even with the park owners selling new homes at their cost to purchase and ship them, that puts them out of the reach of many former residents, even if they received insurance payments after the fire.

With median prices for conventional homes ranging from about \$300,000 in Phoenix to nearly \$400,000 in Talent, that still makes a manufactured home sound like a bargain by comparison. But the purchase price does not include the monthly space rental the resident must pay to the park owner. At Bear Lake, that's about \$700, effectively tacking on \$125,000 to the cost of the home over the life of a 30-year mortgage.

Suddenly, a manufactured home isn't so affordable.

There are older manufactured homes available elsewhere for lower prices, but residents would have to leave this area. Park owners may allow residents to buy used homes and move them here, but those are hard to find after so many were lost to the fire.