

Dear Committee Members:

Impact Communities Management is the property manager for the following communities in North Dakota:

Devils Lake Estates MHP & Pitcher Park North Manufactured Home Community	Devils Lake	ND
Grafton Manufactured Home Community	Grafton	ND
Larimore Manufactured Home Community	Larimore	ND
Minot MHP Manufactured Home Community	Minot	ND

Impact Communities Management recently became aware of Senate Bill 2159 in North Dakota and is opposed to this bill. I submit the following to highlight the reasons for our opposition and give reasons for our concerns with each bill, as well as highlight a concern with the supporter of the legislation.

Senate Bill: 2159 we continue to voice our opposition to this legislation for the following reasons:

1. The bill requires owners to have a local office staffed by at least one employee Monday through Friday from 8:00AM to 5:00PM. Some our communities have as few as 47 lots and we currently use one manager to cover more than one community. Requiring an owner to have one employee on site for those hours for no other purpose but to comply with the legislation puts an undue burden upon the owner to cover the additional expense of a full-time employee and an office on site, thereby requiring owners to raise their rents to cover this expense. Sharing our manager with another community we own in the area reduces our costs and allows us to keep our rents affordable and competitive. This provision unfairly targets owners of multiple smaller communities such as our business. Further, this provision, like the rest of the bill, unfairly targets owners of manufactured housing communities and treats them differently than owners of other rental properties, including owners of apartment complexes and other rentals, for no legitimate reason.
2. The bill requires the disclosure of confidential information during the due diligence and acquisition period of a sale or transfer of ownership. Any potential sale of one of our communities must remain confidential until the sale closes, a protection that is afforded to owners in other states as well as owners of other multi-family housing. Disclosure of the terms of the sale breaks confidentiality of the parties involved and has potential costly repercussions to the sale of the property and other sales of manufactured home community properties. This provision unfairly targets larger and often out of state ownership who would otherwise keep this information private and between the parties to the sale.
3. The bill requires the owner to provide 6 months' notice to residents of changes or modifications to park rules. This places an undue burden on Manufactured Home Community Owners and restricts our right to conduct business and address policy issues as needed. Non-manufactured home community owners are not required to provide this same notice to residents, again placing an undue burden exclusively upon those who own other communities throughout the United States where a policy change needs to occur across our portfolio.
4. The bill unfairly limits manufactured home community owners the right to increase rents without giving a six-month notice period to residents. All landlords should be allowed to increase rents as the business deems it necessary and without restriction. The government does not currently

dictate price increases in housing or other sectors, unfairly putting this burden upon manufactured home community owners.

5. The bill requires an owner to provide 30 days' written notice to all residents before making changes to sanitation and safety policies. We need to be able to immediately address sanitation and safety policies and be able to enforce those policies to comply with local, state, and federal guidelines without delay, again unfairly putting this burden upon manufactured home community owners.
6. The bill requires that landlords not charge the resident additional fees to provide utility service and must provide meter readings for all utilities taken at the mobile home lot of each resident and does not allow for the pass through of special assessments. Owners need to be able to bill utilities with reasonable administration fees as it costs our business money to do so. We would reasonably expect that if new special assessments or fees are assessed, we should be allowed to pass these expenses on to the resident. This unfairly puts the cost and expense of these expenses upon manufactured home community owners. The government does not currently place this burden upon other housing sectors, unfairly putting this burden upon manufactured home community owners.
7. The bill provides that Residents are allowed six months to comply with community policies after receiving a written notice of violation. Community policies are in place for the safety and welfare of all the residents. Compliance with polices and responsiveness to violations are important to ensure the quiet enjoyment of all our residents. Six months does not allow us to react to issues within the park effectively. The bill further provides that eviction proceedings cannot begin until after this time, allowing violators to continue their violations until the event of eviction. The government does not currently place this burden upon other housing sectors, unfairly putting this burden upon Manufactured Home Community Owners.
8. The bill allows for a \$1,000 penalty to the owner in addition to attorney's fees should a resident bring a claim. The government does not currently place this burden upon other housing sectors, unfairly putting this burden upon manufactured home community owners. Current landlord and contract laws already protect all residents and small claims courts provide reasonable forums for legal complaints. This provision could unfairly be used to target owners by residents who bring forward a claim in an effort to punish them for previous issues or who are in opposition to ownership outside the state of North Dakota.

Closing Comments: We hope that this provides some details that you may not have considered during your review of this bill. We also sincerely hope that you will take into consideration the business concerns we outlined and the potential unintended costs that would have be passed on to residents in response to this piece of legislation. We also hope you understand our concerns with regards to the perceived attempts to crowd out businesses like ours from doing business within the state and the undue burdens placed upon manufactured home communities with this bill.

Very truly yours,

Impact MHC Management, LLC

Ken Dale
Paralegal