Good afternoon and thank you for the opportunity to speak today. My name is Adam Cook and I am President and a Principal of Commonwealth Real Estate Services. We are a 3rd party fee management company as well as owner and operator of manufactured housing communities in Oregon, Washington, and Idaho. We are very familiar with the regulatory environments in these states, which are very favorable to tenants.

With all due respect to a prior speaker, our communities are affordable for residents because they do not have to buy the land or take any of the financial risk associated with land ownership. Typically, our tenants are hard working families or retirees who either do not have the resources to buy land or have chosen to devote their capital to other needs or uses. This does not mean their housing choice is holding them back.

We call your attention to and incorporate by reference previous comments we submitted to FHFA dated July 15, 2021 in connection with a prior request for comments on the tenant protections.

Today my comments will focus on three of the tenant protections that simply put, constitute very bad policy and are harmful to the future viability of our affordable housing communities. These protections are a disincentive to seeking GSE financing.

**Tenant protection number 4 – Tenant has the right to sell the home without first having to relocate it out of the community.** This is a very poor policy that does not take into consideration age, quality, condition, compliance and health and safety factors related to the home. In general, homes are sold in place in our communities in brokered transactions just like any other single family home and this right is protected by state law. However, state law also recognizes that many homes in our communities today were constructed before 1976 , are ”pre-HUD” and not built to today’s standards. These homes are old and obsolete, may be in poor condition and may not meet health and safety standards. While these homes have served their owners well for close to 50 years, at this time it may no longer be in anyone’s interest for the home to be sold. In many instances it

should be removed from the community and replaced with a new HUD code home. Providing a tenant the absolute right to sell a home in place without consideration of these concerns does not benefit anyone, especially the incoming buyer.

**Tenant protection number 7– the right to sell the home in place within a reasonable time after eviction.** This is a very poor policy that does not take into account the expensive, time-consuming, legal process that a landlord must go through to obtain eviction and the many notices, rights and time that the defaulting tenant has pre-eviction to protect its rights by either curing the default or by selling the home. This Tenant Protection also conflicts with state law which typically terminates a tenant's access to the property upon eviction. The TLP does not require the tenant to pay the judgment amount or to pay for this access. It does not define the tenant's legal status during this "reasonable time" (which would be a matter of state law anyway) and it likely will negate the landlord's eviction order, requiring the landlord to go through the expensive process again if the tenant does not sell the home and leave.

**Tenant protection number 5 – the right to sublease or assign the pad lease for the unexpired term to the new buyer without unreasonable restraint.** Again, this is a very poor policy for the following reasons: (a) home ownership and occupancy have historically been tied to higher quality properties with pride of ownership and stronger cash flow (in other words - better collateral value) and (b) home buyers are offered new leases – there is no reason to sublease or assume the remaining lease term in order to facilitate sales. It should also be noted that the GSEs limit the rental of park owned homes by the landlord, but allow 100% of homeowners in the community to sublease. This makes little sense and serves no purpose. Further, it contradicts lease protection number one which requires all tenants to have a 1 year renewable lease.

Certain of the tenant protections are best practices – notice of rent increases, right to cure defaults, right to post for-sale signs. They are also covered by state law.

Finally, applying the TLPs to renters also creates unnecessary overlap and potential for conflict and confusion with state law. Renters do not have the same interests as homeowners. This is a poor policy to impose on our communities

We believe that tenant protections are a matter of state law; that our industry is highly regulated at the state level and that the tenant protections required by the GSEs not only implement policies that are detrimental to the future of affordable housing provided by our communities, but are also confusing for tenants, contradict state law, and create a level of operational and legal risk for borrowers that is unwarranted.

We respectfully suggest that the FHFA abandon the one-size fits all approach to tenant protections and do a more thorough study of the rights afforded by state law.

Thank you very much for this opportunity to share my thoughts and for your time.