From: Margaret L. Bush, Manager Pine Cone Mobile Homes Court Holden, Maine

To: Housing and Economic Development Committee

Re: LD 1723 "An Act to Amend the Laws Governing Manufactured Housing Communities to Prevent Excessive Rent and Fees Increases"

LD 1765 "An Act to Ensure Affordability and Stability in Housing for Mobile Home Park Residents"

Date: May 1, 2025

Dear Committee Members:

As manager of Pine Cone Mobile Homes Court, the Trustee of Nelligan Family Trust which operates this business, and MHAM member, it was with significant concern that I learned yesterday of the proposed bills LD 1723 and LD 1765. I believe the proposed bills are well intended and aim to address the issues of unsustainable rent increases being placed on residents and provide housing affordability and stability. However, as a park owner with 25 years experience in the field I believe the outcome of such measures would have unintended consequences and a devastating impact on family-owned and run businesses such as Pine Cone Mobile Homes Court.

This business has been in operation since September 1962 when started by my father and mother on land owned by our family since the 1860s. Upon my parents passing I have taken over the responsibilities for the daily operations and management. In this capacity I have strived to continue and enhance the quality of life provided for residents with a safe and pleasant living environment, consistent upgrades and improvements, and reasonable increases in rent fees only as necessary to cover expenses. The success of such efforts are reflected by the low turnover rate, ongoing satisfaction expressed frequently by residents, and the longevity of residency including generational family members and many residents who have lived here for decades with some nearing 50 years. Additionally I as well as other family members have homes in the back of the park and are on site to address the residents' needs as they arise.

A review of financial records indicates that for the past five years Pine Cone Mobile Homes Court has reinvested earnings into the business at twice the industry rate. This is a clear reflection of the commitment and practice of providing the best possible quality living space for residents at a fair cost. It is an ongoing struggle to maintain reasonable rent rates while meeting the increased costs of operations as illustrated by these examples: electric rates which have increased 55% over the past 10 years (as reported by the Kennebec Journal based on findings by the Federal Energy Information Administration), an increase in the recent purchase price of a lawn mower of 19 percent over what it was five years ago, and April's reassessment of property value which will have a significant impact on real estate taxes. Obviously a restriction on rent increases would have a negative impact on the living

conditions of residents as upgrades and improvements would not be financially possible. Particularly in these uncertain economic times the adding of layers of burdensome restrictions, regulations and administrative costs arising from these legislative measures could be the straw that breaks the camels back for small business owners.

Based on research it appears that the excessive rent increases on residents in manufactured housing communities, which I too strongly oppose, is being driven by billion dollar out of state investment corporations who are buying a large number of manufactured housing communities in Maine. Therefore, it feels grossly unfair and unnecessary to place restrictions and regulations on demonstratively well run generational family businesses with highly satisfied residents. The regulations and administrative requirements would also place a disproportionate burden on small businesses who lack the staff/man power to easily fulfill these mandates while corporations with a large staff already in place could more easily address them. From my perspective it seems the proposed legislation would unreasonably punish those who are doing the right thing for the residents and potentially reward those who are not. The passage of LD 1723 and LD 1765 would perhaps even force my acceptance of one of the offers I receive weekly from out of state investors seeking to purchase this business. That, indeed, would be a very sad day for myself, family members, the 80 families (85% of whom are senior citizens) who reside in the park, and the generations who have poured their blood, sweat, and tears into this endeavor.

In closing I respectfully ask you to consider the impact these proposals would have on a well run manufactured housing community that has provided an affordable, quality living environment for residents for over 60 years. If this legislation moves forward would adding a provision which exempt small, well run businesses which have not had excessive rent hikes from LD 1723 and LD 1765. A provision of this nature would directly support the goal of this legislation by ensuring that businesses such as Pine Cone Mobile Homes Court would be able to continue to provide affordable, stable, quality living space for manufactured housing community residents.

I would be happy to speak with you further regarding my concerns as well as explore possible ways to address these concerns. You would be most welcome to visit Pine Cone Mobile Homes Court to speak personally with the residents and view the quality living environment that I offer for our families.

Thank you for your time and thoughtful consideration,

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