

Chairperson, members of the Committee, I come before you to speak on SB 2159.

As a resident of Colonial Estates, there are growing concerns of predatory business practices by large investment groups, such as Havenpark Capital and those alike coming in and purchasing our communities.

From the onset of Havenpark's purchase of our community, we have been viewed as complainers of rent increases over new ownership. This was stated by the very person who drafted this bill. I believe it is important to note that said person utilized the same legal representation this is representing Havenpark in their eviction cases. This is at minimum, a conflict of interest. That legal representation is Todd Kranda and the drafter of this bill is Kent French.

We are not renters, we are HOME OWNERS, who pay a rather large fee for the dirt our homes sit upon.

We are a rather large group of predominantly low and/or fixed income residents.

→

Whom, by the way, are not far enough below the poverty level to receive any assistance from the state.

After the first committee hearing, there was a small blurb on the news regarding this issue, again we were referred to as complainers. Navenpark issued a statement saying they must hold into account their fiscal responsibilities. I come here asking you to also look at the fiscal consequences. As a large number of people have been evicted, what happened to them? Did they end up on the streets, in shelters, in our Dept of corrections systems? All to the cost of our state?

In Navenpark's own response to a letter they received from the Congress of the United States House of Representatives they stated that legislation can be passed to help residents and yet they continue their predatory actions simply because they can.

One bad act constitutes just that "A Bad Act" but continued bad acts become bad intentions,



$$4559 \times 3 = 13677$$

~~Biz/Corp~~
only

As it stands a total of ~~4800~~ lots have been affected by numerous rent hikes, additional fees, evictions of residents and so on.

If you look @ the total # of lots with an average of 3 people per household, the number of lives affected across the country is astronomical.

Havenpark
Biz/Corp
only

1800 ^{+x3} households in North Dakota alone.
(5400)

You may be asking what some of these "bad acts" are. Initially up Havenpark's purchase of Colonial Estates we were presented with a 30 page lease, also included was a separate list of fees. One of which was to return our initial deposit and then charge us a new deposit equal to our site rent of \$385⁰⁰ and amount of 770⁰⁰ owed for their first month of ownership effective I believe 8-1-2019.

Please note we were advised of their purchase with a letter dated 7-18-2019. Not only that but we need to remember their list of pet fees which was to be paid on a per pet per month bases along with a pet deposit.

Just one of the fees on their list. Our current site fee is 245.²⁵ effective 1-1-2021

We got lucky here, as there was a section of this 30 page lease which was illegal so that to scratch it and write up a new one.

They then came @ us with water meters, which were installed by a company which was not a licensed contractor in ND so the meters had to be removed. They then came at us with a utility service fee let me please tell you we are billed and pay for our utilities separately by ^{the} utility company. Prior to their ownership water, sewer & garbage have been included in our site fee. Next came evictions, ^{and} park violation notices. At this point and to this very day the people live in a constated state of anxiety asking themselves "what next."

Over their time as owners they have "lost" nest payments, had hazardly repped out trees with no regard to the potential damage to the homes, they have use grass as an excuse of an emergency as a potential tripping hazard. They put in a park right along Expressway with no regard to the safety of the children who may play there. They put street signs with no reflectivity of which to see @ night all for the sake of

a tax write off and with no concern for the residents of our communities.

We are simply viewed as a safer investment for residual income than what the stock market can provide.

We are human beings, home owners, with our livelihood @ risk. We are people who don't have much but it is ours. Our homes in which we seek refuge and peace are at risk.

We have a resident who actually received a final notice with the threat of a large fee for parking on the street in front of his own home.

So, as you see, with just a few examples, we are not just renters with complaints over rent increases by new Ownerships. Havenpark is not new ownerships anymore. They are an everyday cause for concern - financial and otherwise,

This bill REQUIRES additional changes as to protect homeowners ~~in~~ these communities.



At the onset of Havenpark's ~~new~~ ownership, as I previously stated, the site rent was \$385⁰⁰ and my food budget was only \$80⁰⁰ clearly not enough to eat as healthy as I should. Now the site rent is 445²⁵ so I don't see proper eating in my future. It is evidently clear that Havenpark's fiscal responsibility clearly outweighs the importance of whether I eat or not.

I am disappointed that there are more protections in place for out of state investment groups serving as landlords that come into our communities ~~and~~ with a financial bulldozer than there are for the homeowners that reside in them.

It will cost this state -0- dollars to put protections for homeowners in place.

We would like to propose the following amendment to this bill SB 2159.

I have included much documentation for the committee to refer to.

Havenpark's business practices were in full activation before hitting ND residents,

It is interesting to note that even after having to scrap their 30 page lease here, they moved on to the next state with that same 30 page lease.

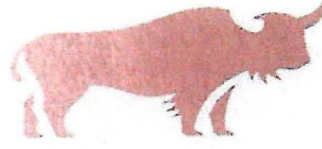
- 8. Pets- Pets must be registered with a monthly pet fee per pet for renters or walking pet/s they must be on a leash other residents lots. As pets are all dropping must be picked up immed community. "Dangerous breeds" ar our insurance provider: (information attached to home, awnings, stairs.
- 9. Filing Complaints- Complaints should be made to our local police nity. Verbal o s for eviction ten shoveling/ /Night to keep w snow onto ut Snow plo lation.

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: staff please

1 where we
number/Ad

rkmgmt.co

82.2961



BROOKWOOD
ESTATES

March 1, 2021

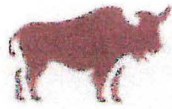
Dear Residents,

As of April 2021, we are going paperless, if you have not signed up for the online portal please be sure to contact our office for a registration code as statements will no longer be mailed out. If you received an email to sign up or a username and password, please be sure to use the online portal moving forward. Due to Covid we are minimizing the amount of envelopes and checks that get dropped in our drop box every month. Our main priority is to keep everyone safe during this pandemic.

Certified payments will be the only method of payment that will be accepted after the 5th of the month. Any small balances are to be paid immediately. Evictions will be filled as soon as 3-day notices expire and all attorney fees are to be paid in full along with past due rent payment. Partial payments will be returned via Certified Mail.

Online billing provides instant notification when your bill is ready, including the amount that is due and sends you a receipt. Our online billing system does not require a fee when paying online.

By going paperless, together, we can save thousands of trees, millions of gallons of water, millions of pounds of greenhouse gas, and millions of pounds of solid waste. Thank you for all your hard work and effort to save trees and natural resources. Every little step you take to be a more conscious and responsible consumer goes a long way. Spread the word and recommend going paperless to all your friends, family members, and co-workers!



BROOKWOOD ESTATES

January 2021

Dear Residents,

Thank you for choosing to be a part of our wonderful Community. It is our desire that your residency with us will be comfortable and rewarding. Our goal is to provide you with great resident services and outstanding amenities.

As you may ask about rent increases and why they happen throughout the year here is the information: (1) Increase in operating expenses that must be offset and (2) Improvements made in the community. Each property has associated costs that naturally go up each year. The only way we can cover our costs and continue operating is by making an annual adjustment to the rent.

These projects ensure that our residents' home values will remain as high as possible, and if / when a resident ever chooses to move out, they have a much more favorable experience of selling their home for the best price to the best pool of buyers who also want to live in a nice location / well-maintained community. These annual rent increases are an investment in our residents' future.

Our Rules and regulations are in place for your convenience and full enjoyment of our facilities. They are further established to preserve and enhance the safety, enjoyment, value, and livability of the Community. If you need a copy of Rules and Regulations, please request a copy via email or stop in the office. Due to a few Rules and Regulations that are not being followed here is a list of the main issues we are having at our Court:

1. **External Storage of Items-** Resident's personal items such as lawn movers, bikes, toys, gas cans ect. Are to be stored in a storage shed at all times.
2. **Burning-** Residents are not to be burning trash or any other items within the community. If you see this happening contact our local police station/fire department immediately. (701) 433-5500. Manufactured homes can burn down in less than 4 minutes to the ground.
3. **Vehicles on Concrete slabs/ Streets-** Resident is permitted to have up to three (3) vehicles per lot as long as there is adequate space. Vehicles are to park on concrete slabs at all times and or front yard if needed during winter dates: November 1st to April 30th. Street parking at any time will no longer be permitted. **Any Vehicles parked on the street as of January 12, 2021 will be TOWED AT OWNERS EXPENSE. NO EXCEPTIONS!!** Any vehicle parked on street will receive a tow sticker allowing a 2 hour time frame to move vehicle off the street.

4. **Repairing Vehicles-** Minor maintenance is permitted. Vehicles will not be allowed to remain on blocks or jacks overnight or left unattended at any time.
5. **Expired tags-** Inoperable vehicles, unregistered vehicles past 30 days **will be towed from the premises at owners expense without notice.** Any vehicle with temporary tags should be **up to date and visible** at all times. Please contact our office if you are waiting for updated tags. Vehicles parked in empty lots or vacant homes will be subject to tow at owners' expense without warning. Any vehicle purposely blocking an inoperable/ expired tagged vehicle will also be towed due to blocking Tow Company.
6. **Trailers-** Trailers, pop up campers, snowmobiles ect are not allowed on premises. We have a storage behind our office for \$50 a month per item.
7. **Garbage Cans-** All Garbage cans must be away from the street except for Tuesday nights. Garbage Cans are to be moved from street no later than Wednesday Night. Any garbage cans found close to the street/ Garbage bins on the street will be picked up and will require a \$25 fee upon return.
8. **Pets-** Pets must be registered with the community office and should be paying a \$35 monthly pet fee per pet for renters or \$15 per month per pet for homeowners. When walking pet/s they must be on a leash at all times nor permitted to invade the privacy of other residents lots. As pets are allowed on our community we have a max of 3 pets. Pet dropping must be picked up immediately to maintain the desired cleanliness of the community. "Dangerous breeds" are not permitted in the community and are defined by our insurance provider: (information can be obtained at the office) Pets on tie outs attached to home, awnings, stairs, ect are not allowed.
9. **Filing Complaints-** Complaints such as loud music, theft or any other emergency should be made to our local police department. Our office receives all police reports made in our community. **Verbal or physical abuse of Management and Staff will be immediate grounds for evictions.**
10. **Snow removal-** When shoveling/ Snow blowing be mindful of your neighbor's property. Our crew is out Day/Night to keep our streets clean during periods of heavy snow fall. **Do not shovel/ plow snow onto our street as it may end up back on your property while our crew is out Snow plowing. Throwing snow onto the streets may result in a written lease violation.**

Should you have any questions and or concerns please feel free to contact our office via phone or email. Due to short office staff please leave a voicemail as it will be faster to address your questions and or concerns.

We now have a new system where we can text from our office number. When texting please provide your Full name, lot number/Address.

Email: Kguzman@havenparkmgmt.com

Office Number |701.282.2961

Thank you,

Brookwood Management

Effective September 1st, 2019

Charge Type

Recurrence

Amount

GENERAL

| | | |
|---|----------------------|---|
| Basic Home Site Rent | Monthly | \$415 |
| Premium Home Site Rent | Monthly | \$25 |
| Home Rent (Leased Home) | Monthly | Varies |
| Security Deposit | One-Time | New Residents: 1x Rent Current Residents: Amount on Record |
| Late Fee | Monthly, as Incurred | \$75.00 |
| Returned Check NSF | As Incurred | \$50.00 |
| Monthly Pet Fee (Tenant-Owned Home) | Monthly | \$15.00 per Pet |
| Monthly Pet Fee (Leased Home) | Monthly | \$35.00 per Pet |
| Non-Refundable Pet Charge (Leased Home) | One-Time | \$200.00 |

APPEARANCE

| | | |
|---|-------------|--|
| Exterior Home Repairs & Improvements | As Incurred | Cost of Materials + \$30.00 per Hour for Labor |
| Lawn Mowing & Trimming – If Resident Fails to Respond to Notice | As Incurred | \$50.00 per Mow/Trim |
| Homesite Cleanup | As Incurred | Cost of Materials + \$30.00 per Hour for Labor |

BEHAVIOR

| | | |
|--|-------------|-------------------------|
| Speeding or Parking Violation | As Incurred | \$50.00 per Occurrence |
| Pet Waste/Pet Responsibility Violation | As Incurred | \$50.00 per Occurrence |
| Smoking in Leased Home | As Incurred | \$250.00 per Occurrence |

UTILITIES

| | | |
|--|---|--|
| Water Utility Rate. | At Time of Utility Billing, Generally Monthly | Individually Metered Charged Back to Resident Based on Usage, Fees Vary by Community |
| Sewer Utility Rate | At Time of Utility Billing, Generally Monthly | Individually Metered Charged Back to Resident Based on Usage, Fees Vary by Community |
| Utility Service Processing and System Maintenance Charge | At Time of Utility Billing, Generally Monthly | \$5.50 per Billing |
| Rubbish Removal Rate | At Time of Utility Billing, Generally Monthly | \$10.25 |
| Lapse in Active Utility Coverage | As Incurred | \$25 per Occurrence + any Charges Incurred by Community |



February 19, 2021

Dear Senators and Representatives,

I am the CEO of Havenpark Communities. Our company purchases, upgrades, and maintains manufactured home communities (i.e., mobile home parks) across 15 states. We have been operating in North Dakota since 2019.

We have since grown across North Dakota and have a total of eight communities with approximately 1,800 residents across Bismarck and Fargo. Since we began our operations in North Dakota in 2019 we have invested approximately \$4,300,000 back into the properties we operate in North Dakota. This reinvestment ensures our residents have good roads, properly trimmed and safe trees, landscaping, proper street lighting, amenities such as playgrounds, picnic pavilions and sport courts, and more. This investment also preserves and even increases the value of our residents' homes. We are committed to our communities and residents in North Dakota and plan on operating, growing, and investing in the state for many years to come.

I am writing to you today to express sincere concern for some recent proposed legislation that will adversely affect our operations and residents in North Dakota. We understand that the North Dakota Manufactured Home Association (NDMHA) has presented legislation that would be devastating to not only our operations but to the affordability to residents of manufactured home communities across the state. We are not members of the NDMHA; upon attempting to join the group we were informed that we were prohibited from joining the association because we were an out-of-state company who "did not care about our residents". As it turns out, we were not alone, many other manufactured home community operators, including the largest operators in the state with a national presence, have not been allowed to join the association. We question if there is a significant membership to NDMHA and if they are aware of this costly mandate being brought upon their businesses and tenants. It appears that the NDMHA operates less like an inclusive statewide association, representing industry interests, and more like a local club designed to support the self-serving individual pursuits of its Executive Director.

Senate Bill 2159 is bad for North Dakota residents living in manufactured home communities. The bill proposes costly and unnecessary mandates. Operators (we included) will ultimately be forced to pass those costs on to the tenants. This will significantly erode the affordability of manufactured housing to our hard-working North Dakota residents. We are appalled that the NDMHA would support legislation that is bad for North Dakota residents and



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COMMUNITIES

businesses and would repel future capital coming from out of state. Senate Bill 2159 poses the following costly mandates:

1. SB2159 mandates that owners have a local office staffed by an employee from the hours of 8:00AM to 5:00PM Monday through Friday. It continues to require that an employee have the authority to make decisions at any time on behalf of the ownership. This provision unfairly targets smaller communities. For example, we have two communities in Bismarck that are within proximity. For years prior to us acquiring these two communities there was only one office and one community manager and that worked for the residents in both communities. Under the new law we would be required to set up another office and employ additional staff. In this case residents of these two communities would immediately be facing a 15% rent increase to offset those new costs brought on by SB 2159. This proposed legislation hurts RESIDENTS.
2. The bill requires the disclosure of confidential information during the due diligence and acquisition period of a sale or transfer of ownership. The sale of commercial real estate such as a mobile home community is bound by confidentiality until the sale closes. Such confidentiality is standard practice throughout the country. This mandate would significantly complicate any potential future sales and would be a major deterrent to future capital investment in North Dakota. Other types of housing and real estate in North Dakota do not have such a restrictive mandate that would break contract confidentiality.
3. The bill unfairly limits owners of manufactured home communities' right to increase rents without giving six-months' notice period to residents. All landlords should be allowed to establish rents for their properties as deemed appropriate for the business operations. It should be noted that most states – including North Dakota – currently require a 30-day notice to residents prior to any rent increases. Some states with highly progressive policies such as California, Massachusetts, and New York require a 90-day notice prior to such rent increases. However, there is currently not a single state in the America that requires the onerous 6-month notice to residents for increasing rents as is now being proposed. Should North Dakota be the first? Finally, the government does not currently dictate price increases or impose onerous timelines for notification in housing or other sectors, unfairly putting this burden upon manufactured home community owners.
4. The bill requires that owners provide six months' notice to residence to modify park rules. Park rules are put in place to comply with local, State and Federal laws governing the health and safety of tenants. Mobile home park operators must be able to apply and change policies and rules as needed to safely operate the mobile home community. The bill also requires mobile home park community operators to provide written notice to tenants in violation of policies and rules and give them SIX MONTHS notice to comply.



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This is an insulting proposal to all the rule-abiding, responsible residents (which are the vast majority) living in our communities as they would now have to tolerate rule-breakers for months before the law could be enacted to remove them. Rules are in place to protect the health, safety, while being respectful of tenants' rights. Rules also ensure that the property remains a nice place to live with good curb appeal. Removing that enforceability will adversely affect the value of the homes of all the other residents living in the community. Rules must be enforced as seen fit by the operator. This provision threatens the health and safety of all residents in manufactured home communities.

5. The bill mandates an owner to provide thirty days written notice to all residents before making changes to sanitation and safety policies. Manufactured home community operators must 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 and excluding all other rental property owners.
6. The bill requires the landlords not to charge administration fees to provide utility services and must provide meter readings for all utilities taken at the mobile home lot of each resident. Some manufactured home communities choose to include utility expenses in the lot rent. This provision would come at a hefty expense again that would ultimately be passed along to the tenants. The government does not currently place this burden upon other housing sectors and should not place this burden upon manufactured home communities.
7. The bill further allows for a \$1,000 penalty to the owner in addition to attorney's fees should a resident bring a claim. This circumvents small claims court proceedings and is going to burden the court system with countless meritless claims. Again, the costs of litigation will ultimately be passed along to the residents. Current landlord and tenant contract laws already protect all residents and small claims courts provide reasonable forums to file legal complaints. This is a provision being unfairly applied to manufactured home communities and is not applied to other housing.

It is also our understanding that the individual who helped write or negotiate the terms of this bill, and supports this bill, is the president and executive director of the North Dakota Manufactured Housing Association. This bill was presented to the Senate under the guise that the NDMHA had prepared and negotiated its terms on behalf of its membership and in representation of all manufactured home communities. This makes it seem as though the members of the association, of which our company and many other operators are not allowed, support the legislation when in fact we do not. We understand that this individual is also a community owner who has spoken out against other companies who own and manage communities in the state. It is clear that NDMHA is strongly against manufactured home community operators from outside of North Dakota. Thus, it certainly stems that he may be



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supportive of this legislation to keep companies like ours out of the manufactured home community business in North Dakota by helping to support legislation that makes it difficult to do business for owners whose headquarters are outside the state and discourage investments into the State of North Dakota. This individual is in a position collecting revenue from other organizations and appears to only be interested in his own business affairs. This should be viewed as a clear conflict of interest. It appears that these proposed laws were outlined to benefit him and his business as they are hurtful to North Dakota mobile home park residents and out-of-state operators alike. In any event, please know that there are many manufactured home community owners and operators in your state that do not support this bill.

On behalf of Havenpark, our residents and the future of our communities we sincerely request your support in opposition to Senate Bill 2159.

Regards,

Robison Pratt
President / CEO
Havenpark Communities

Mobile: 801-592-8780
Email: robbie@havenparkmgmt.com
Mail: 51 W. Center St. STE 600, Orem UT 84057

communities.

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>> In paragraph two, you stated how much money you've reinvested in your communities. I suggest that that amount of money is what any park owner would normally spend on an annual basis. The Lawmakers can do the math with 1800 homes with Havenpark raising the lot rent on day one. The homeowners in your communities are paying for more than just the normal upkeep of a community.

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>> In the next paragraph, you say SB 2159 will be devastating to your operation. You must understand that all communities in North Dakota will be under the same rules and have to follow the same guidelines. The only thing devastating is your high rents and your rules and regulations you force on the people in your communities. You also stated that there are no other out-of-state corporations in our association. WRONG! One of the largest out-of-state corporations is a member of our state board and has been passed president twice and is now president-elect. Our current president of NDMHA lives in a manufactured housing community. For the record, amongst your false statements, I want to clarify that I am not the president or the executive director of NDMHA nor do I own any communities. I merely represent the rights of the people living in manufactured housing communities and serve on the Board of Directors for governmental affairs.

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>> In closing, I feel you need to send another letter to the North Dakota House and Senate Lawmakers rectifying the false and negative statements about North Dakota manufactured housing and myself. I was not surprised to see the negative comments on the Internet from the Better Business Bureau about your corporation. Even a United States Senator has commented on Havenpark's negative way of doing business.

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>> Kent French

>> 701-222-1700

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From: Kent French frenchexchange.kent@gmail.com
Subject: Fwd: Response to Havenpark letter
Date: Feb 23, 2021 at 2:21:15 PM
To: Cathy Job cathyjob@icloud.com

----- Forwarded message -----

From: **Kent French** <frenchexchange.kent@gmail.com>
Date: Mon, Feb 22, 2021 at 5:31 PM
Subject: Fwd: Response to Havenpark letter
To: <robbie@havenparkmgmt.com>
Cc: Dever, Dick D. <ddever@nd.gov>, Diane Larson <dklarson@nd.gov>, <npoolman@nd.gov>, <lbellev@nd.gov>, Karls, Karen <kkarls@nd.gov>, <nptoman@nd.gov>

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>> Dear Mr. Robison Pratt,

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>> I received a copy of the letter you had written to the North Dakota Senators and Representatives. Instead of writing a response to them, I felt my letter should be addressed to you as you took it upon yourself to make some false and misleading statements about NDMHA & myself.

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>> Do you remember our first conversation? I called you with many complaints from the residents of your Bismarck community. The most egregious complaint was the Havenparks rule requiring their residents to sell their homes through Havenpark or to give them the right of first refusal. I called this rule for what it is 'restraint of trade'. I informed you with our attorney present that if you didn't change your policy that NDMHA would seek to have this policy changed in the courts. You decided at that time to change your policy and promised you would work with your residents to get the other issues and complaints settled in your

From: Kent French frenchexchange.kent@gmail.com
Subject: Fwd: Senate Bill 2159 Response
Date: Feb 23, 2021 at 2:26:19 PM
To: Cathy Job cathyjob@icloud.com

----- Forwarded message -----

From: **Kent French** <frenchexchange.kent@gmail.com>
Date: Fri, Feb 19, 2021 at 5:45 PM
Subject: Fwd: Senate Bill 2159 Response
To: Dever, Dick D. <ddever@nd.gov>, <npoolman@nd.gov>, Diane Larson <dklarson@nd.gov>, <nptoman@nd.gov>, Karls, Karen <kkarls@nd.gov>, <ibellev@nd.gov>, <mlefor@nd.gov>, <gkeiser@nd.gov>, <jhagert@nd.gov>, <jkasper@nd.gov>, <slouser@nd.gov>, <dnehring@nd.gov>, <eobrien@nd.gov>, <mostlie@nd.gov>, <druby@nd.gov>, <aschauer@nd.gov>, <gstemen@nd.gov>, <gwestland@nd.gov>, Todd Kranda <kranda@kelschlaw.com>

Enclosed in this E-mail is a letter I received from an owner of a Manufactured Housing Community in Bismarck. This owner happens to live in a community owned by Havenpark, the corporation that has hired a Lobbyist to try and defeat SB 2159. This is the same corporation that helped create the need for Tenant Rights Legislation. This letter helps explain why SB 2159 is so important to the residents of communities across the State of North Dakota. One issue that needs to be addressed is the fact that Residents in Manufactured Housing Communities own their own homes, different from apartments, and are to some extent at the mercy of the owners. It is difficult to move a Manufactured Home from a community if new owners establish rules, regulations, and rents that residents can't afford or rules that affect their quality of life. This legislation is long overdue and doesn't overstep landlord-tenant law. Please support the Residents of North Dakota that live in Manufactured Housing. Please support SB 2159.

Kent French
701-214-1424

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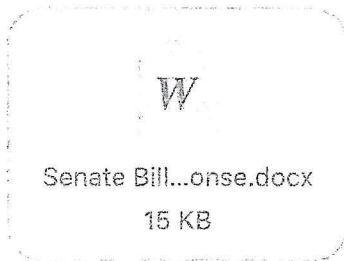
From: **Vince** <vsanders@midconetwork.com>

Date: Fri, Feb 19, 2021 at 3:09 PM

Subject: Senate Bill 2159 Response

To: Kent French <frenchexchange.kent@gmail.com>, Tom Erie
<tome@liechtyhomes.com>, jim farnsworth <jfarns@hotmail.com>

Good afternoon, in this email I attached a response to the lobbyist picking apart the Senate Bill 2159. Let me know what you guys think. Thanks!



Good afternoon,

I am a member of the NDMHA and I am very much aware of the legislation that is coming our way. I am writing this because I am a tenant, a park operator of thirty years, and now a park owner in the community. This bill is not costly nor is it devastating to park owners. In the paragraphs below I will explain my reasoning.

1. The reason the Senate Bill 2159 states that owners need to have a local office that is staffed from 8:00AM to 5:00PM Monday through Friday is because local communities are not answering phone calls for tenant complains nor are they answering for tenant emergencies. This does not target smaller communities. The term used as "office" can mean a resident inside of the park who has keys or a phone that they answers for emergencies. Every community needs a physical location that tenants can go to talk to someone employed by the community as many people may not have a phone.
2. The bill requires a disclosure of information in the transformation period of a sale because the tenants own property that resides within the community that is being purchased. The tenants of the community deserve to know, who they are renting from, how to contact them, what the communities name is going to be, and how to get an updated lease agreement. Confidentiality is fine until the sale closes but the tenants need to know who owns the property.
3. The bill requires communities to give a six month notice to increase rents. This was established in the bill to give the people of the community a chance to either sell their home or move it due to not being able to afford the rental increase. Landlords do have the right to establish rents for their properties, but due to North Dakota winters they have to allow adequate time for tenants to move their property if rent is no longer affordable.
4. The bill states that owners are to provide a six month notice to residents to modify park rules. Again, this was put in the bill to give the people of the community adequate time to move their property if they can't or do not want to comply with the new set of rules. People may not be able to move or make changes to their home in the middle of winter. These are simple tenant rights.
5. No response.
6. The bill requires landlords not to charge administration fees to provide utility services. This was put into the bill because you can't sub-lease utility services. It would allow communities owner to have a set lot rent price; then on top of that take whatever their expense for utilities are and disperse it out to the tenants. If the community does not have individual meters then the owners need to come up with a fair and reasonable lot rent price that is the same for the entire community.
7. The bill allows for a \$1,000 fine to the owner if a resident should win a claim. The people of the community have the right to voice their concerns. This will prevent community owners from being able to do what they want whenever they want. It ultimately makes these big corporate companies take step back and care about the voice of their community. As a park owner of three years, I have yet to be taken to small claims court. The \$1,000 fine is an excellent way to prevent reoccurring and future issues between the tenants and community owners.

In conclusion, new community owners in the area are trying to monopolize the market and strip the rights away from the people of their communities. These same owners tried to sub-lease utilities until they were shut down by the city. They have bought several communities in the area and have yet to provide their residents with new leases or a list of rules and regulations. They are changing the names of the communities without even notifying their residents. Finally, new tenants that are moving into these communities are being charged a higher lot rent rate then people that are already residing in the community. This is going to make it extremely hard for residents to sell their property leaving them no choice but to move their homes out of the communities. I am very much aware of what this bill is going to do, and I fully support it.

X = Havenpark = Average = 461.86
 Not owned by Havenpark Average = 365.06
 All parks Average = 395.86

Not including
 water, sewer, garbage

| Bismarck | Rent | Star rating |
|----------------------|------------------------------------|--|
| Centennial | \$375 +Water | **** 80's and new |
| Century | \$418 | ***** 80's and new-Majority of lots have room for dbl garage |
| Skyway | \$389 | *** 70's and new |
| Airport | \$350 +Water | *** 1/2 70's and new |
| North Valley | \$405 +Water | ***** 90's and new-All lots have room for dbl garage |
| Tatley | \$475 | **** |
| Colonial | \$475 485 + 10.25 | **** |
| Haycreek | \$391-\$475 | *** |
| Holiday | \$400-\$420 | *1/2 |
| Stardust | \$391-\$475 | **1/2 |
| Stonecrest | \$374 +Water | No Rating |
| Mandan | | |
| Twin City | \$325 +Water | ***1/2 |
| Meadow Park | \$375 +Water | **** |
| Woodlands | \$360 +Water | **** |
| Lincoln | | |
| Apple Creek | \$340 +Water | **** |
| Minot | | |
| Prairie Bliss | \$462 W/Garage \$430WO/Garage | N/A |
| Jamestown | | |
| Holiday Park Village | \$394 | N/A |
| Western Park Village | \$394 | N/A |
| Sunnyside | \$240+\$16.45-Garbage +Water | N/A |
| Northland | \$275+\$17.52-Garbage +Water | N/A |
| Fargo | | |
| Rivera Heights | \$493 W/Garbage +Water | N/A |
| Brookwood | \$420 +\$17.50Garbage +\$9.00Water | N/A |

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 is opposed to House Bill 1103 and I am writing this letter to you to highlight the reasons for our opposition and give a few reasons for our concerns with the proposed legislation.

Impact Communities Management is opposed to House Bill 1103 and I am writing this letter to you to highlight the reasons for our opposition and give a few reasons for our concerns with the proposed legislation.

House Bill 1103: House bill 1103 is a costly and heavy-handed mandate overreaching the bounds of safety and compliance and we would like to voice our opposition to this legislation for the following reasons:

1. This bill allows for the North Dakota Department of Health to restrict the use of and development of lands in the State. Further, the department would not issue a license under this section if a proposed mobile home park, recreational vehicle park, or campground would prevent, interfere, or restrict proposed private development that is actively being pursued, all of which exclusively and unfairly target Manufactured Housing Community Owners and developers and thus limiting affordable housing options in the state.
2. The bill further restricts the expansion and use of the property. Under the proposed legislation, a Manufactured Housing Community Owner would not be allowed to establish, maintain, change use, mix use, or enlarge a mobile home park, RV park, or campground without obtaining a specific license to do so, a requirement not placed upon other housing sectors.
3. Under the bill, the North Dakota Department of Health will have the authority to deny the renewal of a license on basis of proposed development of private property. This would open the door to developers and competitors to use this provision in a means to unfairly force a Manufactured Housing Community out of business or to stop development of a new affordable housing community by denying them a license based solely on a proposed development that may or may not ever take place.
4. The bill also unfairly restricts the rights of Manufactured Home Community Owners by not allowing renewal of a license if the mobile home park, recreational vehicle park, or campground is not actively conducting business at the site. This does not take into account the future planning and redevelopment of the community that may take place while the community is not active.
5. The bill also has many costly mandates exclusively to Manufactured Community Owners such as, lot drainage and playground requirements, provision for service fees that are not defined that would have to be passed on to residents and further provides for the revocation of a license and penalty for operating without a license and does not currently define the guidelines.

Closing Comments: We hope that this letter 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, the potential unintended costs that would have be passed on to residents and how the bill unfairly targets Manufactured Housing Community Owners.

CYNTHIA AXNE
3RD DISTRICT, IOWA

COMMITTEE ON FINANCIAL SERVICES
INVESTOR PROTECTION, ENTREPRENEURSHIP,
AND CAPITAL MARKETS
HOUSING, COMMUNITY DEVELOPMENT
AND INSURANCE

COMMITTEE ON AGRICULTURE
COMMODITY EXCHANGES, ENERGY, AND CREDIT
CONSERVATION AND FORESTRY

Congress of the United States
House of Representatives
Washington, DC 20515

Monday, June 10, 2019

WASHINGTON, DC OFFICE
330 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5476

DES MOINES OFFICE
400 EAST COURT AVE., SUITE 346
DES MOINES, IA 50309
(515) 400-8180

COUNCIL BLUFFS OFFICE
501 5TH AVE.
COUNCIL BLUFFS, IA 51503
(712) 890-3117

CRESTON OFFICE
206 WEST TAYLOR
CRESTON, IA 50801
(515) 400-8180

J. Anthony Antonelli
Managing Partner
Havenpark Capital
51 W Center St Suite 600
Orem, UT 84057

Robison Pratt
Managing Partner
Havenpark Capital
51 W Center St Suite 600
Orem, UT 84057

Dear Mr. Antonelli and Mr. Pratt:

I'm writing today because I'm deeply concerned about the recent rent changes at Iowa manufactured housing communities (MHCs) that Havenpark Capital has purchased.

Your company began to purchase MHCs in Iowa starting last October with North American Mobile Home Park in Indianola, and continuing with four more, including Midwest Country Estates in Waukee and Golf View Mobile Home Park in North Liberty. After purchasing these MHCs, your company has raised rent prices ranging from 20% at Sunrise Mobile Homes in Iowa City, to almost 70% at Midwest Country in Waukee, with additional charges on top of these.¹

This level of rent increase, increasing prices from \$295 to \$500, is unacceptable and causing significant financial hardship on Iowa families. I am aware that your group has now agreed to increasing prices incrementally, with the rent going first to \$400, and delaying the next \$100 increase until April 1st, 2020. However, that is still a 70% rent increase in less than a year, which is far too large to expect seniors, families, and hard-working Iowans to pay. Some of those living in MHCs are not able to relocate their home, meaning that because of these rent increases, Iowans might not only be evicted but also lose the equity they have invested in their home.

I was further concerned when I saw that the Better Business Bureau has given your company an F rating, in addition to reports from other states highlighting that residents have complained that promised upgrades and capital improvements at the property were never completed. For

¹ <https://www.desmoinesregister.com/story/news/2019/05/05/mobile-home-tenants-wary-history-complaints-havenpark-capital-partners-waukee-north-liberty-iowa-ia/3640106002/>

example, one resident in Ohio placed a work order to prevent her mobile home from washing away last November. As of May 10th, this work had not been completed.²

In addition, residents at North American reported that they received an eleven page list of rules, which if not addressed would result in first additional charges for the resident and then possible eviction. Having reviewed a draft of the proposed rules at Midwest Country Estates, I am concerned that some of these rules are unreasonable and may even be a violation of the Fair Housing Act.

First, I strongly urge you to reverse these large, rapid rent increases. Second, to help me better protect Iowans in my role as a member of the House Financial Services Committee, I request the following information within 10 business days:

1. Please provide a comprehensive list of your Iowa properties. Is Havenpark in the process of purchasing any further properties in Iowa?
2. For each Iowa MHC, please provide the site rent prior to your purchase, as well as any increases that have been implemented since Havenpark purchased each community. Additionally, please provide information about any rent increases at specific properties which are expected in the next 12 months. If there are fees which more than 20% of the MHC's residents are paying, please also list those.
3. Included in the proposed rules were things like limiting swing sets and play areas in yards, requiring that toys can't be left out in the yard, and putting a 35-pound weight limit on pets. I heard from residents who might have to give up their dog if this goes into effect. What changes to these rules will you make to minimize their impact on residents' lifestyles?
4. Attached is a list of properties pulled from Havenpark's website. Please confirm the accuracy of this list, and if there are any new purchases (like the four in Iowa), please provide the name, address, and # of home sites for those MHCs. Additionally, for any properties on the list which Havenpark once owned, but no longer does, please provide the date when they were sold, as well as the length of time Havenpark owned the property.
5. Please provide a detailed explanation of capital upgrade commitments made to each Iowa MHC's residents. This should include the total amount, with a breakdown of the cost associated with each upgrade, as well as when the residents can expect them. Will you commit to delaying the final increase at Midwest Country Estates until the planned capital improvements are completed, and will you similarly commit to delaying a portion of the rent increases at the other Iowa MHCs until the capital upgrades there are completed?
6. The rent increases at Midwest Country Estates are now being delayed. Why is this implemented by increasing rents to \$500 immediately, with a \$100 rent credit being applied to each resident's bill? Wouldn't it be simpler to just increase rent only to \$400 now?

² <https://www.fox19.com/2019/05/11/local-mobile-home-owners-say-their-property-is-washing-away-land-owners-wont-do-anything-about-it/>

7. The Limited Liability Corporations which have been created to purchase the Iowa MHCs are registered by Nathan Ricks. In addition, Mr. Ricks signed the mortgage agreement for Midwest Country Estates. What is Mr. Ricks' affiliation with Havenpark Capital?
8. Mr. Ricks was also mentioned as the investor who was providing the \$100 rent credit so that the full increase to \$500/month will be delayed until Apr 1, 2020. What compensation is Mr. Ricks receiving for this?
9. What percentage of Havenpark's revenues from Iowa MHCs will come from fees as opposed to rent? How is this split relative to initial communications with investors?
10. Are the above percentages different for Havenpark's Iowa MHCs as opposed to properties in other states?
11. Heartland Living, LLC is registered at the same address as Havenpark Capital. What is the relationship between the two?
12. Are there related businesses (either directly affiliated or via a significant percentage of common ownership) which will benefit from Havenpark's MHC operations? If so, what are they, and how will they benefit?

I look forward to a timely response to these questions that will better assist the residents in these communities with understanding what rent increases, fees, and upgrades to expect.

Sincerely,



Cindy Axne
Member of Congress

Havenpark Portfolio

Iowa, total home sites: 94

- *North American 7* Leonard Ave Indianola, IA 50125; Home sites: 94

Michigan, total home sites: 1736

- *Orion Lakes 47* Bluebird Hill Dr. Orion Charter Township, MI 48359; Home sites: 423
- *Springbrook Estates* 71400 Van Dyke Rd. Romeo, MI 48065; Home sites: 400
- *Loon Lake 8* Crane Lake Drive Linden, MI 48451; Home sites: 45
- *North Bay Harbor Club* 11567 Heron Bay Dr. Fenton, MI 48430; Home sites: 94
- *East Bay* 3075 East Bay Drive Fenton, MI 48430; Home sites: 75
- *Sugar Tree* 1303 Sugar Tree CT. Caro, MI 48723; Home sites: 138
- *Fawn Lake* 831 N. Pontiac Trail #91 Walled Lake, MI 48390; Home sites: 135
- *Swartz Creek* 73 Ashley Circle Swartz Creek, MI 48473; Home sites: 176
- *South Valley Estates* 137 Bellwood Drive Swartz Creek, MI 47473; Home sites: 125
- *Lake Fenton* 11446 Harbor Cover Drive Fenton, MI 48430; Home sites: 125

Ohio, total home sites: 1275

- *Meadowbrook* 10694 Ashville Pike Lockbourne, OH 43137; Home sites: 117
- *Miami View Estates* 5825 PH-128 Clevees, OH 45002; Home sites: 135
- *Lebanon Acres LLC* 5522 Zoar Rd. Morrow, OH 45152; Home sites: 115
- *Hilltop Estates* 2755 State Route 132 #300 New Richmond, OH 45157; Home sites: 248
- *Westwood Estates* 7055 Quarry Rd. Amherst, OH 44001; Home sites: 458
- *Fairfield Acres* 94 Sammy Dr. Fairfield, OH 45014; Home sites: 202

Indiana, total home sites: 503

- *Lake Lemon MHC* 9655 East North Shore Drive Unionville, IN 47468; Home sites: 90
- *Bon Air* 2501 N Apperson Way Kokomo, IN 46901; Home sites: 94
- *Wellington Green* 1350 Clubhouse Dr. Clarksville, IN 47129; Home sites: 319

Texas, total home sites: 412

- *Pradera* 709 North Collins Frwy Howe, TX 75459; Home Sites: 240
- *Thousand Oaks* 140 Thousand Oaks MHP Mansfield, TX 76063; Home sites: 82
- *Country Village* 913 Cottonwood Circle Corsicana, TX 75110; Home sites: 90

Kentucky, total home sites: 285

- *River Oaks* 3416 Kramer Lane Louisville, KY 40126; Home sites: 105
- *Pioneer Estates* 4136 Cane Run Rd. Louisville, KY 40216; Home sites: 180

Missouri, total home sites: 219

- *North Star* 8701 NE 107th PL Kansas City, MO 64157; Home sites: 219

Nevada, total home sites: 147

- *Panorama Estates* 581 South 9th Street Elko, NV 89801; Home sites: 147

Oklahoma, total home sites: 107

- *German Corner* 11516 E. 113th PL N Owasso, OK 74055; Home sites: 107

4539

MAY 28, 2019

Warren, Loeb sack Question Private Firms' Predatory Management of Manufactured Housing Communities

Private Firms Rake In Profits at Expense of Manufactured Home Community Residents

Text of Letters (PDF)

Washington, DC - United States Senator Elizabeth Warren (D-Mass.) and Representative Dave Loebsack (D-Iowa) today sent letters to the investment firms behind some of the country's largest manufactured housing communities (MHC) to request information about their use of predatory practices to boost profits in the communities they own. Senator Warren and Representative Loebsack sent letters to Stockbridge and Havenpark Capital, following recent reports highlighting the abusive practices of private investment firms in MHCs. In addition, Senator Warren sent letters to Apollo Global Management, Blackstone, Brookfield Asset Management, Federal Capital Partners, The Carlyle Group, and TPG Capital.

In a statement released alongside their letters, the lawmakers said, "These are some of the country's wealthiest firms, preying on rural and lower-income communities to turn a profit. This kind of corporate abuse is unacceptable-and the American people deserve answers."

Manufactured homes, sometimes referred to as "mobile homes," are factory-built structures that are transported and anchored on a plot of land. Individuals who purchase manufactured homes can place those homes on plots of land they already

own, or they can place their homes on rented land. Nearly 3 million manufactured homes in the United States are located in "land-leased communities," in which MHC owners rent out the land where individuals place their manufactured homes.

Manufactured homes provide a critical avenue to affordable home ownership for millions of Americans due to their substantially lower prices than typical housing, making them attractive purchases for low-income and rural families. Investment companies are also attracted to MHCs, largely because MHCs are stable sources of revenue, including during economic downturns. This stability stems from residents' lack of economic mobility, as manufactured homes can be difficult to resell, and the low-income homeowners who reside in manufactured homes often do not have access to more affordable housing options.

The lawmakers' letter cited recent reports highlighting the predatory management practices of firms that own MHCs, such as dramatically increasing rents to quickly increase their profits. The lawmakers also noted that while investment firms claim to use rent increases to pay for maintenance and community improvements, residents often "don't see what improvements they've made."

"MHC residents' lack of economic mobility also makes them vulnerable to exploitation and investment firms often engage in predatory management practices that boost profits at the expense of manufactured home owners," **the lawmakers wrote in their letters.** "Unable to afford moving, and unable to sell their manufactured homes, some residents report that they are forced to choose between 'paying for increased housing costs and other basic necessities, like food and medicine, or abandoning their homes.'"

To better understand the management practices that the companies engage in, and the impact of those practices on the MHCs they own, the lawmakers asked the firms to answer the following questions by June 18, 2019:

1. How many manufactured home communities do you own?

2. For each property you own, please provide:
 1. The average lot rent for residents in the last full calendar year the day before you purchased the community.
 2. The average lot rent for residents today.
 3. The number of times you have raised rents in the community and the rationale for those rent increases.
 4. The number of residents who have been evicted since you took over the community.
 5. The number of manufactured homes abandoned since you took over the community.
3. What additional fees, if any, do you charge residents at each of the MHC communities you own?
4. What restrictions do you place on the behavior and activities of residents living in your communities?
5. For each MHC you own, please provide a list of profits reported to shareholders, investors, or limited partners for each year you have owned the community.

###

The Honorable Elizabeth Warren
309 Hart Senate Office Building
Washington, DC 20510

The Honorable Dave Loebsack
1211 Longworth House Office Building
Washington, DC 20515

June 18, 2019

Dear Senator Warren and Representative Loebsack,

This letter is in response to the letter we received from you dated May 28, 2019.

We respect, understand and agree with your concerns regarding the issue of affordable housing. Affordable housing is among the most pressing issues America faces today, and we are proud to be a small part of the solution to that crisis.

We strongly support the notion that solving the affordable housing crisis starts with preserving existing housing stock.¹ Few types of real estate housing are more at-risk of disappearing than manufactured home communities located in commercial districts and other prime acreage of high-demand areas.²

Manufactured home communities are prime targets for developers of big box retail, luxury apartments, office buildings and other types of development.³ Tragically, this gentrification is occurring with greater frequency from all corners of the country in cities large...

1 Why Preserving Affordable Housing is More Important than Building it. May 15, 2017. Retrieved from <http://www.icastusa.org/why-preserving-affordable-housing-is-more-important-than-building-it/>

2 Sullivan, A. America's Most Invisible Communities – Mobile Home Parks. August 10, 2017. Retrieved from https://www.ted.com/talks/esther_sullivan_america_s_most_invisible_communities_mobile_home_parks/transcript?language=en

3 Turner, S.L. Mobile Home Park Redevelopment & The Loss of Unsubsidized Housing. May 2010. Retrieved from <https://repositories.lib.utexas.edu/handle/2152/22331>

and small⁴ ⁵. The results are disastrous – the unconscionable act of mass evicting all community residents – and are occurring at an alarming rate around the country⁶ ⁷.

Preserving existing manufactured home communities is tantamount, but it is not enough. Those properties also need preliminary and ongoing capital upgrades, good maintenance, and helpful onsite property managers to ensure the property is a safe and clean community for all residents for the long term.

Havenpark is a regional operator of manufactured home communities. We are committed to preserving affordable housing by purchasing manufactured home communities and investing heavily in them – upfront, and on an ongoing basis – to ensure they are a secure, safe, clean and desirable place for our residents to live long-term.

Given the rapidly rising land values and rental rates across the country, Havenpark agrees there is a place for local, state and federal governments to pass legislation that would truly help the residents of manufactured homes. For example, the proposed legislation creating refundable tax credits for renters paying more than 30 percent of their income for housing are worthy of exploration. As are laws that would give mobile home park residents greater notice of rent increases before they can go into effect. Another proposal would benefit residents by providing federal tax incentives to owners of manufactured home communities if they sell the community directly to the residents. The current laws, rules and regulations likely need to be updated to protect both residents and landowners alike. Havenpark will continue to adhere to all current and future municipal, state, and federal rules regarding the operation of manufactured home communities.

We respect that as elected leaders you have the power to create real solutions. By looking at the affordable housing issue, real improvements are possible. To do that also requires a candid examination of the fiscal realities and costs. For example, one must acknowledge that had Havenpark not recently purchased manufactured home communities in North Liberty, IA and Waukee, IA – two of the fastest-growing areas in the region and country^{8 9} – they almost assuredly would have been sold to a developer that would have closed those communities –

4 Mobile Home Parks at Risk of Redevelopment. September 25, 2018. Retrieved from <https://www.statesman.com/NEWS/20180207/Mobile-home-parks-at-risk-of-redevelopment>

5 Nearly 300 mobile homes lost since 2011. June 15, 2019. Retrieved from https://missoulian.com/news/local/affordable-housing-crisis-nearly-mobile-homes-lost-in-missoulacounty/article_a93950eb-7d0f-5c0c-89ec-7046511b3930.html

6 As land values rise in Phoenix area, mobile-home parks disappear. July 26, 2018. Retrieved from <https://www.azcentral.com/story/money/real-estate/catherine-reagor/2018/07/25/mobile-home-parksdisappear-fewer-affordable-housing-options-metro-phoenix/789332002/>

7 Half of Hennepin County's Mobile Home Parks Have Closed. July 17, 2017. Retrieved from <http://www.startribune.com/as-mobile-home-parks-close-attention-turns-to-how-to-protect-them/434708163/>

8 Waukee, IA one of the 10 fastest-growing suburbs in the U.S. July 18, 2018. Retrieved from <https://businessrecord.com/Content/Default/All-Latest-News/Article/Waukee-one-of-the-10-fastest-growingsuburbs-in-the-U-S-/3/248/83265>

9 North Liberty among fastest growing cities in Iowa. Retrieved from <https://www.thegazette.com/subject/news/government/north-liberty-among-fastest-growing-cities-in-iowa20170525>

mass-evicting hundreds of residents – in order to repurpose that prime real estate into something more valuable. In this case, developers are who we outbid in order to make these two purchases in Iowa, securing long-term affordable housing for hundreds of Iowan families in the process. Havenpark is now in the process of making a substantial capital investment to ensure the communities are brought up to our operating standards and have sufficient upgrades and amenities to meet our residents' needs. Market forces dictated the purchase price of those two properties, which went far beyond what the current income on rent provided. Taken together with the heavy capital commitment we're making to ensure a good quality of life for our residents, we had to normalize the rents to the level of comparable manufactured home communities in the immediate area, otherwise we would effectively be "under water" and unable to preserve their current use. Even after normalizing rents, these two communities provide among the most affordable units in their respective markets with site rent leasing for approximately 30% of the cost of the average apartment in the area and are in-line with other manufactured home communities of comparable quality in those markets.

We do understand that any housing price increase is a burden, especially when residents haven't seen rent increases that align with cost of living adjustments for several years. This was the case in the two Iowa communities referenced here. This is why after meeting with community residents from those two properties we decided to stagger the rent increases over a period of two years. This amounted to an increase in monthly rent of \$75 (North Liberty) and \$100 (Waukee) during the first full year of operations. This rent normalization was the cost of securing and preserving these communities.

Market forces continue driving housing prices and rental rates up. For example, it was recently noted that the average one-bedroom apartment rent in the Des Moines market experienced a 17% increase since last year¹⁰. Clearly, wages are not growing anywhere near that rate. Therefore, we believe there are some proposed policies and solutions that should be explored that would potentially mitigate the effects of such rent increases that many middle and lower income Americans are dealing with.

We also hope you acknowledge our financial investment which improves the properties and raises the quality of life for our residents. These include repaving streets, adding improved lighting, building dog parks, adding community playgrounds, renovating community centers, landscaping, and others. The biggest investment many Americans have is their home. These capital investments improve the value of our residents' homes^{11 12}, instill community pride, promote camaraderie among neighbors, and contribute to the overall well-being of our community residents.

10 2019 Annual Rent Guide. Retrieved from https://www.apartmentguide.com/blog/apartment-guide-annual-rentreport/#Rent_Increases

11 Will a Manufactured Home Appreciate in Value? FAQ Retrieved from <https://www.manufacturedhousing.org/faq/>

12 New evidence shows manufactured homes appreciate as well as site-built homes. September 13, 2018. Retrieved from <https://www.urban.org/urban-wire/new-evidence-shows-manufactured-homes-appreciate-wellsite-built-homes>

Our overall mission is to secure and preserve affordable housing across the country. We look forward to continuing to invest in our communities to make them attractive, safe, clean places for individuals and families alike.

We note that your letter requested Havenpark answer a long list of specific questions about our company. We have been advised by counsel not to respond point-by-point.

We hope to be of assistance in the discussion and formation of policies and regulations that would preserve existing affordable housing and create more options for affordable housing going forward.

Respectfully,



J. Anthony Antonelli
Managing Partner, Havenpark Management



Robison Pratt
Managing Partner, Havenpark Management

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