

Our 1st Resident-Owned Manufactured Housing Co-op Conversion in Oregon, Horizon Homeowners Cooperative McMinnville (2008)



Manufactured Housing Cooperatives – Resident Owned Community

- In a resident-owned community, homeowners form a non-profit business called a cooperative. Each household is a Member of the cooperative, which owns the land and manages the business that is the community. Members continue to own their own homes individually and an equal share of the land beneath the entire neighborhood.
- CASA of Oregon's Manufactured Housing Cooperative Development Center (MHCDC) is one of twelve Certified Technical Assistance Providers (CTAPs) under the national [ROC USA™](#) network.
- As a member of the ROC USA network, CASA of Oregon delivers pre- and post-purchase technical assistance and helps manufactured homeowners secure the financing needed to buy their communities and shape their economic futures through resident ownership.
- Participation in this network gives CASA of Oregon access to financial products, technical assistance trainings, and resources developed by experts from ROC USA.



Our Vision

Manufactured housing park residents achieve *long-term social and economic security* through the creation of a resident-owned communities (ROCs).

“It feels great to be able to walk on this ground and say ‘this is mine, it’s mine for the rest of my life.’” - Elias Montemajor, Horizon Homeowners Cooperative

“It's an incredible peace of mind to know we will be able to stay here long-term.” – Shawn King, Rimrock Court Cooperative



Homes & Communities Preserved

Since 2008, CASA has preserved housing affordability for **21** communities, representing **1400+** households, by converting to a limited equity, cooperative resident-ownership model.



The ROC Cooperative Model

- Residents form the cooperative
- Membership is limited to park residents - one membership per household – Cost to join is generally around \$100.
- Members must own, not rent, their homes
- Members control the monthly rent
- Members share equally in the decision-making
- The park is owned *collectively* by the cooperative
- The cooperative holds the mortgage and is responsible for paying debt service and operating expenses
- The elected Board of Directors manages the day-to-day operations of the cooperative



Benefits to Homeowners

- Long-term security & stabilized lot rents (current range is \$275-\$805 a month)
- Wealth-building through homeownership and asset appreciation
- Democratic control of park operations, community rules and park maintenance
- Health and safety improvements to park infrastructure
- Civic engagement through voting & volunteering
- Leadership skills development



NETWORK AFFILIATE NATIONAL SNAPSHOT

- 292 resident-owned cooperatives formed under the ROC USA model since 1984
- 20,154 households preserved as affordable
- Twelve certified technical assistance providers nationwide
- No defaults at any of the resident-owned cooperatives in over 38 years



What Makes The Co-op Sustainable?

- CASA provides ongoing technical assistance for the life of the loan tailored to the needs of the co-op
- Healthy operating and replacement reserves
- Short & long term capital improvement planning
- Leadership & business development training
- Historically low vacancy rates in coops
- Direct participation by members
- Stability of land and space rents



Financing Needed

- Pre-development loans – up to \$300,000
- Lower interest permanent loans with and without tax credit subsidies
 - First and second position financing
 - Covers infrastructure improvements
- State, city or county grants to help with debt reduction
- Park space lot revenue for ongoing operations (usually requires a rent increase).



Recent Park Conversion Closed April, 2022

Rimrock Court Cooperative

- Located in Madras, OR
- 38 space community
- Over 84% at or below 80% AMI
- Almost 42% at or below 50% AMI
- Residents include, disabled, seniors, People of color, single parents, working families
- Water/Sewer lines need complete replacement
- Sales price \$2,550,000 (first w/bridge loan – needs permanent loan)
- Total Development Cost \$4,769,457



Rimrock Court Cooperative

Perm. Funding Sources and Uses

Sources	Amount	Int. Rate	Term
OHCS – GAP & Other Grant	\$2,500,000.	grant	GAP Grant/DEQ Grant
NOAH (OAHTC -reduces interest rate by 4%)	\$1,615,000.	1 – 2 %	30 yr. Amort due in 20 yrs.
CASA of Oregon	\$ 654,457.	5.00%	30 yr. Amort due in 20 yrs.

Uses	Amount	Description
Acquisition	\$2,550,000.	Purchase Price + soft costs
Construction	\$1,594,000.	Needs new water & sewer lines
Reserves	\$ 135,000.	Operating/ Debt Service, Business start up + \$490K in soft costs