

Big Entities Target Mobile Home Parks, the Last Bastion of Affordable Housing

I just finished watching John Oliver's riff on mobile homes. If you're not familiar with his HBO show "Last Week Tonight" or don't get HBO, the good news is that his single topic take-outs* are archived on YouTube, so just Google "John Oliver mobile homes" and you'll be glued to your computer screen for an unending series of take-outs that only starts with his take-out on mobile homes.

Here's what I learned from watching John Oliver's piece and was able to confirm by talking to others. Sometimes I wish I could be a full-time journalist again so I could really do investigative reporting, but I'm a Realtor now and have to depend on others like John Oliver and David Migoya of the Denver Post doing the heavy lifting. So, instead, Google is my friend. And there's so much to learn just by Googling.

The big trend in mobile homes is the influx of big corporations like Warren Buffett's Clayton Homes in the mobile home park business. Historically, such parks were "mom and pop" operations, but it was inevitable that mom and pop got old and, even if their children had an interest

in taking over the family business, it was more profitable to sell the park to a developer or to a company like Clayton Homes.

What makes a mobile home park a great investment is that, while people own their mobile or "manufactured" home, they rent or lease the land on which it sits. The land owner can raise the rental fee without limit because, while the home can technically be moved, it would cost thousands of dollars to do so, and there's little choice of where to move it. You can't just buy a lot somewhere and put your mobile home on it. I checked with Jefferson County, and you can only install a mobile home on land zoned for mobile home

parks. That rule feeds right into the greed motivating those corporations which, like Clayton Homes, are buying up every mobile home park they can.

Another thing about mobile homes is that, while they can be really nice when they're brand new, they do not appreciate in value like regular homes. Rather, they decline in value like a car or like the "personal property" they are. Also,

and, perhaps, charge the owner's electric vehicles. Without passive house design features, you can still achieve net zero energy, but it may require substantially more solar panels to compensate for such factors as inferior orientation, fenestration (windows) and insulation.

You can learn all about passive home technology, including trainings and public events, online at www.phius.org. Also, search "Passive House SW" at www.meetup.org for local events.

An excellent example of new construction which combines passive house design with smart active systems in the Geos Community in Arvada, which you can learn about online at www.DiscoverGeos.com. The homes in Geos are all oriented to maximize solar gain in the winter, but also designed for sun shading in the summer. Some have a geothermal heating, while others have air source heat pumps and conditioning energy recovery ventilators (CERVs). None use natural gas, just solar-generated electricity. There's more to say about the Geos Community, but just visit that website and you'll be amazed!

since they're not "real property," you can't get a mortgage on them for 4% over 30 years, you get a chattel loan at 15% and for a shorter term.

Thus, if a mobile home owner can't afford an increase in land rental for their home, their only choice often is to simply abandon the home that they paid thousands of dollars to buy. Since it becomes abandoned property, the mobile park owner can then assume ownership of it, or scrape it depending only on what makes financial sense. And down the road (so to speak), they can kick out the remaining occupants and sell the entire mobile park to a developer.

This is a heartless process, but it's how our free enterprise system works. So, what can be done about it?

Last month, Golden United sponsored a public meeting on the subject of manufactured housing which I attended, along with several city councilors and civic minded people. Sadly, only a handful of the attendees were residents of a mobile home park.

The main presentation was by an organization which organizes residents of mobile homes parks to form an owner's association which might then outbid other buyers of the park when the current owner attempts to sell it. This organization, called Resident Owned Communities (ROC), was featured briefly in John Oliver's piece.. (Fast forward to 13:10.)

What local governments could do to address the problem, Oliver said, was to legislate a "right of first refusal" by which an owner's association or other non-profit entity serving the interests of mobile home park owners, would be able to match any bona fide offer by a for-profit buyer, and purchase the mobile home park. I'm not aware of any such legislation or other public policy aimed at protecting manufactured house, which is, after all, the last bastion of affordable housing in most cities.

Mobile home parks have few friends among owners of conventional real estate, but however you might feel about them, I hope you feel they are worth preserving.

**"Take-out" is a journalistic term for an in-depth look at a single topic. During my 1968 internship at the Washington Post, I was tasked with writing a 3-part series on the solid waste industry in the District of Columbia. I enjoyed telling people that I did a "take-out on trash."*

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By JIM SMITH,
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Passive House Technology Underlies Going 'Net Zero Energy'

"Passive House" is a concept born in Germany as "PassivHaus" but growing in popularity here in America. Although its primary focus is on reducing the heating and cooling needs of a home through proper north/south orientation, the placement of windows, and roof overhangs, it also includes design elements that make a home better for its inhabitants. It has many other positive impacts as well, including healthier and quieter spaces, greater durability, and greater comfort for inhabitants."

Prior to the oil embargo of 1973, home builders did not concern themselves much with making homes energy efficient, but that all changed as we quickly realized how dependent we were on foreign countries for fossil fuels to heat our homes and fuel our cars. Homes built before then were poorly insulated, drafty and less healthy. (Lead-based paint was only banned in 1978.)

The passive house concept took off in America as a result of that wake-up call. The "Lo-Cal" house created in 1976 consumed 60% less energy than the standard house at the time, and the concept continues to mature.

If you participated in any of the "green home" tours that Golden Real Estate co-sponsors each fall, you've learned about various passive home strategies in addition to "active" strategies such as solar power, heat pumps, geothermal heating, and energy recovery ventilators.

When "active" systems are introduced to a home with passive house design, they work more easily to create the ultimate goal of a "net zero energy" home — one which generates all the energy needed to heat, cool and power the home



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