Pre-publication draft for submission to third-party artificial intelligence (AI) for facts-evidence-analysis (FEA) check for a developing report on MHProNews

Attorney General's 10.14.2026 Open Letter to Manufactured Housing Community Owners. Per Advocate 'End of Affordable Land Lease Communities' as We've Known Them? 'RHP Keeps Grabbing MHCs' FEA

In a letter from the office of Attorney General Kathleen Jennings from the Delaware Department of Justice (DOJ) dated 10.14.2026 provided to MHProNews provided below in Part I submitted by a resident advocate was the statement that: "Delaware effectively ended leased land community as an affordable home source for low & fixed income people by guaranteeing annual rent increase of 3.5% + ,1/2 od CPI-U without oversight. RHP keeps grabbing Delaware communities." The attachment shown in Part I from AG Jennings was deemed by the advocate as "One glimmer of good news..." Per the Delaware DOJ (provided below): "The Delaware Department of Justice Manufactured Housing Ombudsperson has referred to the Consumer Protection Unit ("CPU") multiple consumer complaints from residents regarding recent rental increases in manufactured housing communities." "This is a misreading of the statute that runs counter to the purpose of the law." Per the letter: "a community owner may not increase tenant's lot rent more than once in any 12-month period..."[5]" This MHProNews MHVille facts-evidence-analysis (FEA) is underway.

Part I. On the Letterhead of KATHLEEN JENNINGS ATTORNEY GENERAL (DE)

October 14, 2026

Dear Manufactured Housing Community Landlord:

We are writing to inform you of a concern that has come to our attention in recent months and to put all manufactured home community owners on notice of your obligations under the law.

The Delaware Department of Justice Manufactured Housing Ombudsperson has referred to the Consumer Protection Unit ("CPU") multiple consumer complaints from residents regarding recent rental increases in manufactured housing communities. To balance the needs of both manufactured home residents and community owners, Delaware law provides several approved methods for determining annual lot rent increases in manufactured home communities. Absent certain prohibitions, community owners may base an increase in lot rent on one of the following:

1. the Consumer Price Index for All Urban Consumers (CPI-U), which is a measure of inflation in the Philadelphia-Camden-Wilmington region;

2. market rent, which is rent that would result from market forces absent an unequal bargaining position between the community owner and the homeowners, phased in over time; or
3. a separate written agreement regarding rent increases between a community owner and homeowner.

The complaints assert that manufactured housing community owners are increasing rents using **both** a CPI-U increase **and** a phased-in market rent value increase in the same year. This is a misreading of the statute that runs counter to the purpose of the law.

Rent Increase Justification

Delaware's landmark Manufactured Homes and Manufactured Home Communities Act ("MHMHCA") includes a subchapter dedicated to Rent Increase Justification, outlining specific parameters and formulas for how, when, and by how much a manufactured home community owner may increase a manufactured home resident's lot rent, providing critical protection against unreasonable and burdensome rental increases.

As provided by 25 *Del. C.* § 7051(a), "a community owner may not increase a tenant's lot rent more than once in any 12-month period."[1] Section 7052A(b)(1) provides a list of three options that a compliant community owner may use as their basis for rent increases per 12-month period

for each resident.[2] A community owner "may increase rent <u>under 1 of the following</u>…" methods, to include:

- Based on the CPI-U;
- Based on the market rent;
- Based on a separate written agreement between a community owner and homeowner, mutually agreeing to a rent increase effective for longer than 1 calendar year.[3]

The choice to phase in market rent necessarily precludes the use of a CPI-U rent increase in a given year.

When it created Section 7052A in 2022, the legislature included explicit direction for community owners to bring the amount of rent to market rate, gradually, in equal increments over a course of seven or ten years.[4] A community owner who chooses to base an annual rent increase on market rent, instead of CPI-U, is permitted to impose a series of rent hikes for the specified seven- or ten-year period, which must be communicated to the manufactured home resident in the first year such annual increase is put into effect.

Under the only logical reading of the statute, a rent increase based on market rent cannot be implemented simultaneously with a rent increase based on CPI-U. This is supported by language throughout the statute that contemplates a structure whereby the community owner must choose a single approach:

- "a community owner may not increase tenant's lot rent more than once in any 12-month period,"[5]
- "a community owner may increase rent under 1 of the following [methods],"[6] and,
- a market rent increase "must be phased in equally" over seven or ten years.[7]

Reading these provisions together, it is clear that aggregating both market rent and CPI-U rent increases in the same 12-month period would be a violation of Chapter 70.

Market rent is calculated based on competition in the market, including an analysis of current local housing demand and supply, geography, and price of nearby properties.

The law must be read consistent with the legislative purpose to prevent residents from unreasonable and burdensome rent increases.

A community owner's attempt to increase a resident's lot rent based on more than one method in the same 12-month period would be unreasonable and burdensome on residents, and thus counter to the law's purpose.

The General Assembly was keenly aware of competing interests in the manufactured housing market when it approved Chapter 70, Subchapter VI, Rent Increase Justification, and as it has made subsequent amendments to the law. Indeed, the stated purpose of the law is to "accommodate" such "conflicting interests"—on the one hand, "protecting manufactured homeowners, residents, and tenants from unreasonable and burdensome space rental increases," while, at the same time, "providing for the need of manufactured home community owners to receive a just, reasonable, and fair return on their property."[8] However, manufactured home community owners double-dipping on rent increases is neither just, reasonable, nor fair. Thus, a reading of the statute that would permit a community owner to impose a rent increase based on CPI-U, while already increasing the resident's rent based on market rent in the same year, would be contrary to the stated goals of the legislature.

Conclusion

In summary, raising lot rent based on both market rent and CPI-U in a single year is a violation of the MHMHCA and potentially a violation of the Consumer Fraud Act, 6 *Del. C.* § 2511 *et seq*.

Any community owner that has implemented more than one rent increase in the same year should take appropriate corrective action to bring themselves into compliance with the law.[9] Failure to do so may result in a CPU enforcement action.

Thank you for your attention to this letter. If you have questions, please reach out to Deputy Attorney General Giovanna Crozier-Fitzgerald at giovanna.crozierfitzgerald@delaware.gov.

Respectfully,

Victoria Finkle

Director of Consumer Protection

Delaware Department of Justice

1. 25 *C.* § 7051(a).
2. 25 *C.* § 7052A(b)(1).
3. The CPI-U is calculated by the United States Bureau of Labor Statistics, published every month, and measures the "average change in prices over time in a fixed market basket of goods and services." *See*gov/regions/midatlantic/news-release/consumerpriceindex_northeast.htm. Under 25 *Del. C.* § 7052A(c)(1), annual rent may be raised by the average annual increase of the CPI-U for the most recently available preceding 24-month period, as provided by the Delaware Manufactured Home Relocation Authority.
4. Under 25 *C.* § 7052A(d)(3), a community owner using a market rent-based increase must phase in the total increase equally over a course of seven or ten years.
5. 25 *C.* § 7051(a).
6. 25 *C.* § 7052A(b)(1).
7. 25 *C.* § 7052A(d)(3).
8. 25 *C.* § 7050.
9. *See* 25 *C.* § 7055.

Part II. Additional Information from Sources as Shown, with More MHProNews Expert Commentary plus Programming Announcement

In no particular order of importance.

1. As per our programming announcement in Part #2 #12. MHProNews has launched a Substack page at this link here. The first focused introductory post is live. Stay tuned for more.

As Midterms Loom, Perverse Incentives plus Surprising and Obvious Drivers on Affordable Housing Policy – Including Commonly Overlooked Solutions

2. New and returning readers should recall the recent post on the Gazette.

Understanding Rent Hikes at Manufactured Home Communities-Causes and Cures. Plus How Manufactured Housing Institute (MHI) Gives Apparent Cover to 'Predatory' MHC Operators -

3. MHProNews and MHLivingNews have repeatedly noted the understandable desire of residents to do 'rent control' of site fee (lot rent) increases and the challenges of making that work in practice. The tipster cited RHP Properties. But as regular and detail-minded readers of MHProNews may recall, Equity LifeStyle Properties (ELS) president and CEO Marguerite Nader explained during an earnings call that they are used to dealing with rent control ordinances.

ELS CEO Statement on Rent Control – Its Arguably Useful and Navigated by Them.

During an Q3 2019 Earnings Call for Equity LifeStyle Properties (ELS) conducted on October 22, 2019 was the following Q&A. Typos are in the original transcript.

Michael Bilerman -- *Citigroup – Analyst* asked the following from ELS' management.

Q) "...**Obviously rent control is a big topic from a multi-family perspective across the US. I know you've dealt with it before, but there's just a lot more movement in a lot more states. I guess how are you thinking about that impacting your business where you've obviously been able to push rents, pretty significantly over the years for your product? And look I recognize the MH business is a more affordable product for -- for people, but your land rents have moved up pretty dramatically over the last decade. So, can you talk a little bit about how you are sort of evaluating the landscape today and where you stand**?"

ELS' president answered that as follows, both per the Motley Fool's transcription of the recorded call.

Marguerite Nader
President and CEO,
Equity LifeStyle Properties (ELS)
Photo credit, *Glass Door*.

A) Marguerite Nader -- *President and Chief Executive Officer* (ELS).

"Sure. Sure. So as you said, we've been operating in the rate control environment in -- for a long time. We have 23 properties that are subjected -- subjected to mandated rent control. That's primarily in California. And so, we've been very vocal in our opposition of rent control. Over the last 20 years, we've won some cases and in others we are operating in the rent control environment and you see our results as -- as a result of that rent control environment. So we're able to still generate some -- some very healthy growth rate even operating in an [rent control] **environment. But then, beyond the actual strip rent control, there are states that have regulations around rent increases, like Florida for instance, we operate under the terms of a prospectus and that prospectus runs with the land and governs the annual rent increases.**

This actually continues to be an important selling point for our residents considering to buy our properties. They -- we established a relationship with the homeowners association, then we spent time focused on meeting the needs of them -- of the residents, and we're trying to achieve fair rent increases. And so, in general, in our communities where we have mandated rent control, we see a transfer of the economics from the landlord to the tenant. So, where monthly rental rates are suppressed, but there is no governor of the sale price of the home, and we've seen firsthand that that does not -- that rate control in our environment doesn't make the overall housing more affordable. They really shift the payment from the monthly site rent to a payment for the home. So, we closely monitor all the activity for the states that we operate in, and we're also working with our national association [i.e. MHI] **to make sure that our industry is represented. But it's kind of -- for us, it's more of the same, I know -- others are dealing with it** [rent control] **kind of for the first time, but we've been dealing with it for a while now."**

This can be summed up in a fashion that is very much in keeping with what Carol Roth said on Fox News. Namely, that bigger businesses can navigate regulations easier than smaller businesses. That applies to rent control too.

Rob Weymouth - associated with MHAction - said in his own letter to the editor that the rent control passed in Delaware was useless. ELS operates in that state.

The solution to rising rents is more supply, not rent control. While an argument could be made for 'temporary' rent control while new communities are built, long term rent control is harmful to smaller businesses and to affordable housing.

Speaking of ELS, Patrick Waite (COO) is currently the chairman of the board at the Manufactured Housing Institute (MHI). Also tied to ELS are the late Sam Zell and Howard Walker, who are both cited in the deep dive report linked below.

[caption id="attachment_238936" align="aligncenter" width="600"]

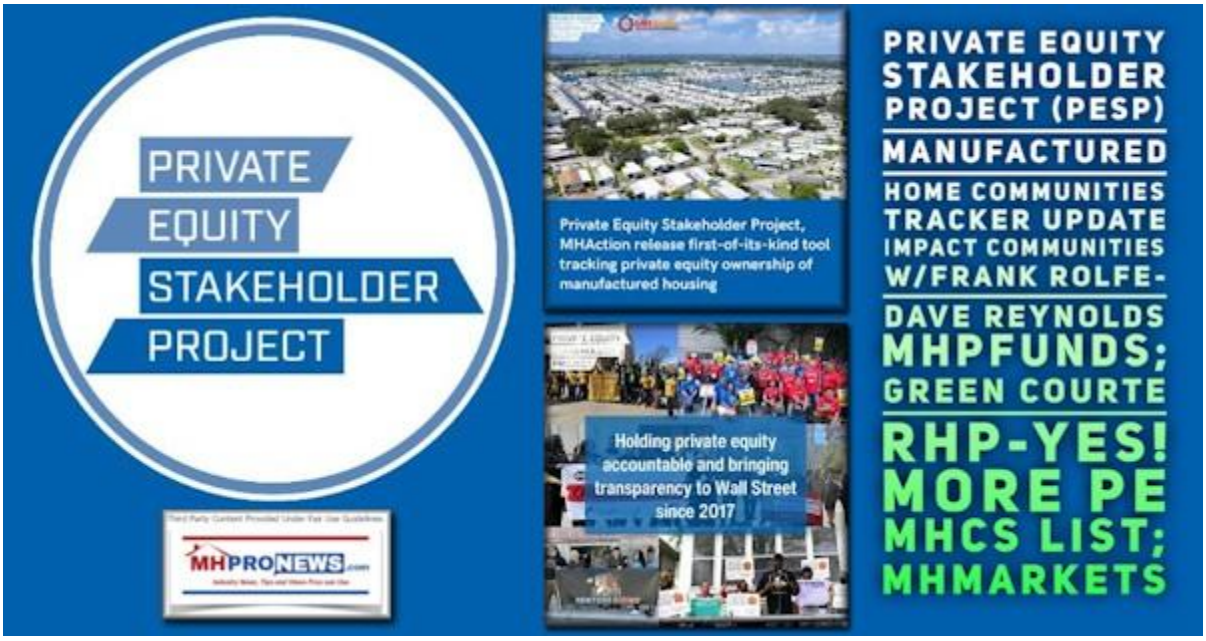
https://www.manufacturedhomepronews.com/sam-zells-words-continue-to-haunt-manufactured-housing-institute-leaders-words-of-late-els-vice-chair-howard-walker-zells-and-walkers-essential-mhville-statements-unpacked/[/caption]

RHP reportedly came under fire in several states and nationally, as example shown below reflect. And as the tipster indicated, RHP is buying properties. The first story linked below is still one of the top read on MHProNews in October 2026.

[caption id="attachment_230856" align="aligncenter" width="600"]

https://www.manufacturedhomepronews.com/rhp-properties-secures-830-million-financing-to-buy-another-manufactured-home-community-portfolio-supply-constrained-markets-with-sustained-population-growth-high-barrier/[/caption][caption id="attachment_222393" align="aligncenter" width="600"]

https://www.manufacturedhomelivingnews.com/manufactured-homeowner-rhp-properties-community-resident-fred-neil-dover-city-council-president-exclusive-on-new-state-law-possible-example-to-protect-residents-and-stop-fraud-by-sta/[/caption][caption id="attachment_206356" align="aligncenter" width="600"]



https://www.manufacturedhomepronews.com/private-equity-stakeholder-project-pesp-manufactured-home-communities-tracker-update-impact-communities-w-frank-rolfe-dave-reynolds-mhpfunds-green-courte-rhp-yes-more-pe-mhcs-list-mhmarkets/[/caption]

[caption id="attachment_182557" align="aligncenter" width="600"]

https://www.manufacturedhomepronews.com/dead-presidents-deal-making-by-manufactured-housing-institute-pac-contributors-starting-with-big-communities-buys-by-rhp-properties-and-ross-h-partrich-plus-mhville-reits/ [/caption][caption id="attachment_181708" align="aligncenter" width="600"]

https://www.manufacturedhomepronews.com/masthead/rest-of-story-residents-media-complain-rhp-properties-on-evictions-discrimination-stiff-hikes-havenpark-communities-named-where-is-manufactured-housing-institutes-code/ Note: Havenpark, per a source, is no longer an MHI member, but the reason for that is unclear. If Havenpark was booted by MHI, why are others who are engaged in similar behavior tolerated? Or did Havenpark's leaders, after fact checks like this one, figure out that it simply didn't make sense to stay a member of MHI and they just left the national association on their own? [/caption][caption id="attachment_204470" align="aligncenter" width="600"]

https://www.manufacturedhomelivingnews.com/taking-from-people-that-cant-afford-it-dylan-olson-tells-reporters-100s-of-manufactured-home-community-residents-fighting-

back-against-rhp-properties/[/caption][caption id="attachment_190939" align="aligncenter" width="600"]

https://www.manufacturedhomepronews.com/1000s-unhappy-working-at-clayton-homes-skyline-champion-cavco-sun-els-rhp-flagship-impact-yes-havenpark-communities-what-will-they-do-facts-walkout-threat-op-ed-plus-mhmarkets-update/[/caption][caption id="attachment_149889" align="aligncenter" width="600"]

NYS Senator James Skoufis with residents of Silver Stream Mobile Home Park, New Windsor

https://www.manufacturedhomepronews.com/giant-rhp-properties-manufactured-housing-institute-national-communities-council-member-facing-senators-claim-theyre-violating-state-law/[/caption][caption id="attachment_160173" align="aligncenter" width="600"]

NYS Senator Jen Metzger (third from right) stands with Huguenot Estates residents and Senior Staff Attorney for Legal Services of the Hudson Valley Jaime Samarel (far right) after Sept. 14, 2020 press conference in Deerpark, NY

https://www.manufacturedhomepronews.com/breathing-waste-health-issues-rhp-properties-ross-partrich-joel-brown-mhi-pay-to-play-corrupt-law-breaking-predatory-practices-alleged-by-residen/ [/caption]

4.

5.

6.