



Displacement, Inc.

How Havenpark Capital and Enterprise Community Partners are eroding affordable housing and how residents are fighting back



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Executive Summary

"I was so elated to have my own home. It was the first thing that I felt was 'mine' after a divorce. I wanted a stable place to take care of my daughter and my granddaughter who were living with me.... I lost so much due to Havenpark. I lost my home that was worth \$60,000, the money invested in lot rent, the shed, tools, all the things needed for maintaining a yard. I lost my entire settlement from my former employer. On top of that, I miss my lilacs, my roses, the feeling of having plenty of space. It's devastating to have your home ripped away from you."

– Linda Bates, former resident of Midwest Country Estates in Waukee, Iowa

Across the country, manufactured home communities provide millions of people, including low-income families, seniors on fixed income, immigrants, people with disabilities, and those displaced from high-cost cities, with affordable homes and diverse and caring neighborhoods. In these communities, residents own their homes but rent the land beneath their homes from a common community owner. This critical source of affordable housing in rural and exurban areas is under attack. Over the past two decades, financial firms and real estate companies have been buying manufactured home communities out from under the residents. Their goal is not to make homes and communities more stable, accessible, or affordable. Their goal is to extract easy profit from low-income residents.

While organizing their neighbors and fighting to save their communities from predatory investors, residents discovered that Enterprise Community Partners, a national affordable housing advocate, developer, and funder, is behind one of these investors. Enterprise's subsidiary, Bellwether Enterprise, is financing an entity called Havenpark Capital Partners, LLC ("Havenpark"). Havenpark is a private real estate investment firm that has bought up manufactured home communities, primarily in the Midwest and Mountain West. Rather than pursue well-established manufactured home community preservation strategies at scale, Enterprise Community Partners has chosen a manufactured home community investment strategy that is fueling displacement of residents, such as Linda.

Residents in Havenpark-owned communities report – drawing on examples from their own lives and their neighbors' – that Havenpark has dramatically increased lot rent (the rent residents pay for the land beneath their homes) and other fees, has invested minimally in community maintenance, and has adopted arbitrary and punitive rules. Residents report that

Havenpark refuses to engage with them, and is pushing out residents during the pandemic. Enterprise Community Partners has not taken adequate action to stop these abusive landlord practices. Instead, Enterprise has stood by their financing of Havenpark, from which they are profiting, while seniors and families struggle to afford rent, face harassment, or are pushed out altogether.

This report tells the stories of residents who have seen the affordability and livability of their communities destroyed by Havenpark. It calls out the actors who have caused that destruction – from Havenpark executives to Enterprise Community Partners and Fannie Mae.

Finally, it lays out a path forward with the demands of residents who are bravely organizing their neighbors and fighting to save their communities. Residents are calling on Havenpark, Enterprise Community Partners, state and federal elected officials, the Federal Housing Finance Agency, and Fannie Mae and Freddie Mac to all take action to:

- Keep our homes affordable with gradual, justified rent and fee increases and COVID-related rent relief
- Keep us in our homes with good cause eviction requirements and COVID eviction protections
- Make our communities safe and healthy with community maintenance
- Treat residents decently and fairly
- Save our communities from predatory investors by supporting community ownership by residents, mission-driven nonprofits, and public entities

“Our community is banding together. We need to fight back before Havenpark evicts me and many of my neighbors. We’re not going to sit around and simply let them kick us out of our community.”

– Cindy Newman, resident in Great Falls, Montana

Resident of Montana

In this story and throughout this report, some residents of Havenpark Capital-owned communities have asked to remain anonymous out of fear of retaliation. These fears are especially pronounced for Black and Indigenous residents and residents of color, those who risk immigration consequences, those who live with the trauma of past displacement, and senior women living on fixed incomes.

I am a member of the Turtle Mountain Chippewa Tribe of North Dakota and am part French Canadian. I grew up in Chinook and Havre, Montana and attended school there. I initially worked jobs locally, and I also worked mining jobs in Anaconda and in North and South Dakota. I finally moved back to the Chinook area and was hired full-time with the railroad and worked the tracks for 30 years until I retired. I was proud to raise six children there. Now, I have one son who lives with me.

I moved to my community about 15 years ago. The rent for the land beneath my home was affordable at the time. I am 70 years old, and after hurting my back, I cannot work anymore. I live on a fixed income. About a year ago, Havenpark moved into the park and started charging us for everything. Now, I pay almost \$50 more in lot rent. Plus, they're raising other fees so much that I can hardly afford to live in my own home. Under the old management, we did have gradual increases, but nothing like this new owner. Now, fees are always going up, and it's pretty stressful.

They don't pay to improve anything in the park. Once, they laid a thin skin of new black pavement on the road, but that won't last. We have a lot of water running under this ground, like a river, so it will break up soon.

I own my own home and rent a little piece of land. I have about six feet of land on each side of my house. I try to keep it clean. I wanted to build a double deck, but I can't afford it anymore. I spend my time improving my home by planting flowers and watering the grass. But I can't water my yard anymore, since Havenpark put meters on. I now even pause and have to think about taking a shower because I'm so worried about whether I can afford the water bill.

Every time I turn around, they're raising more fees. This is all stressful because I live on a fixed income. I can't enjoy my retirement. As an Indian person, it feels like we're getting removed again.