

Rep. Axne Seeks Answers Regarding Rent Spikes at Iowa Mobile Home Communities

June 10, 2019



Following a visit with U.S. Sen. Sherrod Brown (D-OH) to talk with residents at Midwest Country Estates in Waukee, Rep. Axne sends letter to investment firm who recently purchased five mobile home communities in Iowa

Waukee, IA – Today, U.S. Rep. [Cindy Axne](#) (IA-03), a member of the House Financial Services Committee and subcommittee on Housing, requested answers regarding significant rent spikes at five manufactured housing communities (MHCs), or mobile home communities, in Iowa. In a [letter](#) sent to Havenpark Capital, a Utah-based investment firm which recently purchased these five MHCs, including Midwest Country Estates in Waukee, Rep. Axne asked for information regarding the

company's [intentions](#) to raise rents by as much as 70% on seniors, families and hardworking lowans living in these communities.

Earlier today, Rep. Axne invited U.S. Senator Sherrod Brown (D-OH), Ranking Member of the Senate Banking & Housing Committee, to join her in visiting local residents at Midwest Country Estates to hear about the financial hardship facing members of this MHC following recent rent spikes, as well as the lack of maintenance by the property owners. As the Ranking Member of the Senate Banking and Housing Committee, Senator Brown has been a champion of affordable housing for lower-income renters and homeowners.

“A rent increase of nearly 70 percent would be devastating to anyone, particularly seniors and fixed-income lowans living at these manufactured housing communities,” said Rep. Axne. **“If these rent increases go into effect, lowans will lose their homes. I am demanding answers about how Havenpark Capital justifies such dramatic increases. I’d like to thank Senator Brown for joining me in Waukeet today and look forward to working with him back in Congress to make housing more affordable for all lowans and Americans, and to hold bad housing actors accountable.”**

“Home is essential. It’s the center of your life. It’s not the place to juice returns for multi-billion dollar companies. Especially not when we have an affordable housing crisis in this country. One in four renters spend more than half their income on housing,” said Sen. Brown.

Havenpark Capital, which has [received](#) an “F” grade from the Better Business Bureau, began purchasing MHCs in Iowa last October. The investment firm has announced intentions to raise rents as much as 70% on Iowa families. Rep. Axne plans to hold the company accountable to working with the community to raise rents in a sustainable, commonsense way, as opposed to increasing their bottom line at the expense of seniors, families and hardworking lowans.

The text of the letter is available [here](#) and below.

Monday, June 10, 2019

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Managing Partner

Havenpark Capital

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Robison Pratt

Managing Partner

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Dear Mr. Antonelli and Mr. Pratt:

I'm writing today because I'm deeply concerned about the recent rent changes at Iowa manufactured housing communities (MHCs) that Havenpark Capital has purchased.

Your company began to purchase MHCs in Iowa starting last October with North American Mobile Home Park in Indianola, and continuing with four more, including Midwest Country Estates in Waukee and Golf View Mobile Home Park in North Liberty. After purchasing these MHCs, your company has raised rent prices ranging from 20% at Sunrise Mobile Homes in Iowa City, to almost 70% at Midwest Country in Waukee, with additional charges on top of these.[\[1\]](#)

This level of rent increase, increasing prices from \$295 to \$500, is unacceptable and causing significant financial hardship on Iowa families. I am aware that your group has now agreed to increasing prices incrementally, with the rent going first to \$400, and delaying the next \$100 increase until April 1st, 2020. However, that is still a 70% rent increase in less than a year, which is far too large to expect seniors, families, and hard-working Iowans to pay. Some of those living in MHCs are not able to relocate their home, meaning that because of these rent increases, Iowans might not only be evicted but also lose the equity they have invested in their home.

I was further concerned when I saw that the Better Business Bureau has given your company an F rating, in addition to reports from other states highlighting that residents have complained that promised upgrades and capital improvements at the property were never completed. For example, one resident in Ohio placed a work order to prevent her mobile home from washing away last November. As of May 10th, this work had not been completed.[\[2\]](#)

In addition, residents at North American reported that they received an eleven page list of rules, which if not addressed would result in first additional charges for the resident and then possible eviction. Having reviewed a draft of the proposed rules at Midwest Country Estates, I am concerned that some of these rules are unreasonable and may even be a violation of the Fair Housing Act.

First, I strongly urge you to reverse these large, rapid rent increases. Second, to help me better protect Iowans in my role as a member of the House Financial Services Committee, I request the following information within 10 business days:

1. Please provide a comprehensive list of your Iowa properties. Is Havenpark in the process of purchasing any further properties in Iowa?
2. For each Iowa MHC, please provide the site rent prior to your purchase, as well as any increases that have been implemented since Havenpark purchased each community. Additionally, please provide information about any rent increases at specific properties which are expected in the next 12 months. If there are fees which more than 20% of the MHC's residents are paying, please also list those.

3. *Included in the proposed rules were things like limiting swing sets and play areas in yards, requiring that toys can't be left out in the yard, and putting a 35-pound weight limit on pets. I heard from residents who might have to give up their dog if this goes into effect. What changes to these rules will you make to minimize their impact on residents' lifestyles?*
4. *Attached is a list of properties pulled from Havenpark's website. Please confirm the accuracy of this list, and if there are any new purchases (like the four in Iowa), please provide the name, address, and # of home sites for those MHCs. Additionally, for any properties on the list which Havenpark once owned, but no longer does, please provide the date when they were sold, as well as the length of time Havenpark owned the property.*
5. *Please provide a detailed explanation of capital upgrade commitments made to each Iowa MHC's residents. This should include the total amount, with a breakdown of the cost associated with each upgrade, as well as when the residents can expect them. Will you commit to delaying the final increase at Midwest Country Estates until the planned capital improvements are completed, and will you similarly commit to delaying a portion of the rent increases at the other Iowa MHCs until the capital upgrades there are completed?*
6. *The rent increases at Midwest Country Estates are now being delayed. Why is this implemented by increasing rents to \$500 immediately, with a \$100 rent credit being applied to each resident's bill? Wouldn't it be simpler to just increase rent only to \$400 now?*
7. *The Limited Liability Corporations which have been created to purchase the Iowa MHCs are registered by Nathan Ricks. In addition, Mr. Ricks signed the mortgage agreement for Midwest Country Estates. What is Mr. Ricks' affiliation with Havenpark Capital?*
8. *Mr. Ricks was also mentioned as the investor who was providing the \$100 rent credit so that the full increase to \$500/month will be delayed until Apr 1, 2020. What compensation is Mr. Ricks receiving for this?*
9. *What percentage of Havenpark's revenues from Iowa MHCs will come from fees as opposed to rent? How is this split relative to initial communications with investors?*
10. *Are the above percentages different for Havenpark's Iowa MHCs as opposed to properties in other states?*
11. *Heartland Living, LLC is registered at the same address as Havenpark Capital. What is the relationship between the two?*
12. *Are there related businesses (either directly affiliated or via a significant percentage of common ownership) which will benefit from Havenpark's MHC operations? If so, what are they, and how will they benefit?*

I look forward to a timely response to these questions that will better assist the residents in these communities with understanding what rent increases, fees, and upgrades to expect.

Sincerely,

Cindy Axne

Member of Congress

[1] <https://www.desmoinesregister.com/story/news/2019/05/05/mobile-home-tenants-wary-history-complaints-havenpark-capital-partners-waukee-north-liberty-iowa-ia/3640106002/>

[2] <https://www.fox19.com/2019/05/11/local-mobile-home-owners-say-their-property-is-washing-away-land-owners-wont-do-anything-about-it/>



Notice: This is part of a longer report, fact check, and analysis found at the link below.

<https://www.manufacturedhomepronews.com/500-million-axne-khanna-plan-manufactured-housing-legislation-introduced-but-manufactured-housing-institute-fails-to-tell-members>

See related reports at the links as follows:

<https://www.manufacturedhomelivingnews.com/open-letter-kurt-kelley-joanne-stevens-frank-rolfe-manufactured-housing-review-about-senator-elizabeth-warrens-request-for-information-from-manufactured-home-community-owners/>

<https://www.manufacturedhomelivingnews.com/hbos-john-oliver-on-last-week-tonight-mobile-homes-video-manufactured-home-communities-fact-check/>

<https://www.manufacturedhomelivingnews.com/coming-epic-affordable-housing-finance-clash-chair-maxine-waters-vs-warren-buffett-clayton-homes-historic-challenges-ahead/>

<https://www.manufacturedhomelivingnews.com/fhfa-gses-high-cost-to-minorities-all-americans-due-to-asserted-failures-to-follow-duty-to-serve-affordable-housing-existing-federal-laws/>

<https://www.manufacturedhomelivingnews.com/gsmols-michelle-smiths-cautionary-tale-and-mhaction-key-manufactured-home-insights-revisited/>

<https://www.manufacturedhomelivingnews.com/manufactured-home-community-leader-discusses-manufactured-housing-insanity/>

<https://www.manufacturedhomelivingnews.com/giant-manufactured-home-community-operator-and-manufactured-housing-institute-member-rhp-properties-backs-down-hud-fhfa-nonprofits-and-you/>

<https://www.manufacturedhomepronews.com/masthead/prima-facie-cases-against-manufactured-housing-institute-richard-a-dick-jennison-tim-williams-21st-mortgage-kevin-clayton-tom-hodges-clayton-homes-et-al/>