

The Northwest Report

Issue 83 / June 2025

For Owners, Operator's, and Investors in Manufactured Housing Communities Nationwide

Rent Control Becomes Law in Washington

In Washington State, House Bill HB1217 and Senate Companion Bill SB5222 passed both houses of Congress and was signed into law by Governor Bob Ferguson on May 7, 2025. This is a rent control bill that covers all types of residential rentals, not just manufactured housing, but the manufactured housing rent cap is lower than other categories of housing.

In Washington, legislators capped rent increases during the first 12-months after the tenancy begins, and during any 12-month period of the tenancy, rents cannot be raised in any amount greater than 5% and without regard to the CPI. The limits do not apply to rental adjustments after a tenant vacates a manufactured home space. Prior to implementing rent increases, landlords must provide tenants with at least 90 days' notice (or longer if required by a city code) – an increase from the prior requirement of 60-days' notice. HB 1217 provides very specific language that landlords must use when sending out rent increase notices.

Oregon Rent Control Passes, Awaits Governor's Signature

In Oregon, HB3054-A passed the Oregon House of Representatives on April 16, 2025. The vote was along partisan lines with Republicans voting against the measure and Democrats voting in favor of the measure. The measure limits rent increases to 6% per year with no CPI component of any other option for raising rents higher even if the property owner experiences large increases in taxes, insurance, utilities, payroll, locally assessed fees, infrastructure maintenance or any other increase to the cost of doing business. Opponents were successful in removing the vacancy control and the "CPI only" rent increase provision that were part of the original legislation.

The measure is now on the Oregon Senate Floor, and it passed on June 12, 2025 along party lines with all Democratic Senators except Senator Meek voting for the measure, and all Republicans voting NO. The legislation now goes to Governor Kotek for her signature. HB-3054 arbitrarily divides manufactured home and floating home facilities with 30 or more spaces/slips from facilities with fewer than 30 spaces/slips; and it creates a convoluted exception on how those smaller facilities can raise rent for capital improvements.

this information has been secured from sources we believe to be reliable, but we make no representation or warranties, expressed or implied, as to the accuracy of the information.



PHONE: 206.652.4100
TOLL FREE: 888.205.8281
FAX: 206.652.4540

WWW.NWPARKS.COM

COMMERCIAL REAL ESTATE BROKERS
The Manufactured Housing Community Network

Manufactured Homes Sales in Parks

Filling vacant home sites or replacing older homes with new homes is a constant and time-consuming process for most park owners. Just when you get one vacancy filled with a new home, an older home may come up for sale (or worse yet be abandoned), leaving the park owner with few options beyond acquiring the home and replacing it with a brand new, energy efficient manufactured home that will upgrade and park and probably upgrade the tenancy too. How you accomplish that depends on your community, your management, and the partnership you have with your manufacturer-supplier. For most park owners, having a relationship with a particular manufacturing facility is key, as they will guide you towards popular floor plans and amenities that sell best in “parks” versus on private lots. They should help you select a home based partially on what their other park-owner customers are buying (and selling successfully), and they will often have inventory and chattel financing available that will help you acquire new home inventory and offer financing to qualified home buyers.

Homes in parks are selling well, based on reports from numerous community owners in the Pacific Northwest and in the Mountain States. The key to success is placing the right model home on the right lot, with the right amenities, at the right price, with irresistible curb appeal. Once those pieces are in place, make sure you have managers who can sell, or you have a relationship with a local realtor or manufactured home sales operation that will attract qualified buyers who will appreciate the features and benefits of manufactured home living.

Factory Built Homes Get Accolades

In a recent issue of the Wall Street Journal, reporters praised factory-built homes as the quickest and most affordable option for many Americans, especially those who have lost homes to wildfires and other natural disasters. The article offered specific examples of where a factory-built home replaced a lost home in a fraction of the time it would take to rebuild a stick-built home, and at savings that could be as much as \$500,000.

One important point highlighted in the article is that factory-built home manufacturers can access less crowded supply chains in other cities and states, when compared to stick-builders who are usually stuck with primarily local sources. The factories can accelerate the building process because fewer workers are required, and materials are often purchased in bulk and on-hand. The shorter timeline can sharply reduce carrying costs for a project. Some experts predict the next step will be building homes in robotic, artificial-intelligence-powered micro factories.

HUD Secretary Turner Delivers Keynote Address

At the Manufactured Housing Institute's Congress & Expo in Orlando, the U.S. Department of Housing and Urban Development (HUD) Secretary Scott Turner delivered an impassioned call to action to nearly 1,500 manufactured housing industry professionals, urging them to use the innovation inherent in manufactured housing to tackle America's housing crisis.

"The data tells us that we cannot keep running the same plays that have been failing for decades, with unacceptable results," Turner said. "So I am challenging us to draft a new playbook—a playbook that builds on President Trump's Day One executive order to reduce housing costs for the American people ... and I know you all are up for the challenge too because I've seen it in the work you do, and I am excited to see more of it."

Turner positioned manufactured homes as a key solution to improving housing affordability and access, praising the industry's role in delivering both scale and quality.

"It's easy to see how manufactured homes can dramatically expand the supply of affordable housing for Americans who need it the most," he said. "But this industry is about more than just quantity, it's about quality."

He praised the industry's innovation and its role in shaping modern housing solutions. "Manufactured homes are built by wisdom, and what I mean is that they're made through novel, out-of-the-box strategies that make the building process simpler, more cost effective, and ultimately, more accessible for American families," Turner said. "Harnessing innovation is vital in addressing this [housing affordability] crisis, and this innovation will be led by the creative engine of the private sector."

Reinforcing the broader mission, Turner closed with a powerful reminder: "Access to homeownership is the cornerstone of the American Dream. A home isn't just a place to live—it is a safe harbor ... the backbone of a strong America." Turner pointed out that manufactured housing is essential for providing affordable options without sacrificing quality.

"Every community needs housing, and manufactured housing plays a huge role in that," he said. "From the affordability standpoint, from the quality standpoint, from the speed to market standpoint, from a cost saving standpoint, and from an environmental standpoint, manufactured housing is very important – a huge part of the equation." His commitment to this sector underscores the broader goal of ensuring that all Americans have the freedom to choose where and how they live.

Turner said that manufactured housing will be a priority for HUD. "Our job is to work with industry leaders to support and expand the availability of manufactured homes." By collaborating with stakeholders such as MHI, he aims to remove bureaucratic barriers that often hinder housing opportunities. As Turner observed, the expertise and dedication from those in the manufactured housing sector are crucial for making these options available to the American public, helping them achieve the dream of homeownership.

Interest Rates for Manufactured Housing Community's

Interest rates for Manufactured Home Communities for loans \$1,000,000 to \$5,000,000 change regularly. These rates were currently published by one major lender:

- 50% LTV, 3 Year Fixed Rate Period, 6.23%, 60% LTV 6.305%, 65% LTV 6.605%.
- 50% LTV, 5 Year Fixed Rate Period, 6.290%, 60% LTV 6.365%, 65% LTV 6.605%.
- 50% LTV, 10 Year Fixed Rate Period 6.870%, 60% LTV 6.945%, 65% LTV 7.245%.

Loans are adjustable-rate mortgages with an initial fixed rate period for the term indicated. After the fixed rate payment period ends, the interest rate adjusts semi-annually based on an index plus an ARM margin. The interest rate will never be less than the initial fixed interest rate. Rate locks are available up to 90 days prior to closing when certain related agreements and a rate lock deposit are received by the lender.

Industry New Home Production Rises

According to official statistics compiled on behalf of the U.S. Department of Housing and Urban Development (HUD) and verified by the Manufactured Housing Association for Regulatory Reform (MHARR), HUD Code manufactured home year-over year production increased in April 2025, according to just released statistics.

Current data indicates that HUD Code manufacturers produced 9,454 homes in April, a 5.3% **increase** over the 8,971 new HUD Code homes produced in April of 2024. Cumulative new home production for 2025 is now 35,642 homes, a 7.2% increase from the 33,248 homes produced over the same 3-month period in 2024. This is more welcome news for the manufactured home industry nationwide, which has struggled to maintain production stability in an uncertain interest rate climate and fluctuating economic and inflationary period.

A further analysis of the official industry statistics shows that the top ten manufactured home shipment states – with monthly, cumulative, current production year (2025) and prior year (2024)

this information has been secured from sources we believe to be reliable, but we make no representation or warranties, expressed or implied, as to the accuracy of the information.

shipments per category as indicated – are: 1) Texas, 2) Florida, 3) North Carolina, 4) Alabama, 5) South Carolina, 6) Louisiana, 7) Georgia, 8) Mississippi, 9) Kentucky, and 10) Kentucky.

Industry leaders must continue to combat the discriminatory zoning exclusion and concurrent failure of Fannie Mae and Freddie Mac to implement the Duty to Serve (DTS) mandate with respect to the 80% of the mainstream manufactured housing consumer finance market represented by personal property loans, which have – and continue to – undermine the manufactured housing market. Even with new manufactured home production and shipment numbers on the rise, manufactured housing continues to significantly underperform, with production levels for 2025 remaining far below the industry’s potential to supply the country with much needed affordable housing, which is still in short supply across the U.S. Decisive industry action to address and resolve these postproduction issues - (zoning, placement, consumer financing discrimination) in the nation’s capitol is long overdue.

Upcoming Events

MHI Annual Meeting

September 29 – October 1, 2025

Omni La Costa

Carlsbad, CA

www.manufacturedhousing.org

Manufactured Housing Communities of Oregon

Annual Conference

October 27-25, 2025

Graduate Hotel, Eugene, OR

<https://register.mhco.org/conference/>

MHI National Communities Council

Fall Leadership Forum

November 5-7, 2025

Westin Michigan Avenue

Chicago, IL

www.manufacturedhousing.org

this information has been secured from sources we believe to be reliable, but we make no representation or warranties, expressed or implied, as to the accuracy of the information.



PHONE: 206.652.4100
TOLL FREE: 888.205.8281
FAX: 206.652.4540

WWW.NWPARKS.COM

COMMERCIAL REAL ESTATE BROKERS
The Manufactured Housing Community Network

Always Engage the Best

Regardless of current market circumstances, trust **Northwest Park Brokerage**, because no brokerage firm in the Pacific Northwest or on the entire West Coast has a better grasp of market conditions and emerging opportunities than **Northwest Park Brokerage**.

We have our pulse on the industry, we intimately understand the business, and we have relationships with buyers and sellers who are serious, qualified, and motivated. Let us help you evaluate your community. **Give us a call at 206.652.4100.**

Licensed in Washington, Oregon, Idaho and Montana. Licensed broker since 1989. Relationships with many top special servicers, financial institutions and major banks.

***Over \$1 Billion in Community Sales. Visit our website at
www.nwparks.com***

this information has been secured from sources we believe to be reliable, but we make no representation or warranties, expressed or implied, as to the accuracy of the information.

7683 SE 27TH ST SUITE 315
MERCER ISLAND WA 98040

205 SE SPOKANE ST SUITE 348
PORTLAND OR 97202