



April 17, 2013

Senator Ginny Burdick, Co-Chair
Representative Phil Barnhart, Co-Chair
Joint Committee on Tax Credits
900 Court St. NE
Salem, Oregon 97301

Dear Co-Chair Burdick, Co-Chair Barnhart and members of the Committee:

HB 2446 would extend the current capital gains tax exemption on the sale of manufactured home parks by park owners to their residents or to nonprofits or housing authorities. The bill would extend the sunset from 2014 through 2020. The tax exemption is an important tool for preserving affordable park communities because it encourages park landlords, if they wish to sell their parks, to sell to qualified entities that wish to preserve the park for its current residents and limit future rent increases.

The Network for Oregon Affordable Housing (NOAH) strongly supports HB 2446. For more than 20 years NOAH has provided financing for new and existing affordable multifamily rental housing here in Oregon. We are committed to protecting and preserving Oregon's existing affordable housing and since 2009, we have provided financing for Manufactured Home Park acquisitions by the community's residents.

Manufactured homes have traditionally provided some of Oregon's most affordable homeownership opportunities and are a critical source of affordable housing for homeowners with lower incomes. There are an estimated 63,133 home spaces located in 1,106 manufactured home communities in Oregon. 54% of the residents are 55 years of age or older and 66% have a household income of less than \$30,000 per year. 14% have incomes under \$14,000 per year.

Over 80% of the manufactured homes on rented land are owner-occupied. These homeowners lease space in a manufactured home community but do not own the land on which their homes sit. Often, residents' homes cannot be moved. If a home can be moved to another park, it is only at great expense. When a park is sold, but not closed, long-term residents often face significant rent increases they cannot afford.

HB 2446 will facilitate the purchase of these residential facilities by the residents or by other qualified purchasers and will help preserve this critical source of affordable housing. Encouraging resident and non-profit ownership of manufactured home parks improves neighborhoods and brings greater stability and security for families and the community.

HB 2446 is supported by the Oregon Manufactured Housing Landlord Tenant Association as well as the Oregon Housing Alliance. I hope you will join me in supporting HB 2446.

Sincerely,

A handwritten signature in black ink, appearing to read "William VanVliet".

William VanVliet, Executive Director
Network for Oregon Affordable Housing

Joint Committee on Tax Credits

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