

# HB 2008: MANUFACTURED HOUSING

Prepared by the Office of Representative Julie Fahey · 5/9/2017

## BACKGROUND

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**Manufactured (or “mobile”) home parks are a cost-effective source of affordable housing.**

Typically, park residents own their homes and rent the land where they are sited. In 2015, the average cost for a new single-wide mobile home in Oregon was \$50,200 (\$83,600 for a double-wide).<sup>1</sup>

**Many park residents are low-income families or seniors on fixed incomes.** The average income for a manufactured home resident, nationally, is \$2,000 per month.<sup>2</sup>

There are 140,000 manufactured homes in Oregon. 62,000 are sited in one of over 1,000 parks registered in the state. The counties with the most parks are Lane (110), Jackson (103), and Clackamas (101).

Despite their name, “mobile” homes are not very mobile. It can cost \$5,000 to \$20,000 to move a unit, and often a unit’s age or condition make moving impossible. So, park residents have even fewer relocation options than other tenants, and **the manufactured home space rent market is not a true free market.**

In the event of a park closure, park owners must pay tenants a fixed amount to offset some of their relocation expenses, but these amounts have never been updated to reflect inflation.

The Manufactured Communities Resource Center (MCRC), under Oregon Housing & Community Services, is responsible for helping tenants of manufactured homes understand their rights under Oregon law. MCRC currently has **a dispute resolution service to mediate conflicts between landlords and tenants.** MCRC also registers parks yearly and maintains a directory of all parks in the state.

## HB 2008-A

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This bill was modified substantially from its original form through its -5 amendment. The A-Engrossed version passed by the House would:

1. **Update the required relocation payments to tenants when a park closes** from \$5k/\$7k/\$9k to \$6k/\$8k/\$10k for single/double/triple-wide homes, respectively. These amounts will be adjusted for inflation going forward. (Sections 1 & 2)
2. **Require park owners, upon sale, to notify the Manufactured Communities Resource Center (MCRC)** of the date of sale, price, purchaser, and number of vacant spaces in the park. (Sections 5 & 8)
3. Make a small change to co-op membership requirements, which would **allow a manufactured park non-profit co-op to better take advantage of a federal Rural Development program** that funds purchases of homes. (Sections 6 & 7)

According to the Legislative Fiscal Office, this measure, as amended, will have a **minimal fiscal impact.**

House Bill 2008 passed the House 54-6 with bipartisan support, and it is supported by representatives of both sides of the Manufactured Housing Landlord-Tenant Coalition.

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<sup>1</sup> “Average Sale Price of New Manufactured Homes Placed by Size of Home by State,” U.S. Census Bureau.

<sup>2</sup> “Manufactured Housing Consumer Finance in the United States,” Consumer Financial Protection Bureau, published September 2014.