

About the Campaign

Homeowners for Opportunity is a legislative campaign led by residents from both resident-owned and privately-owned manufactured home communities (“mobile home parks”) across Minnesota.

The campaign’s purpose is to advance Opportunity to Purchase legislation, a state policy that would ensure that homeowners in Minnesota’s manufactured home communities are afforded an opportunity to purchase the land beneath their homes when their communities are for sale.

Opportunity to Purchase puts homeowners on a level playing field with other investor-buyers when a community is put up for sale.

This Campaign is Led by MHC Homeowners from Across Minnesota

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Supporters & Allies

All Parks Alliance for Change (APAC)

Homes for All Coalition

Homeownership Minnesota (HOM) Coalition

Pueblos de Lucha y Esperanza

Minnesotans for Opportunity to Purchase

House File 112 (Bernardy) / Senate File 1282 (Housley)

There are 180,000 Minnesotans living in the state’s 900 manufactured (mobile) home communities (MHC). Ninety percent (90%) of Minnesotans who live in an MHC own their home and rent the land their home sits on.

The “halfway homeownership” structure of MHCs makes ownership of a manufactured home unnecessarily risky and unstable for low-income homeowners in our state who face:

- Constant risk of escalating lot rents;
- Health and safety risks due to failing water/sewer systems;
- Increasing risk of displacement when a community is closed for redevelopment.

In most cases, **homeowners in MHCs learn of the sale of their community after the sale to a new investor.** Most land owners don’t consider the homeowners as viable buyers even though homeowners are already heavily invested in the property by virtue of owning a home there.

Opportunity to Purchase (OTP) Legislation

Opportunity to Purchase legislation ensures that homeowners are provided an opportunity to purchase the land beneath their homes when their communities are for sale. **OTP balances the interests of two sets of owners: the homeowners and the land owners.** The opportunity to purchase:

- Only applies when the land owner has already decided to sell the community;
- Does not force land owners to sell or force homeowners to purchase the community;
- Ensures that land owners receive market price for the community;
- Brings an additional prospective buyer to the table, which enhances the land owner’s ability to sell the community, while providing an opportunity to preserve the property as an affordable housing resource long-term.

A National Movement

Six states across the country, including most recently in Colorado in 2020, have passed Opportunity to Purchase legislation.

Where OTP has been enacted, the law has resulted in significantly more resident-owned and nonprofit-owned parks.

New Hampshire passed OTP legislation in 1988. Since then, 125 MHCs have been converted to resident-ownership, which brings the share of resident-owned parks to almost 30% of the total MHC market in New Hampshire.

Homes in Resident Owned Communities (ROCs) have been shown to sell faster and for more than homes in comparable investor-owned communities, and homeowners report feeling more secure than their counterparts. (2006, University of New Hampshire)

ROCs have also been shown to operate with below market rents within five years of ownership with average annual lot rent increases of less than one percent compared to 5% under investor ownership.

“Resident-owned manufactured home communities are one of the few sources of unsubsidized naturally occurring affordable housing in the country not subject to market-based rent increases.” (2019, Freddie Mac)

Minnesotans for Opportunity to Purchase

Opportunity to Purchase helps preserve local control and keep wealth in Minnesota, for Minnesotans.

What used to be a homegrown affordable housing solution owned by small family businesses ***is becoming a profit center for out-of-state investor buyers.***

In the last five years, over 8,000 units of manufactured housing transferred ownership in Minnesota. That’s nearly twenty percent (20%) of the state’s total units.

Every year, the percentage of units selling to out-of-state investor buyers increases. In 2020, seventy percent (70%) of all units that sold were sold to out-of-state buyers.

- 55% of all sites sold in last five years went to out-of-state investor buyers
- Industry experts expect that out-of-state consolidation will only increase as family owners retire
- Industry experts are expecting a major wave of sales post-COVID. Without OTP, the majority of sales will continue go to out-of-state buyers.

OTP is also an important strategy in preventing MHC closures, which have been on the rise in the state.

Since 2005, the year Minnesota formally began tracking MHC closures, ***the state has lost over 1,600 home-sites, an average loss of 116 per year.*** MHC closures are most often the result of deferred maintenance to the property’s privately-owned water and sewer infrastructure systems.

Opportunity to Purchase can help prevent the loss of MHCs to permanent closures by providing an avenue for residents (or nonprofits/municipal entities) to purchase the property and, in doing so, make the investments necessary to improve the infrastructure.

Every homeowner should get the chance to purchase the land their home sits on.