Affirmative protections for fundamental freedoms. Almost half the states, including Oregon, affirmatively guarantee fundamental freedoms for residents of manufactured home communities, such as the right to canvas their neighbors, hold meetings, distribute flyers and invite public officials and candidates to speak to community residents.¹

Protection against retaliation. Most states, even if they do not provide affirmative protections for fundamental freedoms, prohibit community owners from retaliating against residents for exercising these rights. Oregon prohibits eviction of a resident from a manufactured home community in retaliation for exercising legal rights. Oregon also prohibits eviction because a tenant has organized or joined a resident organization. This retaliation protection also covers other retaliatory acts, such as rent increases or decreases in services.²

Notice before community closure. About half the states require a substantial notice period before a manufactured home community closes. Oregon requires notice one year in advance of closure.³

Purchase opportunity. Homeowners in manufactured home communities do not own the land under their homes making them vulnerable to lot rent increases and displacement. Nineteen states have a policy that requires or encourages community owners to give residents the opportunity to purchase the land on which their homes sit. Oregon strengthened their previously weak law in 2014, allowing for park purchases by residents. The state also offers:

- Capital gains tax exemption. In-state community owners who sell their parks to the residents, a nonprofit or a housing authority are eligible.⁴
- The Oregon Affordable Housing Tax Credit. This credit is equal to the value of a four percentage-point reduction in the loan interest rate for lenders who finance a purchase by a resident group, a nonprofit organization or a housing authority.⁵
- Manufactured Home Park Acquisition Fund. This finances the purchase of manufactured home parks by non-profits, public housing authorities and resident cooperatives.⁶
Protection against arbitrary eviction. Oregon protects homeowners in manufactured home communities from eviction or nonrenewal of their leases without just cause, such as failing to pay the lot rent or violating a community rule.\(^7\)

Right to sell home in place. Owners of manufactured home communities can effectively prevent homeowners from selling their homes by reserving the right to reject any potential buyer as a resident. Oregon prohibits arbitrary rejection of a buyer’s application for residency and provides time limits for landlord review.\(^8\)

Relocation expenses. About a third of states, including Oregon, have programs that provide relocation assistance if a manufactured home community closes. Oregon's program, like many others, is partially funded by community owners. The community owner must pay $6,000/$8,000/$10,000 for a single-/double-/triple-section, respectively, as indexed by the consumer price index\(^9\) and the state provides the homeowner a tax credit of $5,000.\(^10\) These payments are exempt from taxation as income.\(^11\)

Requirement of lease of at least one year. About twenty states require the owner of a manufactured home community to offer homeowners leases of at least one year. This requirement provides a modicum of security of tenure. In Oregon, a lease must be either a month-to-month lease or have a fixed term of at least two years, but in either case it may be terminated by the community owner only for cause.\(^12\) In a fixed-term tenancy, the community owner must offer to renew it.\(^13\)

Requirement that community owner maintain the community. Oregon requires manufactured home community owners to maintain common areas, utility service and other services so that they are clean, safe and in good working order.\(^14\)

Administrative complaint procedure. Some states offer a simple administrative procedure for resolving residents’ complaints about their manufactured home community. Oregon requires community owners and residents to establish informal dispute resolution procedures concerning the lease.

(1) The Manufactured Communities Resource Center (MCRC), developed by the Oregon Housing and Community Services (OHCS) and funded by an annual tax on manufactured home residents who rent space in a park, facilitates mediation and provides education for homeowners.\(^15\) The state currently does not have a permanent program for administrative resolution of problems that cannot be resolved through mediation.\(^16\) A bill passed in 2019 requires a minimum of one mandatory mediation session in good faith should either party request it and establishes a four-year pilot program to fund an attorney to represent residents when mediation does not work.\(^17\)

Resident ability to enforce the laws. A right without a remedy is unlikely to be effective. Recognizing this, many states provide that residents have the right to enforce the manufactured home community protections. Oregon’s statute explicitly provides this right for specified provisions of its manufactured home community laws. Oregon allows either party to enforce its landlord-tenant laws, including those applicable to manufactured home communities.\(^18\)

### # Homes in Communities
66,412

### % of all Occupied Manufactured Housing Units
46%

### # of Communities
1,119

### # of ROC USA Communities
11

**Note:** 2013-2017 American Community Survey 5-year estimates, MHVillage, and ROC USA.
The way in which a state governs the titling of manufactured homes, especially when homes may be converted from personal property to real property, has major implications for owners and purchasers. A modern manufactured home may be indistinguishable from a site-built home. However, manufactured homes are typically considered personal property, like a car or a television set, rather than real property, absent some sort of conversion to real property. This classification as personal property, along with other issues common to manufactured housing, often keeps homeowners from enjoying the same security and potential for wealth creation enjoyed by owners of site-built homes.

In Oregon, owners of manufactured homes can only convert a home to real property if the owner:

1. owns the land where the structure is located,
2. holds a recorded lease of 20 years or more that specifically permits the owner to record the structure, or
3. is a member of a manufactured home cooperative that owns the land where the structure is located.

Allowing homes in cooperatives to be treated as real estate is an improvement over the laws in many states. However, because of the 20-year lease requirement, homes in other manufactured home communities cannot be treated as real property. As a result, those homeowners are relegated to high-cost chattel financing rather than regular mortgage loans.

Oregon law also regulates conversions of manufactured home communities to subdivisions when the manufactured homeowner owns the land under their home and provides owners in land-lease communities a right of first refusal to buy their spaces.

**TITLING | RIGHT TO TREAT HOME AS REAL PROPERTY**

**STATE POLICIES AND PROGRAMS THAT AFFECT NONPROFIT MANUFACTURED HOUSING DEVELOPMENT AND PRESERVATION**

**LICENSING ISSUES FOR NONPROFIT MANUFACTURED HOUSING DEVELOPERS**

A license is required to sell manufactured homes in Oregon. A licensee must pay an application fee of $542 and post a $40,000 surety bond or letter of credit. A limited license is available for sellers of fewer than 10 manufactured homes in a year for a $150 application fee and $15,000 surety bond or letter of credit. There are no non-financial requirements for licensure that would be difficult for a nonprofit manufactured housing developer to meet.

**STATE WEATHERIZATION PROGRAMS & OTHER MANUFACTURED HOUSING REPAIR OR REPLACEMENT PROGRAMS**

- **Oregon Weatherization Assistance Program (WAP)** serves families living in manufactured housing under the same processes and rules as families living in site-built homes. WAP program providers are trained in how to properly weatherize manufactured homes.
- **Free energy usage reduction measures** by Energy Trust of Oregon is available to owners of existing manufactured homes who heat their homes with electricity or natural gas supplied by various utility companies.
- **City and county weatherization assistance programs**. For example, Washington County’s Community Action Energy Conservation program provides no-cost weatherization assistance to income-qualified residents of Washington County. Both homeowners and tenants are eligible and mobile and manufactured homes are included.
- **Replacement pilot programs**. In 2018, a pilot program was launched by Energy Trust of Oregon in partnership with OHCS and several community partners to replace qualifying manufactured homes with new energy efficient models. Similarly, part of HB 2896 passed in 2019 establishes new resources for homeowners to remove older homes, which typically costs between $7,500 and $15,000, and a loan program of up to $35,000 from OHCS.

**USDA PILOT PROGRAM**

The U.S. Department of Agriculture (USDA) Office of Rural Development (RD) recently expanded its pilot program—which permits the 502 Direct and 502 Guaranteed loan programs to finance the purchase of energy-efficient manufactured homes—to Oregon. The USDA launched the pilot in August 2015 in Vermont and New Hampshire. Recently adopted HB 2008 (2017), which went into effect June 6, 2017, made changes to Oregon law regarding manufactured home park nonprofit cooperatives to protect RD’s security interest.
STATE AND LOCAL HOUSING FINANCE AND HOME REPAIR PROGRAMS

Manufactured homeowners are eligible to participate in several programs offered by the Oregon Housing and Community Services Department including:

- **Single-family financing programs.** Manufactured homes that are permanently affixed to “acceptable foundations” are eligible for the same financing that is available for site-built homes. Manufactured homes must also meet mortgage insurers’ requirements, including a manufacture date after June 14, 1976, and have a living area of at least 400 square feet. Homes on land owned by the homeowner may meet the foundation requirement but most homes in investor-owned and resident-owned manufactured home communities do not.

- **Grants and Oregon Affordable Housing Tax Credits.** Nonprofit or resident cooperative purchases of manufactured home communities are eligible for several grant opportunities. In late 2016, the Department solicited applications for $5 million in grants to assist resident-owned manufactured home communities, nonprofit organizations, resident groups, housing authorities and local governments in purchasing manufactured home communities.

- **Helping Hands Program.** The statewide residents’ organization, Manufactured Housing/Oregon State Tenants’ Association (MH/OSTA) grants up to $750 toward the repair or improvement of its members manufactured homes. The program is funded by members’ dues and will pay up to three-quarters of the cost of the repairs.

CLACKAMAS COUNTY

- **Owner Occupied Housing Rehabilitation Loan Program.** Eligible dwellings for rehabilitation loans include a “manufactured dwelling unit if the owner-occupant owns both the unit and the real property on which the unit is located. Manufactured dwelling units in parks or on rented land are not eligible because the loan cannot be secured with a lien on the real property.”

- **Critical Repair Grant.** “The grant may be available to repair critical safety or access deficiencies of an owner-occupied manufactured home in a manufactured home park and manufactured homes or mobile homes where the homeowner does not have title to the lot where the home is located.”

WASHINGTON COUNTY

- **Low-interest housing rehabilitation loans and grants to benefit low- and moderate-income residents.** The Home Access & Repair for the Disabled and Elderly (HARDE) offers loans or grants for urgent repairs and accessibility improvements. Both conventional and mobile homes may qualify for the program.

CURRY COUNTY

- **Pilot project to replace and repair old and dilapidated manufactured homes with new energy-efficient homes.** The project is currently limited to manufactured homes on owned land, but the County is working on expanding it to homes in manufactured home communities.

WHAT IS THE LOCAL AND MUNICIPAL POLICY ENVIRONMENT?

This summary includes state-level policies that affect local advocacy, as well as specific policies in seven Oregon counties: Clackamas, Curry, Douglas, Lane, Marion, Multnomah and Washington. These counties range from urban centers such as Multnomah County, which includes the City of Portland, to highly rural areas such as Curry County, with a population of just 22,000. Curry County is a relatively low-income jurisdiction where manufactured housing accounts for 33% of the housing stock, thereby making local policy particularly important.

MANUFACTURED HOUSING IN COMPREHENSIVE AND CONSOLIDATED PLANS

**Note:** Oregon land use law limits new residential development largely to cities, and all cities must have comprehensive plans. While our analysis focuses on the counties in which manufactured housing is a significant part of the housing stock, much important policy regarding manufactured housing takes place at the city level.

A comprehensive plan acts as a framework for zoning, subdivision regulations, annexations and other policies. Oregon provides for local governments to adopt comprehensive plans that address land use, present and future housing needs, and other matters. Oregon requires comprehensive plans to address manufactured homes or manufactured home communities.

Consolidated plans are documents that local jurisdictions submit to the U.S. Department of Housing and Urban Development (HUD) as part of the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funding processes.
A city-wide Portland consolidated plan noted that “the affordable housing supply includes privately owned market-rate units, particularly in older buildings and manufactured home parks,” and that the city has 73 manufactured home communities with 3,629 spaces. Portland Housing Bureau noted they will continue outreach efforts to inform manufactured home residents about its homebuyer and foreclosure education and counseling activities.

The summary below highlights some of the findings in Oregon County’s comprehensive plans. Inclusion in the county consolidated plans are noted where applicable.

♦ Clackamas County is the most supportive of manufactured housing. The “Housing Needs” and “Community Plans and Designs” sections of the county’s comprehensive plan both note that homeownership needs can be met, in part, with manufactured dwellings and condominiums. The plan encourages affordable housing through the creation of more manufactured dwellings and the continuation of existing manufactured dwelling parks. It supports the provision of “needed manufactured dwelling sites throughout the County,” and states that the County will attempt to preserve existing manufactured dwelling parks by requiring an approved plan for relocation of existing tenants before the park is allowed to redevelop.

The 2012-2016 Consolidated Plan for Housing and Community Development establishes as its second housing goal the stabilization of existing homeownership as well as the provision of opportunities for new homeowners. The plan supports the use of manufactured homes and mobile home parks as a reasonable method of obtaining affordable housing, especially in rural areas.

♦ Washington County “supports the provision of needed mobile home sites in mobile home parks and mobile home subdivisions throughout the county.” It recognizes that a variety of housing types, including manufactured homes, will continue to be in demand, but points out that the need for repair is very high among pre-1976 mobile and manufactured homes in parks where the homeowners do not own the land.24

♦ Multnomah County recognizes manufactured homes as “an increasingly popular housing choice which should be integrated into the community without conditions in certain zoning districts.” The plan also states that manufactured housing must be permitted outright, as it is defined by the Oregon Statutes as a “needed housing type,” and sets out locational and structural criteria for mobile homes.25

♦ Curry County recognizes that a large percentage of the population live in mobile homes; in 1990, 33% of the county’s dwelling units were mobile homes. The plan notes that manufactured homes will likely be an appropriate form of new housing for working families whose incomes are expected to remain low, as well as for retirees looking for small, conveniently located housing. The plan recognizes the need for many types of housing and, as part of its housing goals, notes that the County has designated lands for residential use “with conventional homes, multi-family dwellings, manufactured dwellings and mobile homes.”

♦ Lane County’s Rural Comprehensive Plan does not discuss mobile or manufactured homes. However, a report issued in 2008 by the Lane Council of Governments states that mobile homes and manufactured units in parks comprise 5.1% of all residential units in the county.26

♦ Marion County notes that mobile homes and manufactured dwellings are allowed in rural areas on the same basis as conventional site-built single-family housing.27 It also discusses the use of manufactured homes as temporary or permanent structures on farmland.28

♦ Douglas County states that 64% of all families in the county can afford to purchase a mobile home and that mobile homes are becoming the “only type of housing that most Douglas County families can afford.”29 It predicts that “as the gap between income and housing costs widens, the demand for mobile homes, condominiums and single-family attached ownership units will increase.”30 The plan identifies mobile homes as single-family dwellings and states that mobile home parks will be allowed conditionally in all urban residential areas.

Two other challenges, particularly in rural areas, are older manufactured home parks with failing septic systems, generally built before Oregon’s land use laws required development within cities in 1973, and older parks with spaces that are too narrow for modern manufactured homes, especially with newer local setback requirements.

ZONING FOR FEE-SIMPLE MANUFACTURED HOMES AND MANUFACTURED HOME COMMUNITIES

Some states prohibit local jurisdictions from using zoning, subdivision or similar regulations to exclude manufactured homes or manufactured home communities. Oregon prohibits counties and municipalities from completely excluding manufactured homes. It also requires cities and counties to allow manufactured homes in all residential districts within urban growth boundaries, as long as the home meets the same standards that apply to site-built homes, in addition to standards on a few topics such as roof pitch that local jurisdictions are permitted to adopt. State law also requires cities and counties to provide for manufactured home communities as an allowed use.31
The counties listed above allow for manufactured housing to be included as parts of some residential districts; for example, Clackamas County allows for new manufactured home parks as a primary use in some residential districts and will permit mobile homes in lieu of single-family dwellings in future urban, unincorporated community, rural, agriculture and other areas. In Lane county, manufactured homes appear to meet the definition of “dwelling, single-family,” so they would be allowed in any zoning district where site-built single family homes are allowed of some local zoning ordinances for manufactured housing. You can find more information about zoning by visiting the comprehensive plans available on most Oregon county websites.

**MORATORIUMS ON REDEVELOPMENT**

Oregon allows local jurisdictions to adopt a temporary moratorium on development. Moratoriums can be a way to stop the closure of manufactured home communities while the jurisdiction works out a long-term solution. However, Oregon law preempts local governments from regulating manufactured home park closures, so there is not much that a local government can do to stop a closure.

Portland has adopted an alternative approach by applying new zoning laws to existing manufactured home communities. Those communities can be closed and redeveloped as required by state law but can only be redeveloped as a manufactured home community. There is a potential that this could be considered downzoning under Oregon land use law, which would allow the property owner to make the city waive the new zoning or compensate the owner for loss in property value.

**LOCAL TAX AND OTHER FINANCIAL INCENTIVES**

The State of Oregon provides tax incentives for manufactured home community owners who sell the community to residents. However, on the local level, no municipalities in Oregon are known to have adopted tax or other financial incentives for preservation of manufactured home communities. The City of Eugene adopted an ordinance, before ORS 90.660 preempted local governments, that requires additional landlord assistance to residents displaced by a park closure.

**LOCAL RENT CONTROL**

A state statute preempts local governments from adopting rent control and no municipalities in Oregon are known to have adopted rent-control ordinances for manufactured home communities. However, a 2019 law imposes a statewide rent increase limit of no more than seven percent plus the average change in the consumer price index, no more than once per year.

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**STATE AND LOCAL POLICY ADVOCATES’ EFFORTS?**

A list of selected statewide resources is below.

- CASA of Oregon, a ROC USA Certified Technical Assistance Provider, helps manufactured home community residents buy their communities.
- Community Frameworks
- Manufactured Housing/Oregon State Tenants’ Association (OSTA)
- The Oregon Housing and Community Services Department maintains a website with a great deal of helpful information for residents of manufactured home communities.
- The Manufactured Housing Landlord/Tenant Coalition is an informal group of manufactured home park resident and landlord advocates. The group has negotiated and gotten adopted state laws regarding manufactured home parks in every legislative session since 1997. Many of the statutes cited in this paper came from the Coalition’s efforts.

*Note: This policy snapshot was updated for 2019 with the help of the Oregon Law Center*
Innovations in Manufactured Homes (I’M HOME) is a national initiative managed by Prosperity Now which seeks to ensure that owners of manufactured homes have the opportunity to build wealth through homeownership by improving the quality of new and replacement development, enhancing homeowners’ ability to enjoy long-term land security, expanding access to safe home financing and encouraging a supportive policy environment.