



Fact Sheet

Rent Increases in Manufactured Home Parks

This fact sheet informs manufactured home owners and manufactured home park owners of their rights and responsibilities regarding rent increases pursuant to the Housing Stability and Tenant Protection Act of 2019 (HSTPA) and Real Property Law § 233-b.

This fact sheet does not replace or modify the laws and regulations of the State of New York.

Applicability

The requirements set out in Real Property Law § 233-b apply to all manufactured homes located in manufactured home parks except for those subject to a regulatory agreement with a government entity to preserve affordable housing or otherwise limit rent increases.

Rent Increases, Generally

“Rent” refers to all costs, including all rent, fees, charges, assessments, and utilities. Increases in rent must not exceed a 3% increase above the current rent. However, a manufactured home park owner is permitted to increase the rent in excess of 3% above the current rent due to increases in the park owner’s operating expenses, the property taxes on the park, or the costs that relate directly to capital improvements in the park.

Challenging a Proposed Increase Above 3%

An aggrieved manufactured homeowner may challenge an increase above 3% as unjustified. Multiple aggrieved manufactured homeowners may join in the same action where there is a common question of law and fact. In order to make such a challenge, an aggrieved homeowner(s), within 90 days of the proposed increase, may file an action in the court of appropriate subject matter jurisdiction where the real property is located seeking a declaratory judgment that the rent increase is unjustifiable.

Adjudicating a Challenged Rent Increase

In any proceeding challenging an allegedly unjustified rent increase, there is an irrebuttable presumption that a rent increase is justifiable when the amount of the increase is less than or equal to the tenant’s pro-rata share in operating costs and property taxes for the manufactured home park where the manufactured homeowner resides. In determining the permissibility of a rent increase, a court must consider whether the manufactured park owner can demonstrate the increases in their costs or property taxes as required.

Temporary Hardship Applications

Rent increases cannot exceed 6% without a manufactured home park owner submitting a temporary hardship application to a court and the court’s approval. In evaluating such an application, the court must consider, in addition to the required evidence of the increase(s) in the park owner’s costs, property taxes and improvements, the following factors:

- the amount of the increase being sought by the park owner;
- the ability of the manufactured homeowner to pay such an increase – including whether the increase would have an unreasonable adverse impact on the manufactured home owner;

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Sale of Manufactured Home Parks

- the amount of time and notice the manufactured homeowner may need in order to pay a temporary rent increase;
- the duration the park owners intend the temporary rent increase to last;
- the cause of the hardship the rent increase would alleviate, including whether the hardship was due to owner negligence and malfeasance;
- the ability of the park owners to use means other than a rent increase to alleviate said hardship;
- the likelihood that the property the manufactured home park is located on will go into foreclosure if a temporary rent increase above 6% is not granted; and
- any other factor that would jeopardize the ability of the park to legally operate.

A court order approving a temporary hardship application must state for each manufactured homeowner the amount of the rent increase; the date the rent increase is set to take effect; the date the increase is to end; the amount the rent will return to; and the court's findings as to the factors necessitating a temporary increase.

Upon a grant of a temporary hardship exemption, the amount of any rent increase must be the minimum amount to alleviate the park owner's hardship. An order granting a temporary rent increase must not exceed six months. The order allowing the rent increase must be served on the manufactured homeowners and all known legal tenants within thirty days of the court order.

Conditioning Increases

The court may condition its approval of any rent increase upon the remedying of conditions in the manufactured home park that threaten the health and safety of the manufactured home tenant or owner.

Pending Cases and Appeals

While a challenge to a rent increase is pending in a court, manufactured home park tenants must pay the amount of the rent increase to the manufactured home park owner who must hold the increase funds in escrow pending a mediated agreement between the parties or a final decision from the courts. However, no manufactured home park tenant may be evicted for non-payment of the rent increase prior to the final disposition of the matter by the court of appropriate jurisdiction. Failure by the park owner to place the challenged rent increase in escrow is punishable by a civil penalty of up to \$500. If the petitioners appeal, the park owner may remove the rent increase funds from escrow and begin a non-payment proceeding in the court of appropriate jurisdiction against a tenant who has not paid the increase of rent. If the court enters a final judgment declaring the rent increases, in whole or in part, to be unjustifiable and impermissible, the manufactured home park owner must refund the amount of the impermissible increase to each tenant household.