



Michael Oneglia
Owner & Manager
Seacoast Village / Hyland Estates
195 Case Street
West Granby, CT 06090
(207) 413-2100
MOneglia@mac.com

May 22, 2023

Members of the Labor and Housing Committee,

I apologize for being unable to appear in person but since this was added to the agenda last minute without a reasonable advanced notice, I was unable to arrange for childcare in order to testify in person. A brief introduction of myself: I personally own and manage two manufactured home communities in Belfast, ME. I have been in the business for about 8 years and have 90 rental spaces under my management. In the case of both parks, I took over the properties and inherited significant deferred capital expenditures totaling in the hundreds of thousands of dollars needed to remedy the roads, water infrastructure, in-ground sewer, septic systems, drainage, etc. I took a risk with my life's savings and borrowed money, bought the two parks, turned them around, and made them into the best places to live in Belfast, all while maintaining fair and reasonable lot rents for the residents.

A consistent theme during my time in the business has been a call for us park owners to preserve affordable housing, while at the same time being bombarded by hostile proposed legislative documents saddling us with more burden, both administratively and financially. The biggest enemy of affordable housing has been the government. LD 1931 is one of the most egregious overreaches that I have seen yet. The more of these types of proposed bills that get passed only encourage more owners NOT to get involved with manufactured housing. And they can't be blamed since there are far easier real estate sectors to participate in such as apartments and single-family housing. These sectors do not see even remotely the same amount of discrimination from our representatives that manufactured housing does.

The issues with LD 1931 are as follows:

1. It requires the disclosure of CONFIDENTIAL information about the sale of a property to a party that is perhaps the most unqualified of all to purchase the community in terms of property management experience and financial acumen.
2. LD 1931 by default gives the tenants a right of first refusal for free. I have never heard of a right of first refusal being granted without any consideration for that right.
3. The 60 days for the tenants to express interest and then the 90 days for them to obtain financing would significantly devalue the property to any traditional buyer, as no one is going to wait the equivalent of 5 months to conduct due diligence and then sit on the sidelines until the tenants either back out or move forward with the purchase.
4. LD 1931 devalues portfolios. Parks sold as part of a portfolio tend to sell for a premium over individual properties. If each park in a portfolio was separately tied up by the tenants, who most likely could not obtain financing or even the down payment, no professional operator would be interested in wasting the time and paying full price for the parks.

Even more noteworthy, under current law, the tenants are protected from a sale leading to redevelopment within two (2) years of the sale. Also, there is no barrier whatsoever to a tenant or homeowner's association making an unsolicited offer to buy a manufactured housing community under the exact same process that a traditional buyer would follow. Because of this, LD 1931 serves no purpose to anyone except ROC USA and other advocacy groups that want to circumvent the process that everyone else goes through in order to buy these parks, essentially cutting the line of buyers. If passed, LD 1931 will be one of the greatest infringements of landowner's rights that I have ever seen.

Please do the right thing for affordable housing by NOT passing LD 1931.

Sincerely,

A handwritten signature in cursive script that reads "Michael Oneglia".

Michael Oneglia