

March 3, 2021

House Judiciary Committee  
Iowa General Assembly  
State Capitol Building  
1007 East Grand Avenue  
Des Moines, IA 50319

RE: Vote in Favor of House File 442 – Mobile Home Park Law  
How Iowa Law Measures Up to Laws Where Out-of-State Investors Are Based

Leadership and Members of the House Judiciary Committee:

We are writing to ask you to consider and approve HF 442 to balance the property interests of Iowa families who own their homes and the park owners who rent lots and spaces to them. A change to Iowa law is long overdue and is a matter of fairness and sound housing policy. This letter also includes our suggestions for amending the bill to both protect residents and allow owners to continue to earn a fair return on their substantial investment.

Mobile home park residents' vulnerability is not a new problem. In 1995, Iowa legislators proposed a bill to protect residents. The preamble read:

*The general assembly finds that unregulated market forces result in unfair and unconscionable practices in manufactured housing park tenancies and that, once a home is situated on a park site, the difficulty and cost of moving the home gives the park operator disproportionate power in setting the rent, fees, rules, and other aspects of the tenancy. The shortage of park spaces, existing law as to eviction rights, park operator restrictions of the resident's sale of the home, and park owner changes in the land use of the park exacerbate the problems of residents. The purpose of this chapter is to protect residents from a park operator's unconscionable actions and to provide residents with a minimum of security in their homes.*

The bill did not advance, but the problems have worsened. Out-of-state investors have been buying up Iowa's mobile home parks, insisting on month-to-month leases, raising rents without any limit or reason, and ending leases without good cause. Iowa law allows these practices, which leaves homeowners in limbo with few options and legal protections. This encourages other park owners to follow suit and adopt these practices. A 2019 analysis showed that out-of-state companies own nearly 50% of the lots rented in Iowa's 549 or more mobile home parks. These investors are located and profitably operate in states whose laws provide far greater protection for mobile home owners than Iowa does; yet they argue and protest that HF442 would be unfair to them.

The reality is Iowa law is unfair to the 30,000 families who live in mobile home communities throughout the state. Iowa residents who own their homes have little security or stability and are easy targets. And a law that only requires landlords to give tenants 90 days' notice to remove their home from the park -- instead of the 60 days under current law -- is of little practical use or value to tenants.

Iowans deserve the same basic protections as people living in states where investment companies operate. An ISAC inventory listed parks owned by companies based outside Iowa. Among the Top 10 were Minnesota, Colorado, Illinois, Utah, and Wisconsin; states where mobile home owners have the security of long-term leases or the right to remain in the park so long as they pay rent, obey laws and park rules, and are good neighbors. These are nutshell descriptions of these states' laws and policies on this issue to use as a model or benchmark:

*Minnesota:* "You may keep your home in the park as long as the park is in operation and you meet your financial obligations, obey state and local laws which apply to the park, obey reasonable park rules, do not substantially annoy or endanger the other residents or substantially endanger park personnel and do not substantially damage the park premises."

*Colorado:* Month-to-month leases are standard but can be for a year or longer. The lease and tenancy continue until the park owner has good cause to end the relationship. Landlords cannot unilaterally terminate the lease without good cause. The law was revised and bolstered in 2019.

*Illinois:* Park must offer tenant a written lease of not less than 24 months, which includes an option to automatically renew the lease unless tenant declines or landlord refused to renew for reasons such as violation of park rules, health and safety codes or irregular or non-payment of rent. Landlord can increase rent or change terms with notice.

*Utah:* A term- or periodic-lease continues until the tenant gives notice, landlord and tenant agree, or the landlord has good cause to terminate the tenancy, take possession, or evict the tenant. The landlord cannot unilaterally terminate the lease except for specified limited grounds.

*Wisconsin:* The tenancy of a resident or occupant in a community may not be terminated, nor may the renewal of the lease be denied by the community operator, except upon limited cause grounds.

Iowans deserve no less.

We ask that the House Judiciary Committee consider and approve the bill on or before this Friday, March 5, 2021. Please contact us if you have any questions or need additional information.

Thank you in advance for your consideration and action.

Sincerely,

Krystal Daggett  
Clinic Law Student

Benjamin Nevitt  
Clinic Law Student

Michael Silberberg  
Law Student and Research Assistant

Len Sandler  
Clinical Professor of Law  
Director, Law and Policy in Action Clinic  
Clinical Law Programs  
380F Boyd Law Building  
Iowa City, Iowa 52242-1113  
319-335-9030 (phone)  
319-353-5445 (fax)  
Pronouns: he, him, his