



Legal Services Advocacy Project

March 9, 2026

The Honorable Michael Howard  
Co-Chair, Housing Finance and Policy Committee  
Minnesota House of Representatives  
5<sup>th</sup> Floor, Centennial Office Building  
St. Paul, MN 55155

The Honorable Spencer Igo  
Co-Chair, Housing Finance and Policy Committee  
Minnesota House of Representatives  
2<sup>nd</sup> Floor, Centennial Office Building  
St. Paul, MN 55155

Re: HF 2381

Dear Co-Chairs Howard and Igo, and Members of the Housing Finance and Policy Committee:

The Legal Services Advocacy Project (LSAP) writes in support of HF 2381. LSAP provides policy, legislative, and administrative advocacy on behalf of Legal Aid statewide. Legal Aid's clients

HF 2381 adds a number of protections that are sorely needed by residents of manufactured home parks, many of whom are Legal Aid clients. In particular, I would like to highlight three important advancements that are contained in this bill. First, HF 2381 provides that late fees cannot exceed 8% of the delinquent rent. This provision puts manufactured home parks on the same footing as rental units governed under Chapter 504B. This reasonable limit on late fees was enacted for rental units in 2010. It is long past time that manufactured home park residents receive the parity.

Second, HF 2381 restores the requirement that rents must be reasonable. That common sense standard was, absurdly, eliminated by a dubious court decision in which the requirement under section 327C.02 that excepted "reasonable rent increases" from being unlawful as a "substantial modification" of the lease was simply read out of the law through extraordinarily tortured reasoning.<sup>1</sup> HF 2381 sensibly restores fairness in this area.

Third, HF 2381 addresses the increasingly problematic use of "portals" (online, electronic payment and communication systems) by residents. The use of these portals is required and often the only way pay rent, request repairs, or communicate with the park owner. Like all technology, it doesn't always work. And when they don't work the resident can't do any of these things. HF 2381 wisely provides that when the technology fails, the park owner must provide an alternative and cannot take an adverse action because the system is down.

In sum, HF 2381 provides much needed protections for manufactured home park residents. LSAP urges the committee to pass HF 2381.

Sincerely,

Supervising Attorney

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<sup>1</sup> See Skylines Vill. Park Ass'n v. Skylines Vill. L.P., 786 N.W.2d 304 (Minn. Ct. App. 2010).



**Housing Justice Center**  
Dedicated to expanding  
and preserving the supply  
of affordable housing in  
Minnesota and nationwide.

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March 10, 2026

Representative Spencer Igo, Co-Chair  
Representative Michael Howard, Co-Chair  
Minnesota House Housing Finance and Policy Committee  
Capitol G3  
5 Rev Dr. Martin Luther King Jr. Blvd.,  
St. Paul, MN 55155

Re: Housing Justice Center Support of H.F. 2381

Dear Chair Igo, Chair Howard, and Members of the House Housing Finance and Policy Committee:

My name is Shana Tomenes, and I am an attorney at the Housing Justice Center (HJC). My primary area of practice is within manufactured home communities, where I respond to homeowner inquiries, provide legal education, and represent homeowners in individual and class action cases. But beyond my legal work, I also write to you as someone with personal experience—I have lived in a manufactured home, my husband grew up in a manufactured home community, and I have family members who are manufactured homeowners today.

I urge your strong support for House File 2381, which protects homeowners from exploitation and preserves manufactured housing as one of the few remaining paths to affordable homeownership. While HJC supports the entire bill, I want to highlight three especially critical provisions: requiring that lot rent increases be reasonable, the resident opportunity to purchase, and enforcement.

Manufactured homeowners own their homes but rent the land beneath them. Unlike renters in traditional housing, they pay most of the costs associated with homeownership—including home maintenance, lawn care, utilities, and property taxes. Functionally, they are more like homeowners than tenants. Lot rent largely covers the land itself and limited shared infrastructure or amenities.

Because of this structure, rent increases in manufactured home parks are fundamentally different from rent increases in traditional rental housing. The vast majority of the costs associated with the home are already borne by the homeowner, not the park owner. As a result, large rent increases are often untethered from the actual costs of operating the park. Manufactured home parks are widely recognized as stable businesses with relatively predictable expenses.

Yet homeowners who have invested their life savings into their homes are often trapped. Manufactured homes are extremely expensive to move and, in many cases, cannot be moved at all. Unlike renters, when lot rent skyrockets in manufactured home communities, homeowners can't simply move—they either pay or risk losing the largest asset they own.

Over the past several years, large out-of-state private equity firms and corporate investors have rapidly acquired Minnesota's manufactured home parks. Their business model is simple: buy parks, raise rents aggressively, cut maintenance, and extract as much profit as possible from homeowners who cannot easily leave.

These rent increases are often part of a larger speculative cycle. Investors buy parks and raise rents to inflate revenue, then sell the property at a higher price to another corporate buyer. The new owner then points to that inflated purchase price to justify even higher rents. Meanwhile, homeowners are notified only after the sale has happened and have no meaningful opportunity to keep their communities stable.

I see the consequences of this model every day in my work. In the past four years, every manufactured home park case I have worked on has involved a corporate or out-of-state park owner. These cases consistently involve the same pattern—rapid rent increases, declining conditions, and homeowners who feel trapped in communities they once believed would provide stable, affordable housing.

House File 2381 begins to break this cycle. By ensuring that rent increases remain reasonable and by giving residents the opportunity to purchase their communities before they are sold to corporate investors, this legislation would provide real protections for homeowners who have invested their lives and savings into these communities.

A necessary ingredient to making these critical protections effective is meaningful enforcement. The enforcement provisions in House File 2381 ensure that manufactured home residents have a straightforward path to justice and will be made whole if their rights are violated. Providing for costs and attorneys fees is especially key, as without this provision, the expense of enforcing their rights through court would be cost prohibitive to most manufactured home residents. It also serves as a deterrent against would-be bad actors. In my six years of housing practice, I have noticed that laws without enforcement mechanisms are treated as merely suggestions by out-of-state owners.

Manufactured housing is one of the most important sources of naturally occurring affordable homeownership in Minnesota. Without action, these communities will continue to be targeted by corporate investors seeking to extract profit from the very families who can least afford it.

I urge you to stand with Minnesota homeowners and support House File 2381.

Sincerely,



Director of Manufactured Housing Policy &  
Housing Justice Litigator  
Housing Justice Center  
[stomenes@hjcmmn.org](mailto:stomenes@hjcmmn.org)

March 10, 2026

Chair Howard, Chair Igo, and members of the House Housing Finance and Policy Committee:

Thank you for the opportunity to submit testimony on HF 2381.

Minnesota Realtors® (MNR) was founded in 1919 and is a business trade association with more than 21,500 members statewide working with buyers and sellers of all types of property and at all price points.

In recent years, Minnesota homebuyers and homeowners have faced increasing financial pressure due to rising housing costs, property taxes, and insurance. MNR recognizes that this bill seeks to help owners of some of the most affordable homes.

We support the goal of ensuring stable and affordable housing for all Minnesotans. However, we respectfully oppose the provisions in Section 8--establishing rent control in manufactured home parks--and Section 10--creating a new park resident opportunity to purchase requirement on the sale of all manufactured home parks.

While these ideas are well intentioned, we believe they could ultimately hurt availability, investment, and maintenance in manufactured home parks over time.

The rent control policy in Section 8 limits property owners' ability to reinvest in park infrastructure, discourages future development, and may prompt owners to sell their property for redevelopment to manage risk. While rent control might provide temporary relief, it could ultimately lower the quality, availability, and sustainability of one of Minnesota's most affordable housing options.

MNR also believes that the creation of a new "opportunity to purchase" requirement in Section 10 represents significant government overreach into the transfer of private property. HF 2381 delays the sale of park by a minimum of 60 days to allow park residents the opportunity to submit an offer for purchase of the park following the notice of sale. If an offer is submitted by, or on behalf of, park residents, and rejected, the park owner must wait an additional 15 days until they can sell to another buyer. This means a park owner may have to wait a total of 75 days to sell their property. Such policies not only delay transactions; they infringe on the owner's private property rights with respect to disposition.

While MNR has concerns with these provisions, we recognize the shared objective of housing stability and affordability. We would instead encourage consideration of

incentive-based approaches that could achieve positive outcomes without burdensome regulations. Such incentives could include:

- Tax credit for park owners who voluntarily sell to residents, a co-op, or a housing non-profit.
- Infrastructure grants for park owners that establish long-term affordability covenants.
- Leverage a revolving loan fund to assist park residents to organize and purchase their community.

Again, thank you for the opportunity to submit testimony on HF 2381 and we welcome the opportunity to work with the bill author and members of this committee on these issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Spellman". The signature is fluid and cursive, with the first name "Matt" and last name "Spellman" clearly distinguishable.

Matt Spellman  
Senior Director of Advocacy  
Minnesota Realtors®



March 10th, 2026

To the Members of the House Housing Policy and Finance Committee

Equity in Place is a coalition centering the expertise and power of people of color to uproot policies that create racial inequity — and ensure our communities have choice, agency, and self-determination in where they live and what their neighborhoods look like. **HF 2381** is a critical piece of legislation that will bring more predictability and transparency to residents in manufactured housing communities. Manufactured Housing Communities are the largest non-subsidized housing option for working families to own their home while paying lot rent.

Yet, Minnesotans – citizens, refugees, and immigrants alike– have been experiencing difficulties getting groceries, paying bills, or opening their businesses as their lot rents have risen without any ability to have predictability or transparency in the increases of lot rent. Many BIPOC and working-class families in manufactured housing are active working and or are retired; these are communities that survive month to month on a tight fixed income to pay their bills, purchase food, and medicine for the month. In many cases, folks lack the funds for gasoline, utilities, and food for their pets and loved ones. This insecurity is what leads to many residents being issued eviction notices; many cannot safely get to eviction court or access homelessness prevention services due to their personal conditions or lack of transportation, and or lack of language assistance. An eviction record will follow a resident for 7 years, and comes with the potential of losing the trailer they own. This is why Residents need resources like those provided in **HF 2381**, which is dedicated to supporting Residents with predictability so that we can prioritize keeping our fellow neighbors safe and housed.

In addition to more predictability and transparency to how and when lot rent increases can occur, it is equally important that residents are offered a variety of ways to pay the lot rent. Requiring residents to pay through an online portal is inaccessible to the hundreds of residents who don't have a bank account and use cash or cashier's checks as their preferred method for payment. **We Support (HF 2185), please give families more predictability, consistency, and flexibility to navigate the options for form of payment for rent, and ensure families have ample time to remain housed and whole, and not be priced out of their communities.**

These necessary measures are just the beginning of the road to recovery for manufactured housing residents who have been at the forefront of private equity and large out-of-state conglomerates coming in and drastically shifting how folks live and interact in their communities and homes. Minnesotans who live in manufactured housing communities are working class, retired, and immigrants who are hard-working entrepreneurs and drivers of our economy. We want to ensure they can continue living in the neighborhoods they love and continue to make Minnesota the unique and beautiful place it is. We urge you to do everything in your power, as



our representatives, to make it possible for our families to stay in place and our communities to rebuild from the economic crisis many of our manufactured housing residents are experiencing.

Thank you,

Juan Luis Rivera-Reyes - Coalition Organizer at the Alliance for Metropolitan Stability

**Equity in Place Coalition Members:**

African Career Education and Resource (ACER)  
Alliance for Metropolitan Stability  
Ain Dah Yung Center  
Center for Urban and Regional Affairs, University of MN  
Community Stabilization Project  
COPAL  
Harrison Neighborhood Association  
HOME Line  
Hope Community  
Housing in Action  
Housing Justice Center  
Jewish Community Action  
Local Progress Minnesota  
Minnesota Consortium of Community Developers  
MN STEP (Standing Together to End Poverty)  
Native American Community Development Institute  
New American Development Center  
Powderhorn Park Neighborhood Association  
Pueblos de Lucha y Esperanza MN  
West Side Community Organization



March 9<sup>th</sup>, 2026

Co-Chair Michael Howard  
Co-Chair Spencer Igo  
75 Rev Dr Martin Luther King Jr Blvd., Room G3  
Saint Paul, MN 55155

Dear Chairs Howard, Igo and Members of the Committee,

The Minnesota Multi Housing Association (MHA) represents more than 2,300 members operating over 300,000 rental homes across Minnesota. While MHA does not directly represent manufactured housing communities, we care deeply about the overall health of Minnesota's housing market and the policies that affect housing supply and investment across all housing types. This is why we respectfully oppose HF 2381.

MHA has consistently opposed rent control policies because they create disincentives for both the construction of new housing and the continued investment in existing housing. While proposals to cap rent increases may be well-intentioned, experience across the country has shown that rent control policies often lead to reduced investment in housing and long-term challenges for housing availability and quality.

Manufactured home communities represent an important source of naturally occurring affordable housing for many Minnesotans. Policies that impose strict caps on rent increases risk discouraging investment in these communities and may make it more difficult for operators to maintain and improve properties over time. Over the long term, policies that limit reinvestment can ultimately undermine the affordability they are intended to preserve.

If the goal is to protect affordability for residents of manufactured home communities, policymakers should consider solutions that support both residents and the long-term sustainability of these properties. Policies that encourage continued investment, maintenance, and responsible management will better support stable and affordable housing opportunities for Minnesotans.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "Owen Neubauer", with a stylized flourish at the end.

Owen Neubauer  
Director of Public Policy  
Minnesota Multi Housing Association



## MANUFACTURED & MODULAR HOME ASSOCIATION OF MINNESOTA

*Opening doors to better living.*

March 10, 2026

### **RE: HF 2381**

Dear Co-Chairs Howard and Igo, and Members of the Housing Finance and Policy Committee;

On behalf of the 300 members of the Manufactured & Modular Home Association of Minnesota, thank you for the opportunity to offer written comments to HF 2381 with specific attention to the many manufactured housing policy provisions. In consideration of the magnitude of the adverse impact of the bill on and limited time to explain with in-person testimony, we are providing a more detailed analysis and background with this letter.

MMHA is celebrating its 75th anniversary as one of Minnesota's oldest trade associations and speaks for the nearly 900 privately owned manufactured home communities, along with 15 plants that build new manufactured and/or modular homes. Over 80 percent of all new manufactured homes sold in Minnesota are sited on real property with basements, foundations, and can be financed with conventional mortgages, in all cases are classified as single-family homes, and are virtually indistinguishable from their neighboring on-site constructed homes.

The bill is a solution in search of a problem, it eliminates fundamental property rights for circa 900 of Minnesota's largest providers of non-subsidized attainable workforce housing to accomplish what is already happening in the real estate market, under a 2024 statute, that secured mutual agreement from not only the advocates and the industry, but with bipartisan legislative support.

Minnesota's current statute has worked well in allowing the conversion of privately owned communities to cooperative ownership. In all these ownership conversions thus far, the residents worked with the community owner to negotiate a purchase price and successfully transfer of ownership. MMHA community members were some of the first to sell their properties to their residents for cooperative conversion under the existing statute. There is not an adversarial relationship in play. A willing seller and willing buyer is how the market works.

This bill repeals the 2004 compromise or agreement, Notice of Unsolicited Sale, MS§327C.095, and creates a far reaching, "right of first refusal," applicable to every sale of a manufactured home community, granting leaseholders and other non-vested organizations ownership rights, in violation of a property owner's constitutional right to transfer or sell their property. It gives leaseholders a statutory right to tie up the otherwise legitimate sale of a property.

Under the Notice of Unsolicited Sale statute, if a community owner receives an unsolicited bona fide offer to purchase the community that the community intends to consider or make a counteroffer to, they must mail a notice to the Minnesota Housing Finance Agency, by certified mail, and to each community resident household, by regular mail. The notice must indicate that the community owner has received an offer that it is considering, and it must disclose the price range and material terms and conditions upon which the owner would consider selling and then consider any offer made by a representative acting on behalf of residents or a nonprofit.

Then, the Minnesota Housing Finance Agency must, within five days of receipt of the notice, distribute a copy to any representative acting on behalf of residents and to any nonprofits that register with the agency to receive such notices.

The current Notice of Unsolicited Sale statute is a negotiated agreement that has been operational for only two years, MS§327C.097 Notice of Unsolicited Sale. It was lauded by the advocates and largest non-profit portfolio holder of communities, as a success story as recently as 2025, reported by "Finance and Commerce." The CEO of Co-North, or North Country Cooperative was quoted, "the new state law created an opportunity for NCF to connect with the seller and propose a sale to a resident-controlled cooperative."

Minnesota already provides residents of manufactured home communities opportunities and protections to purchase their community when it is offered for sale or sold for redevelopment, exceeding those in states such as Florida, Arizona, or California, all have far more community residents as a percentage of their overall populations.

Additionally, Minnesota currently requires a "Notice of Sale" (MS327C.096), to be provided by community owners if they are selling their community and/or advertising it for sale or listing with a real estate broker, by giving a written notice to all residents. The intent of the statute is to give residents or a resident organization the opportunity to make an offer to the owner of the community.

The State of Minnesota also extends a "right of first refusal," to residents of manufactured home communities if their community were to ever close or a change of use is proposed by the owner to a municipality.

- The bill takes away a fundamental real estate property right to grant a "first option to purchase" to a buyer, resulting in a significant loss of income.
- The bill takes away the property right of a community owner to bundle or package more than one property they may own when selling or receiving an unsolicited offer. They may have other entities that are a part of the package such as an adjacent mini-storage business, a sales center, or multi-family apartment buildings.
- The bill fails to address the common real estate sales process where there are multiple offers that are constantly changing during negotiations, forcing a community owner to notify hundreds of residents in the process every time an offer changes or a new buyer emerges.

- The bill provides no protection or recourse for a community who negotiates in good faith and rejects the non-profit's offer, that they will not face legal challenges alleging non-compliance with any of provisions in the bill, delaying the sale even further if not losing the sale.

In conclusion, relative to this provision, when the sale to the residents or cooperative falls through, the original buyer of the property will likely have moved on to other investment opportunities leaving the seller without a buyer. Once the owners of Minnesota communities determine that they have limited opportunities to sell, they are unlikely to invest in future improvements or upgrades, essentially starting a downward spiral of maintenance and quality of life for the residents by devaluing the property, helping the cooperative be able to acquire it at some later date at a fire sale price, and seek state funding to make improvements that could have been accomplished by the private owners.

**The bill also imposes statewide rent control** on Minnesota's largest source of non-subsidized attainable workforce housing, the nearly 900 privately owned manufactured home communities, and would severely limit their ability to cover costs and expenses for making upgrades and improvements to infrastructure, storm shelters, club houses, and other capital investments necessary to continue operating their communities.

The chilling effect rent control has on new development and expansion of affordable housing is not a hypothetical opposition argument, and best demonstrated by what happened following Minneapolis and St. Paul adopting rent control, resulting in private capital and affordable housing developers halting projects and fleeing to the suburbs and beyond. The difference between this bill and the Minneapolis/St. Paul rent control ordinances, the bill imposes statewide rent control on all existing affordable housing operators of manufactured home communities and developers, who instead of fleeing one city to another, will take their capital and exit to other states with functioning markets.

A few years ago, a similar rent control bill was heard before this committee and MMHA surveyed its community members regarding the impact of the bill becoming law, here's a sample and consistent theme from the respondents;

- We are a Minnesota company with two communities, and have approval to expand our Metro community by an additional 188 homesites on the nearly 60 acres we own adjacent to the community. We were approached by the city two years ago to bring more homesites to the city with an expansion. If the bill passes, the expansion will not happen as the numbers won't work with so much uncertainty and the uncharted business model that is not market based, making my business partners uncomfortable.
- We own a community in the South Metro and have approved plans to break ground this spring for an expansion of 110 homesites. If rent control becomes law, we will pause if not scuttle the expansion.
- We have approval and financing in place, and plan to break ground to build a new community in Greater Minnesota. This bill and its rent control provision will be a dealbreaker with our partners by adding an unknown factor of how we address and recover future costs and unanticipated expenses. If this kind of legislation keeps looming year after year, we will sell our community and stop making upgrades and recover losses with less maintenance and can guarantee there will always be an annual rent increase.

**The operation of a manufactured home land-lease community includes expenses that other forms of attainable housing may not incur.**

These include:

- Water systems – Replacement or major repairs can cost hundreds of thousands of dollars.
- Road Paving – Maintenance alone is in the tens of thousands for roads; replacement is far in excess of that as these are privately owned and maintained.
- Septic systems – Aging systems that need to be upgraded can cost more than \$1 million.
- Snowplowing of their private roads and removal of snow from the premises.
- Maintenance of community properties such as storm shelters, clubhouses, playground, swimming pool, etc.

The bill provides that increases must be limited to 3-percent and does not consider the costs incurred for maintenance, replacement, or repair of the roads, infrastructure, or other community property or services. Nor would a community owner be able to build a reserve to cover capital improvements as the bill requires proof of expenses to increase rents above the formula. Another section of the bill allows for justification of rent increases as judged by third parties.

**How much would a 3-percent rent increase generate in new revenue for an average community?**

Using a community of 100 home sites as an example, the vast majority of Minnesota's nearly 900 communities are less than 100 home sites, and at an average rent of \$500 per home site, a 3-percent rent increase would be equal to \$15 per home, per month, times 12 months, times 100 homes, and generate \$18,000 in additional revenue. That would have to cover all of the above expenses and whatever amount might be necessary to budget for future capital improvements.

**Rent Control and the End of Professionally Managed Communities**

- The vast majority of manufactured home community owners in Minnesota provide quality affordable housing opportunities, a commitment to serving residents, and a strong community building focus. Their vacancies levels are very low, and some have waiting lists for residents. (This would not be the case if rents were unreasonable).
- Owners consistently improve and routinely make investments in their communities each year – enhancing near-term and long-term value of the community. (Rent control will cause most to cut back on doing routine maintenance and making long-term investments in improvements).
- Private equity or capital from any size investor in the housing market plays a critical role in not only developing new housing stock, but more importantly in preserving older manufactured home communities otherwise targets for redevelopment and closure, which we believe is an affordable housing success story. (Rent control will discourage purchasers from doing upgrades and using professionals to manage the property).

- When a community changes hands to new ownership, it is often because there is a significant need for improvement and a lack of capital from the existing owner to make such improvements, so they elect to sell. (Rent control will discourage future investment and improvements as capital is fungible and will be spent in other states).

In conclusion, economics and history teaches us that in a free market, demand and supply will be balanced. In an unregulated housing market, shortages are addressed first by higher rents (responding to scarcity and higher demand), and then by an increase in supply. That self-regulates the market. But when rents are restricted, there is no attraction to new investment in housing. Supply will stagnate, and the problem will only worsen, HF 2381 will hamper if not halt the development of additional manufactured home communities, which are Minnesota's largest source of non-subsidized workforce housing.

The best way to bring down rents in manufactured home communities is through initiatives that encourage the development of new communities by addressing the supply side of the equation.  
Thank you.

Sincerely,

*Mark Brunner*

Mark Brunner  
President

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[www.mnmanufacturedhome.com](http://www.mnmanufacturedhome.com)