Submitter:	Terry Komer
On Behalf Of:	Self and other tenants
Committee:	House Committee On Housing and Homelessness
Measure, Appointment or Topic:	HB3054

To: Chair, Vice chairs and Committee members
From: River Road Mobile Home Estates Tenants (RRME)
Subject: Manufactured Housing Affordability Bill – Follow up to 2/3/2025 Hearing

I attended the entire meeting virtually as an observer. A lot of opinions and information were delivered in a professional manner.

Some observations.

1) I can empathize with the park owners in terms of their increasing costs, insurance, utilities, etc., because I simultaneously owned 17 single family home rental properties in the past. Having said that, the park owners need to accept that the tenants are not a limitless pool of funds that they can continue to extract from. From the tenant's perspective this is nothing more than a money grab for more profit for the owners. However, the owners may have a legitimate need to cover their costs.
2) I found it interesting that Mr. Minor used 5.3% as the average rent raise. I thought to myself that we would have been very happy with a raise of that amount. Yet, as I looked at that and the date range he stated, I realized that that the number was averaged down by the years of 2019 thru 2022. The raises in our park were around that 5% number as well during those years. It is only recently, years 2023, 2024 & 2025 that we are having issue. During those three years our average is 11.33%. I suspect if Mr. Minor had used only those three years his numbers would be similar to mine. Scuttlebutt here in the park is we are looking at another 10% come January 2026 as well. The owner claims he is getting to 'market rents'.
3) 'Market Rents', is an interesting term. In the general sense it is meant as rents being similar to other parks. That is a big misnomer as no two parks are the same. One has a good location, another has nice amenities, and another may be closer to public transit, etc., etc.
4) As the one lady stated in the hearing, we've all done our 'due diligence' before buying into a park. However, once that commitment is made our hands are tied, we have no recourse but to sell out if at some point in the ensuing years our financial position becomes unsustainable if the park raises it's rates at an exorbitant pace. The issue with 'selling out' is the question. Where do you go then? Some do not have an alternative. Do they then live on the street? That's what this is really about, seniors feeling they'll end up on the street.
5) In conclusion, when I read HB3054, my initial thought was this would not be sustainable for the parks. However, I also know that a 10% cap is not sustainable for the tenants if applied every year. Maybe a 5 or 6% cap would be appropriate with a

landlord exception for capital expense with a 3rd party oversight into the expense. Having said that, when I was in real estate, the rule of thumb was to take 8-10% of the rent money and set it aside for repairs, upgrades, etc. Our landlord and I suspect others out there do not appear to have done that.