

MANUFACTURING • Published June 10, 2022 6:12pm EDT

Mobile home rent increases skyrocketing as corporations take ownership

'The homeless groups are climbing. We gotta find a way to stop it,' Natividad Seefeld, a manufactured home resident, says.

By **Mills Hayes** | **FOXBusiness**

Mobile home rent increases skyrocketing as corporations take ownership

Rents have risen over 20% according to rent.com. Mobile or manufactured homes have historically been one of America's most affordable housing options, but now investors are buying mobile home parks and jacking up the rent.

Rent in the U.S. is up over 20% according to rent.com. [Mobile or manufactured homes](#) have historically been one of America's most affordable housing options, but now investors are buying mobile home parks and jacking up the rent.

Federal data shows about 20 million Americans — 6% of the population — [live in manufactured homes](#). In Minnesota, 80% of them are considered low-income residents.

Natividad Seefeld calls Park Plaza Cooperative home, something she's grateful for now more than ever.

"I spend a lot of time crying. Three of my friends right now are homeless in their vehicles," Seefeld said. She's taking care of a friend's dog because the dog is not allowed in nearby shelters.

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Six states across the country — most recently Colorado in 2020 — have passed operation to purchase laws that have resulted in more resident-owned and nonprofit-owned parks. (Fox News / Fox News)

Seefeld lives in a [resident-owned community where rent](#) is just \$520. Rent has barely budged since 2018. There was a \$6 increase that was approved by residents to build a community center that doubles as a storm shelter. But parks owned by out-of-state companies are a different story.

"When I moved in, rent was around \$694 a month, and now it's 840, and it's been four years," said Trevor Nelson, who lives in a park in Lake Elmo owned by an out-of-state company. He's also the president of All Parks Alliance for Change, a nonprofit that advocates for Minnesota's 180,000 manufactured home park residents.

[HOME PRICES HAVE BEGUN FALLING IN THESE 10 CITIES, ACCORDING TO REALTOR.COM](#)

"[Manufactured housing, even though the houses are affordable](#), if you can't afford to pay the rent then it's really not a deal," Nelson said.

The cost of manufactured housing has increased too. The average sales price for a manufactured home has risen nearly 50% in the past two years, from \$82,000 to \$123,000. The cost of renting land for manufactured housing typically rises 4-6% per year.

Dave Anderson with Minnesota's All Parks Alliance for Change says out-of-state investor buyers see that land as profit.

Trevor Nelson, president of All Parks Alliance for Change, said corporate-owned manufactured home parks are increasing rent by \$30-\$40 a month every year. (Fox News / Fox News)

"Something has to be done about the rents. [People are getting priced out](#)," Anderson said. "There's no justification for the increase in rent. Other than just pure greed and profit."

Out-of-state buyers scooped up more than 80% of all home sites on the market in Minnesota in 2021.

"It's a big worry what's going to happen to manufactured housing," Seefeld said. "If we continue to see outside buyers come in, they come in, they get rid of amenities, they raise up the rent, they add on service fees and it just it's so different. Or maybe they come in and everything is great. You know, we only hear about the bad stuff."

RENT PRICES SURGE NATIONWIDE IN MAY, TEXAS CITY HIT HARDEST

Seefeld said people should keep in mind there are probably some good commercially-owned parks too, but changing over to a cooperative allows residents to control their finances, land and grants.

All Parks Alliance for Change says there are some laws working against manufactured homes being accepted. [Some cities prohibit a manufactured home](#) from being placed on a private lot. Others set up regulations that a site-built home could meet but a manufactured home could not.

The homes can be classified as personal property instead of real property. Owners get a title instead of a deed, which means you get a personal property loan instead of a traditional mortgage.

OTP laws could help prevent parks from closing, according to All Parks Alliance for Change. In the last ten years, Minnesota has lost over 1,000 manufactured home sites to permanent closures. (Fox News / Fox News)

["It's harder to get financing to buy the homes,"](#) Anderson said. "The communities — our neighborhoods — they're not treated the same as other neighborhoods. The zoning for the homes and the communities often says, and especially in the larger cities often says, 'Well, you can have a manufactured home, but you can't have it on a personal lot. You have to have it in the park, and the park can't be where the other residential areas are.'"

State trade associations say that many of these mom-and-pop-owned parks are in poor condition, and they sell to larger companies that come in and do renovations. When they come in, it's a matter of making these changes or shutting down the park entirely, forcing families to find another place to live.

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[While many residents are being priced out,](#) the National Manufactured Housing Institute says most residents living in professionally managed communities are happy. They say over 55% of residents agree rent payments are below average or competitive to similar area offerings.

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Remember all those people who thought that not paying rent for a few years was a great idea. Here you go, unintended consequences. Not unpredictable, but unintended by many.
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