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Federal Housing Finance Agency, 9<sup>th</sup> Floor  
400 7th Street, S.W.  
Washington, D.C. 20219  
*Via fhfa.gov*

**Re: Request for Input (RFI) on Fannie Mae and Freddie Mac (the “Enterprises”) Proposed 2025-2027 Duty to Serve Plans (the “DTS Plans”)**

Dear Ms. Barringer,

The Private Equity Stakeholder Project (PESP) is a financial watchdog organization that seeks to bring transparency and accountability to the private equity industry for the benefit of impacted communities and investors.

We appreciate this opportunity to comment upon the Federal Housing Finance Agency’s (FHFA) RFI on the Plans. Residents of manufactured housing communities are some of the most vulnerable when it comes to predatory activity by corporate landlords. The prevalence of private equity firms in this sector threatens to exacerbate the problems such residents face, as the industry’s business model can often run counter to housing stability.

Over the past 20 years, manufactured home communities increasingly have gone from “mom and pop” enterprises to ownership by private equity firms, hedge funds, and large, multi-state corporations that seek to capitalize on manufactured-home owners’ unique situation:

- In 2017, private equity firm Apollo Global Management bought Inspire Communities,<sup>1</sup> a manufactured home park operator that currently has over 100 parks with almost 24,000 home sites.<sup>2</sup>

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<sup>1</sup> Obando, Sebastian. “‘Mom-and-Pop’ Manufactured Home Communities Might Be the Next Frontier for Investment in the Sector.” *Wealth Management*, 13 Mar. 2019, [www.wealthmanagement.com/property-types/mom-and-pop-manufactured-home-communities-might-be-next-frontier-investment-sector](http://www.wealthmanagement.com/property-types/mom-and-pop-manufactured-home-communities-might-be-next-frontier-investment-sector).

<sup>2</sup> Mobile Home Parks & Communities, Inspire Communities, [www.inspirecommunities.com/our-communities/](http://www.inspirecommunities.com/our-communities/). Accessed 12 Aug. 2024.

## PRIVATE EQUITY STAKEHOLDER PROJECT

- The Blackstone Group, the largest private equity firm in the world, spent almost \$1 billion between 2018 and 2020 to acquire over 50 parks, with over 10,000 home sites, and operates them through its Treehouse Communities platform.<sup>3</sup>
- In 2020, the Carlyle Group expanded its presence in manufactured home communities with a \$230 million purchase of four manufactured home parks, with a total of 1,583 homes, in Arizona.<sup>4</sup>
- In 2021, Horizon Land Management, which is backed by Federal Capital Partners, acquired a portfolio of 93 manufactured home parks with a total of 11,129 lots.<sup>5</sup>
- Since 2020, the hedge fund Alden Global Capital has acquired at least 138 manufactured housing parks with over 10,000 homes.<sup>6</sup>

In 2020 and 2021, institutional investors accounted for 23% of all manufactured home purchases, up from 13% between 2017-2019.<sup>7</sup>

Corporate investors realized that manufactured housing could be a source of large profits. “The number of investors looking for mobile home parks to purchase is unprecedented,” said Paul Bradley, president of ROC USA, a nonprofit that helps residents form cooperatives to buy their parks. From 2010 to 2020, he noted, manufactured housing parks were “the highest returning of all real estate asset classes—offices, commercial, industrial, storage units, parking garages, you name it—with a 22 percent annual compounded return.”<sup>8</sup>

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<sup>3</sup> Blackstone bought a portfolio of homes from Tricon Capital for \$172 million in 2018. In 2020, Blackstone bought a portfolio of parks for \$200 from Legacy Communities and a portfolio from Summit Communities for \$550 million.

<sup>4</sup> Burks, Steve. 2020. “Carlyle Group acquires 4 Mesa mobile home parks for \$230M.” AZ Big Media, June 15, 2020. <https://azbigmedia.com/real-estate/carlyle-group-acquires-4-mesa-mobile-home-parks-for-230m/>.

<sup>5</sup> Morosanu, Lucia. JPMorgan Chase Originates \$489m Loan for MHC Portfolio Deal, Multi-Housing News, 6 Apr. 2021, [www.multihousingnews.com/jpmorgan-chase-originates-489m-loan-for-mhc-portfolio-deal/](http://www.multihousingnews.com/jpmorgan-chase-originates-489m-loan-for-mhc-portfolio-deal/).

<sup>6</sup> Data from PESP Hospital Tracker, obtained through LexisNexis.

<sup>7</sup> Kasakove, Sophie. Investors Are Buying Mobile Home Parks. Residents Are Paying a Price., The New York Times, 27 Mar. 2022, [www.nytimes.com/2022/03/27/us/mobile-home-park-ownership-costs.html#:~:text=Real%20Capital%20Analytics%2C%20a%20market,among%20the%20country%27s%20largest%20landlords.](https://www.nytimes.com/2022/03/27/us/mobile-home-park-ownership-costs.html#:~:text=Real%20Capital%20Analytics%2C%20a%20market,among%20the%20country%27s%20largest%20landlords.)

<sup>8</sup> Gorey, Jon. Home Economics: How Manufactured Housing Can Help Solve the National Housing Affordability Crisis, Lincoln Institute of Land Policy, 12 Dec. 2022, [www.lincolninst.edu/publications/articles/2022-12-manufactured-housing-help-solve-housing-crisis/](http://www.lincolninst.edu/publications/articles/2022-12-manufactured-housing-help-solve-housing-crisis/).

The private equity business model is simple. They buy a park, increase the rent to increase cash flow at the property and thus increase the park's value, and then often sell it within a few years for a profit.

One example of this is in Sunnyvale, California where the Carlyle Group bought the Plaza Del Rey mobile home park, which has 800 homes, in 2015. Carlyle raised rents 8% a year, while the previous park owner had 3% annual increases.<sup>9</sup> Carlyle paid \$150 million for it in 2015, increased the rents, and then in 2019, just four years later, sold the park for \$237 million – making a profit of almost \$90 million in just four years.<sup>10</sup>

Due to manufactured-home owners' limited mobility, investors can increase site rent prices and fees with little effect on demand. As a result, residents are trapped and can be squeezed for every dollar. In addition, evicting residents who are unable to keep up with rising site rents can be lucrative, as residents who are forced to leave may abandon their homes or sell to the investor at a steep discount. With such devastating consequences for evictions, manufactured-home residents are often reluctant to raise concerns or challenge wealthy investors.<sup>11</sup>

### **Manufactured Housing is a Vital Source of Unsubsidized Housing<sup>12</sup>**

U.S. manufactured homes are sometimes casually referred to as “mobile homes” or “trailers,” but, in fact, they are a specific type of factory-built housing and must be constructed in accordance with the U.S. Department of Housing and Urban Development's (HUD) Manufactured Home Construction and Safety Standards Code.<sup>13</sup> Modern manufactured homes resemble single-family residences, often with multiple bedrooms, backyard patios or decks, and most are secured to a concrete foundation. They may be placed on the homeowners' private land, or the homes may be placed on rented or leased land, often inside a manufactured home community.<sup>14</sup>

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<sup>9</sup> Lewis, Adam. “John Oliver Takes on PE over Mobile Home Investments.” Pitchbook, 7 Apr. 2019, [pitchbook.com/news/articles/john-oliver-takes-on-pe-over-mobile-home-investments](https://pitchbook.com/news/articles/john-oliver-takes-on-pe-over-mobile-home-investments).

<sup>10</sup> Schuk, Carolyn. “Sunnyvale Mobile Home Park Residents Protest Skyrocketing Rents - Every Saturday.” The Silicon Valley Voice, 22 June 2021, [www.svvoice.com/sunnyvale-mobile-home-park-residents-protest-skyrocketing-rents-every-saturday/](https://www.svvoice.com/sunnyvale-mobile-home-park-residents-protest-skyrocketing-rents-every-saturday/).

<sup>11</sup> See Kasakove, *supra* note 7.

<sup>12</sup> Innovations in Manufactured Homes and National Consumer Law Center. 2021. “Promoting Resident Ownership of Communities.” pg. 1. [https://www.nclc.org/images/pdf/manufactured\\_housing/cfed-purchase\\_guide.pdf](https://www.nclc.org/images/pdf/manufactured_housing/cfed-purchase_guide.pdf).

<sup>13</sup> Manufactured-housing consumer finance in the United States,” US Consumer Financial Protection Bureau, Sept 2014, p. 8

<sup>14</sup> Manufactured-housing consumer finance in the United States,” US Consumer Financial Protection Bureau, Sept 2014, p. 9

While most manufactured homes are owned, with 5 million homes owned by the household (71%), there are also 2 million units (29%) occupied by renter households.<sup>15</sup>

Manufactured homes comprise 6% of the country's total housing stock.<sup>16</sup> In rural areas, manufactured homes account for 14% of housing stock.<sup>17</sup>

At an average price of \$127,250 as of 2022, manufactured homes are a vital source of affordable housing for rural and low-income families.<sup>18</sup> More than one fifth of manufactured-home owners earned less than \$20,000 a year as of 2021, and over half earned less than \$50,000 a year. For manufactured-home renters, more than a quarter earned less than \$20,000 a year, and almost 70% earned less than \$50,000 a year.<sup>19</sup>

Manufactured homes are a particularly important housing option for families who live on fixed incomes, like retirees and individuals unable to work due to disability. As of 2022, almost one-third (31%) of adult manufactured home residents were over 60.<sup>20</sup>

These data show that manufactured housing is a foundation in the structure of American housing. It supports some of the most precarious members of our society. Therefore, it is critical that our housing policy is structured to look after these residents wherever possible. And it's for these reasons that the emergence of private equity firms and corporate real estate investors at a massive scale in the industry is cause for concern.

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<sup>15</sup> Layton, Donald. Manufactured Housing Is a Good Source of Unsubsidized Affordable Housing - Except When It's Not: Key Facts and Figures, and Some Unusual Economics (Part 1), NYU Furman Center, 21 Feb. 2023, [furmancenter.org/thestoop/entry/manufactured-housing-is-a-good-source-of-unsubsidized-affordable-housing-except-when-its-not-part-1](https://furmancenter.org/thestoop/entry/manufactured-housing-is-a-good-source-of-unsubsidized-affordable-housing-except-when-its-not-part-1).

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> Manufactured Housing Update, Matthews Real Estate Investment Services, 24 Aug. 2023, [www.matthews.com/thought-leadership-manufactured-housing-update/](https://www.matthews.com/thought-leadership-manufactured-housing-update/).

<sup>19</sup> Multifamily Product Overview: Manufactured Housing Communities, Fannie Mae, Mar. 2023, [capitalmarkets.fanniemae.com/media/23431/display](https://capitalmarkets.fanniemae.com/media/23431/display).

<sup>20</sup> Profiles of Older Adults Living in Mobile Homes, CFPB Office for Older Americans, 10 May 2022, [www.consumerfinance.gov/data-research/research-reports/data-spotlight-profiles-of-older-adults-living-in-mobile-homes/full-report/#:~:text=As%20of%20February%202022%2C%20approximately,reported%20living%20in%20mobile%20homes.&text=This%20number%20represents%20nearly%20one,older%20living%20in%20mobile%20homes](https://www.consumerfinance.gov/data-research/research-reports/data-spotlight-profiles-of-older-adults-living-in-mobile-homes/full-report/#:~:text=As%20of%20February%202022%2C%20approximately,reported%20living%20in%20mobile%20homes.&text=This%20number%20represents%20nearly%20one,older%20living%20in%20mobile%20homes).

## Mobile Homes' Lack of mobility means Big Profits for Park Owners

While manufactured homes are sometimes thought of as mobile, manufactured homes are almost never moved once placed. Homes are often attached to a foundation and cannot stand a move. Furthermore, moving costs average \$5,000 to \$10,000, roughly five to seven years' worth of the homes' equity.<sup>21</sup> Finding a new lot to place the home is also difficult, as park owners may prefer to place newly constructed homes.<sup>22</sup>

It can also be difficult for homeowners to sell their homes because of home sale restrictions imposed by the park owner, such as exclusive agent arrangements.<sup>23</sup> In addition, site rent increases hurt homeowners looking to sell – as of 2017, realtors estimated that for every \$100 increase in space rent, a manufactured home lost \$10,000 in value.<sup>24</sup>

The financial consequences of eviction can also be more devastating for manufactured-home owners than residents in traditional rentals. When manufactured homeowners facing eviction cannot move or sell their home, the homeowners' only option is to abandon their home or try to sell it to the community owner – usually for a fraction of what it's worth – eroding any equity the home might have accrued. In some cases, homeowners must sell their homes for less than their mortgage, meaning they walk away from evictions saddled with even more debt. After evicting residents, park owners often rent out or re-sell these homes.<sup>25</sup>

With limited mobility and few alternative housing options, manufactured-home residents are vulnerable to exploitation by landlords looking to maximize profits. When site rent and fees are

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<sup>21</sup> Lamb, Zachary, et al. "Resident-Owned Resilience: Can Cooperative Land Ownership Enable Transformative Climate Adaptation for Manufactured Housing Communities?" Taylor & Francis Online, 17 Feb. 2022,

[www.tandfonline.com/doi/full/10.1080/10511482.2021.2013284?scroll=top&needAccess=true](http://www.tandfonline.com/doi/full/10.1080/10511482.2021.2013284?scroll=top&needAccess=true).

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> Lien, Tracey. 2017. "In Silicon Valley, even mobile homes are getting too pricey for longtime residents." Los Angeles Times, May 4, 2017. <https://www.latimes.com/business/technology/la-fi-tn-silicon-valley-mobile-homes-20170504-htmistory.html>.

<sup>25</sup> See "What Rights Do Mobile/Manufactured Homeowners Leasing Land Have? Facing Eviction of Your Mobile or Manufactured Home from a Mobile Home Park or Manufactured Home Community? – Legal Resources, Tips." MH Living News, [www.manufacturedhomelivingnews.com/what-rights-do-mobile-manufactured-homeowners-leasing-land-have-facing-eviction-of-your-mobile-or-manufactured-home-from-a-mobile-home-park-or-manufactured-home-community-legal-resources/](http://www.manufacturedhomelivingnews.com/what-rights-do-mobile-manufactured-homeowners-leasing-land-have-facing-eviction-of-your-mobile-or-manufactured-home-from-a-mobile-home-park-or-manufactured-home-community-legal-resources/). Accessed 12 Aug. 2024.; see also, "Protecting Fundamental Freedoms in Communities." National Consumer Law Center & I'm Home, Jan. 2015, [filearchive.nclc.org/manufactured\\_housing/cfed-freedoms\\_guide.pdf](http://filearchive.nclc.org/manufactured_housing/cfed-freedoms_guide.pdf).

increased or communal maintenance issues ignored, homeowners often have no choice but to endure it.

This economic trap is not a side effect but a building block of the business model. Because of residents' inability to move and a high demand for affordable housing, cash flows from the investments tend to be highly stable, even during economic downturns.

In 2017, analyst Green Street Advisors reported that the manufactured home sector was the only major real estate asset class that had not experienced a year-over-year decline in net operating income in any year since 2000. Green Street viewed manufactured home communities as offering the most favorable return profile among all property sectors (including apartments, office buildings, retail, hotels, industrial, and self-storage).<sup>26</sup>

Mobile Home University (MHU) runs a boot camp where it teaches prospective manufactured home community investors about how to best extract profits. MHU co-owner Frank Rolfe said that "One of the big drivers to making money is the ability to increase the rent. If we didn't have them hostage, if they weren't stuck in those homes in the mobile home lots, it would be a whole different picture."<sup>27</sup>

For instance, after the Carlyle Group bought the Sierra Royal Mobile Park in Nevada, one resident reported that the private equity firm raised her lot rent from \$685/mo to \$1,010/mo.<sup>28</sup>

Rolfe likened a manufactured home park to "a Waffle House where everyone is chained to the booths,"<sup>29</sup> emphasizing how residents have few options but to pay rent increases. Rolfe noted that tenants are more likely to put in a few more hours at their low-paying jobs than find the \$3,000-\$5,000 it takes to move a mobile home.<sup>30</sup>

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<sup>26</sup> William P. Stalter, IV to PSERS Investment Committee. 2018. "PSERS Yes Holdings LP." pg. 4, <https://www.psers.pa.gov/About/Board/Resolutions/Documents/2018/res01.pdf>.

<sup>27</sup> "Mobile Homes: Last Week Tonight with John Oliver," HBO, Apr 7, 2019. <https://www.youtube.com/watch?v=jCC8fPQOaxU>.

<sup>28</sup> Lyle, Michael. "We Are in Dire Need": Mobile Home Park Residents Urge Nevada Lawmakers to Stabilize Rents, Reno Gazette Journal, 28 Mar. 2023, [www.rgj.com/story/news/politics/2023/03/28/housing-crisis-rent-prices-costs-mobile-homes-landlords-reno-sparks/70056767007/](http://www.rgj.com/story/news/politics/2023/03/28/housing-crisis-rent-prices-costs-mobile-homes-landlords-reno-sparks/70056767007/).

<sup>29</sup> Locker, Melissa. John Oliver and Janet From The Good Place Warn About Mobile Homes on Last Week Tonight, Time, 8 Apr. 2019, [time.com/5565832/john-oliver-mobile-homes-last-week-tonight/](http://time.com/5565832/john-oliver-mobile-homes-last-week-tonight/).

<sup>30</sup> Neate, Rupert. Trailer Park King Sued by Residents in Texas for Raising Rents, The Guardian, 11 May 2015, [www.theguardian.com/us-news/2015/may/11/trailer-park-king-sued-by-residents-in-texas-for-raising-rents](http://www.theguardian.com/us-news/2015/may/11/trailer-park-king-sued-by-residents-in-texas-for-raising-rents)

## The Enterprises Play a Central Role in Financing Private Equity Acquisitions

Private equity firms have been aided in their acquisitions of manufactured home parks by the U.S. Government sponsored lenders Fannie Mae and Freddie Mac. Almost half (49%) of the private equity-owned parks identified in our Manufactured Housing Tracker<sup>31</sup> were financed by the Enterprises.<sup>32</sup> In contrast, the Enterprises financed just 9% of all the manufactured home parks in the U.S.<sup>33</sup>

According to Fannie Mae, it invests in manufactured housing loans “to serve its mission of expanding affordable housing.”<sup>34</sup> Freddie Mac states that manufactured housing “just might be the critical source of affordable housing the industry needs.”<sup>35</sup>

Unfortunately, rather than preserving affordable housing, the Enterprises have inadvertently fueled mobile home park acquisitions by private equity firms that have raised rents and fees. For instance, in 2016, Fannie Mae financed a \$1 billion loan to Yes! Communities that was backed by 120 manufactured home parks with over 29,000 lots in 13 states.<sup>36</sup>

## Problems at Private Equity-owned Manufactured Home Parks

### Yes! Communities

The ABC affiliate in Central Florida reported about tenants at a Yes! Communities park in Gainesville who were “in an uproar over living conditions.” According to the report, residents

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<sup>31</sup> PESP Private Equity Manufactured Housing Tracker, Private Equity Stakeholder Project, 26 June 2024, [pestakeholder.org/pestp-private-equity-manufactured-housing-tracker/#mobility](https://pestakeholder.org/pestp-private-equity-manufactured-housing-tracker/#mobility).

<sup>32</sup> Data compiled by University Neighborhood Housing Program and Local Initiatives Support Corporation’s Community Power Initiative, on behalf of the Tenant Union Federation.

<sup>33</sup> Further HUD Action Is Needed to Increase Available Loan Products , pg. 46, Government Accountability Office, Sept. 2023, [www.gao.gov/assets/gao-23-105615.pdf](https://www.gao.gov/assets/gao-23-105615.pdf). There are approximately 51,000 manufactured home parks in the U.S. From 2008 to 2022, Fannie Mae and Freddie Mac financed 4,813 loans to manufactured home park owners.

<sup>34</sup> Manufactured Housing Product Matrix, Fannie Mae, [singlefamily.fanniemae.com/originating-underwriting/mortgage-products/manufactured-housing-product-matrix#:~:text=Fannie%20Mae%20invests%20in%20manufactured,high%2Dcost%20and%20rural%20areas](https://singlefamily.fanniemae.com/originating-underwriting/mortgage-products/manufactured-housing-product-matrix#:~:text=Fannie%20Mae%20invests%20in%20manufactured,high%2Dcost%20and%20rural%20areas). Accessed 12 Aug. 2024.

<sup>35</sup> Manufactured Housing, Freddie Mac, [sf.freddiemac.com/working-with-us/affordable-lending/duty-to-serve/manufactured-housing](https://sf.freddiemac.com/working-with-us/affordable-lending/duty-to-serve/manufactured-housing). Accessed 12 Aug. 2024.

<sup>36</sup> Fannie Mae Finances Its Largest Manufactured Housing Deal and Supports 29,000 Families, Fannie Mae, 17 Aug. 2016, [www.fanniemae.com/newsroom/fannie-mae-news/fannie-mae-finances-its-largest-manufactured-housing-deal-and-supports-29000-families](https://www.fanniemae.com/newsroom/fannie-mae-news/fannie-mae-finances-its-largest-manufactured-housing-deal-and-supports-29000-families).



“said they informed management about mold, roaches, and security deposits not being returned in a timely manner.” One renter recounted the problems that she faced after she complained to management about a crack in her bathtub. They removed the bathtub and found mold and mildew in the walls. According to the tenant, Yes! Communities said “they were going to gut the entire bathroom and redo it along with the walls,” but instead they just painted over the mold. Another tenant said that he had been waiting a year for an exterminator.<sup>37</sup>

### Havenpark

A 2021 Capitol News Service article detailed what happened following Havenpark’s acquisition of a number of parks.<sup>38</sup>

- Havenpark hiked the rent and charged new fees, increasing the cost to residents by 40%, at the Swartz Creek park in Michigan.
- Havenpark immediately announced rent increases up to 60% after buying the Golfview Mobile Home Court in Iowa. One resident’s costs increased from \$283/month to \$500 due to higher rent and utility charges.
- After Havenpark bought Midwest Country Estates in Iowa, Havenpark refused to renew the lot rental agreement of a woman on disability without giving her a reason for the eviction. She had no choice but to move out and had to quickly find a buyer for her mobile home and had to sell it for less than half its value.

### Riverstone Communities

Residents of Riverstone Communities’ Oak Grove Mobile Home Park in Boulder, CO went without water for a week after a main break. State law requires manufactured home park owners to provide adequate water within 12 hours of service interruptions. Riverstone provided residents 8 oz water bottles, about which a representative of the county’s department of health said, “That would not meet my definition of adequate.” Several days later, Riverstone finally provided a water tanker to service the 275 homes in the park. However, city council members criticized Riverstone for failing to provide “a method and means of transporting water to individual

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<sup>37</sup> Parish, Tatiana. Residents Upset with Yes! Communities Property Management, WCJB, 26 July 2022, [www.wcjb.com/2022/07/16/residents-upset-with-yes-communities-property-management/](http://www.wcjb.com/2022/07/16/residents-upset-with-yes-communities-property-management/).

<sup>38</sup> Schorchit, Nicolle, et al. “Wall Street Investors Pricing Americans out of Last Bastion of Affordable Housing.” Nowhere to Go, University of Maryland, Howard Center for Investigative Journalism, 18 Jan. 2021, [homeless.cnsmaryland.org/2021/01/17/wall-street-investors-pricing-americans-out-of-last-bastion-of-affordable-housing/](http://homeless.cnsmaryland.org/2021/01/17/wall-street-investors-pricing-americans-out-of-last-bastion-of-affordable-housing/).



homes.” Instead, residents had to use their own containers and struggled to tote heavy buckets across the park. This was the fourth main break at the park since Riverstone had acquired it.<sup>39</sup>

In 2024, Riverstone Communities agreed to a \$1 million settlement with residents of its Indian Creek Mobile Home Park in Garner, NC who brought a class action lawsuit about the company’s “rent-to-own” scheme. The lawsuit alleged that Riverstone treated the residents as owners when it came to Riverstone’s obligation to make repairs but as tenants when it came to evicting tenants “without providing proper notice or other protections afforded by law.”<sup>40</sup>

#### Hometown America

Hometown America agreed to a \$500,000 settlement in 2021 of a class action lawsuit brought by residents of the Oakhill Mobile Park in Attleboro, MA for allegedly failing to provide adequate storm drainage and failing to maintain driveways and walkways.<sup>41</sup> Hometown America admitted no wrongdoing in the settlement.

#### Horizon Land Management

The Washington Post reported in 2021 that Horizon Land Management allegedly charged residents a higher rate for water and sewage than what they would have been charged directly by the county. Residents also alleged that Horizon did not fix leaky underground pipes, which resulted in higher charges to them. Residents said that when they complained, they were threatened with eviction. Residents said that before Horizon bought the park, the cost of water and sewage was included in the monthly rent. However, under Horizon’s ownership, one resident reported being charged amounts for water and sewer as high as \$790 one month.<sup>42</sup>

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<sup>39</sup> Castle, Shay. “Critical Council Pushes for Resident Reimbursement in Boulder Mobile Home Park Water Crisis.” Boulder Beat, 13 Feb. 2019, [boulderbeat.news/2019/02/13/boulder-mobile-home-park-water-crisis/](https://boulderbeat.news/2019/02/13/boulder-mobile-home-park-water-crisis/).

<sup>40</sup> Childress, Greg. “Garner Mobile Home Park Residents Reach Settlement with Property Owner.” NC Newsline, 15 Mar. 2024, [ncnewsline.com/briefs/garner-mobile-home-park-residents-reach-settlement-with-property-owner/](https://ncnewsline.com/briefs/garner-mobile-home-park-residents-reach-settlement-with-property-owner/).

<sup>41</sup> Linton, David. “\$500,000 Settlement Reached between Tenants, Owner of Attleboro Mobile Home Park.” The Sun Chronicle, 14 May 2021, [www.thesunchronicle.com/news/local\\_news/500-000-settlement-reached-between-tenants-owner-of-attleboro-mobile-home-park/article\\_35cbd0a4-936a-5ee6-a81e-ad84ba95a568.html](https://www.thesunchronicle.com/news/local_news/500-000-settlement-reached-between-tenants-owner-of-attleboro-mobile-home-park/article_35cbd0a4-936a-5ee6-a81e-ad84ba95a568.html).

<sup>42</sup> Asbury, Nicole. These Tenants Say Their Landlord Overcharges Them for Water. So They Use Rainwater Instead., The Washington Post, 27 July 2021, [www.washingtonpost.com/dc-md-va/2021/07/27/these-tenants-say-their-landlord-overcharges-them-water-so-they-use-rainwater-instead/](https://www.washingtonpost.com/dc-md-va/2021/07/27/these-tenants-say-their-landlord-overcharges-them-water-so-they-use-rainwater-instead/).

### Homes of America

After Homes of America purchased the Six-O-Five park in Virginia, it raised the lot rent 40% from \$445 to \$625 and added fees for water and sewer service. The Richmond Times-Dispatch reported about the difficulty that this caused for the low-income residents relying on social security or disability. One resident said that after paying the higher rent and fees, “that leaves me \$13 a month to live on.” “We are people (and) we want to be treated as such,” the tenant said.<sup>43</sup>

The Osceola News-Gazette reported on problems at Homes of America’s Lake Runnymede Mobile Home Park in Florida, noting that “sharp spikes in monthly rents have gone together with unusable amenities, unprotected areas, withheld lot titles, and poor water conditions that still persisted despite the rent increases.” One tenant said he didn’t have running water for days. A state representative who visited the park said, “There were glasses of water that looked like iced tea. You can’t increase lot rents and keep putting people at risk at the same time. This neighborhood breaks my heart.”<sup>44</sup>

### **Support for the Enterprises’ 2025 – 2027 Plans for Manufactured Homes**

Given the issues we have identified with private equity’s growing foothold in manufactured housing communities, PESP supports the Enterprises’ proposed DTS 2025-2027 activities and objectives. We believe that the plans address some of the most relevant obstacles to residents in manufactured homes. Specifically, we view the following objectives as promising solutions for housing stability:

#### Fannie Mae

- Acquiring PMM loans secured by MHRP;
- Expanding adoption of conventional financing for manufactured homes by addressing risks of manufactured housing (MH) lending through product and process development;

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<sup>43</sup> Martz, Michael. With Rents Rising, Mobile Home Residents Have “Nowhere to Go,” Richmond Times-Dispatch, 26 May 2023, [richmond.com/news/state-regional/government-politics/with-rents-rising-mobile-home-residents-have-nowhere-to-go/article\\_477178b6-f9a7-11ed-841a-4b456a416c9d.html](https://richmond.com/news/state-regional/government-politics/with-rents-rising-mobile-home-residents-have-nowhere-to-go/article_477178b6-f9a7-11ed-841a-4b456a416c9d.html).

<sup>44</sup> Henry, Ming. Stark’s Bill May Help Mobile Home Residents Get Answers, Osceola News Gazette, 18 Jan. 2024, [www.aroundosceola.com/news/starks-bill-may-help-mobile-home-residents-get-answers](https://www.aroundosceola.com/news/starks-bill-may-help-mobile-home-residents-get-answers).

- Promoting resident stability and improved loan performance through the development of a community of practice focused on secure tenancy in Manufactured Housing Communities (MHCs);
- Pursuing policy and industry engagement tactics that reduce the costs of MH homeownership and increase value to the consumer;
- Increasing purchases of loans on MHCs owned by government entities, nonprofit organizations, or residents;
- Financing MHCs incorporating Tenant Site Lease Protections (TSLPs); and
- Increasing the purchase of MHC loans with affordability created by rent restrictions.

#### Freddie Mac

- Purchasing single-family loans secured by manufactured housing titled as real property;
- Conducting outreach to support Resident-Owned, Non-Profit Owned and Government Instrumentality-Owned MHC loans;
- Purchasing loans that institute Duty to Serve Tenant Pad Lease Protections; and
- Preserving Manufactured Housing Community affordability through loan terms.

Additionally, the Enterprises can further protect its mandate to serve underserved communities from predatory investors by requiring all purchasers to commit to the following as a condition for their financing:

(1) Agree to preserve affordability with gradual rent increases and prohibit unfair lease terms like rent to own contracts and excessive fees;

(2) Agree to maintain safety and habitability of properties with regular property maintenance and responsiveness to residents; and

(3) Make it easier both for individual households to purchase a manufactured home and for residents to buy their park.

PRIVATE EQUITY  
STAKEHOLDER  
PROJECT

Thank you again for the opportunity to write in support of the Enterprises 2025 – 2027 DTS Plans. The objectives and activities contemplated in the DTS Plans constitute an important step in protecting vulnerable residents of manufactured housing communities. If you have any questions related to our comment letter, please contact PESP's Policy Director, Chris Noble, at [chris.noble@pestakeholder.org](mailto:chris.noble@pestakeholder.org).

Best,

A handwritten signature in black ink, appearing to read "C. Noble". The signature is fluid and cursive, with a period following the first name.

Chris Noble, Esq.  
Policy Director  
Private Equity Stakeholder Project