



IMPROVE HOUSING AFFORDABILITY AND STABILITY FOR RESIDENTS OF MANUFACTURED HOME COMMUNITIES

SUPPORT: HB374 (Delegate Krizek)

Tens of thousands of Virginians live in manufactured homes, the most affordable unsubsidized form of homeownership available. Most live in manufactured home communities; they rent a lot and utility connections and are subject to terms of a lot lease.

The Problem

- As more manufactured home communities (MH communities) are purchased from “Mom and Pop” owners by larger investors, residents are faced with rising rents and excess fees. These increased costs can make living in MH communities unaffordable, especially for older residents on fixed incomes.
- Residents of Virginia MH communities purchased by these investors report that lot rent hikes and new fees often come with little notice, making it even harder for them to pay these increased costs.
- Even when MH community owners fail to make essential repairs, they can and do raise lot rents and charge additional fees. This means MH community living can get more expensive even as the safety of the community’s roads, and the quality of their lighting and utility services, decline.
- Most alarmingly, because of inconsistencies in the law, MH community owners can refuse to renew lot leases with just a few months’ notice. Nonrenewal of a lot lease results not only in a forced move for the manufactured homeowner and their family, but also in a likely loss of their most valuable asset, as moving a manufactured home costs up to \$10,000. Even if a homeowner can find the money to move their home, it’s exceedingly difficult to find a lot to move it to, as many localities discourage or prohibit the establishment of new manufactured home communities.

By requiring clear notice of rent and fees, strengthening residents’ right to renew their lot leases and holding irresponsible MH community owners accountable, HB374 promotes housing stability and helps keep MH community living affordable.

- HB374 clearly establishes that periodic lot rent cannot be increased *during* a resident’s lot lease term, providing continuous affordability and predictability for residents.
- HB374 requires MH community owners to clearly disclose, on the first page of the lot lease, the lot rent and all additional fees and prohibits the imposition of additional costs on the resident unless the resident and the MH community owner agree to such costs in a separate, written, signed contract.
- HB374 prohibits MH community owners from increasing lot rent if they have failed to correct a health or safety problem for which they have received a notice of code violation from the locality.
- HB374 entitles residents to lot lease renewal, allowing nonrenewal only for reasons justifying eviction.
- HB374 requires all manufactured home community owners to register their communities with the Virginia Department of Housing and Community Development.

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