

CHALLENGES OF MOBILE HOME RELOCATION

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The relocation of mobile homes is like assembling a puzzle. Each of the puzzle pieces represents an issue that the acquiring agency must resolve. Each of these pieces must be considered, and then fit into the overall "picture" to achieve a successful relocation.

Whether your agency is displacing a few mobile homes, or an entire mobile home park, early planning in the project development process is essential. You should ask, "What problems will the displacement of the mobile homes cause and what strategies can you identify to minimize the adverse impacts of displacement?" The agency must conduct early studies and field

reviews to determine the scope of the relocation impacts, and continue to update the plan throughout the project. This planning can save your agency time and money in project delivery.

An agency must be prepared to address several challenges in mobile home relocation that are not seen with conventional dwellings.

Is the Mobile Home Real Property or Personal Property?

The classification of mobile homes as real or personal property can vary from state to state, or even from parcel to parcel, depending on the circumstances. Some states do not address the issue of whether a mobile home is realty or personalty, while others allow them to be treated either way. In some states, mobile homes are considered real estate if the wheels have been removed and the mobile home is attached in some permanent manner to the site. In other states, mobile homes are always considered personalty, regardless of how they are attached to the land.

It is important for the appraiser to consider any state laws concerning the status of mobile homes. The classification of the mobile home determines whether the agency will acquire the mobile home as real property or reimburse the actual, reasonable costs of moving it as personal property.

Can the Owner-Occupied Mobile Home Be Moved to a Replacement Site?

Normally, if the mobile home is considered personal property, the owner-occupant is not eligible for a replacement housing payment for the mobile home. However, there may be situations where mobile homes that have been classified as personal property cannot be moved, and the owner-occupant would be eligible for a replacement housing payment for the mobile home under the provisions of 49 CFR 24.502.

An agency may find that such a mobile home cannot be moved for the following reasons:

Cannot economically be made decent, safe and sanitary

An owner-occupied mobile home classified as personal property may need repairs or modifications

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to make it decent, safe and sanitary (DSS), since the displaced person must occupy a replacement dwelling that meets DSS standards to be eligible for a replacement housing payment. When looking at the cost of repairs or modifications, it is important to consider what is reasonable. These costs, plus the costs to relocate and reestablish the mobile home at a new site, should not exceed the value of the mobile home itself. Otherwise, it would not be considered economically feasible to make the repairs or modifications.



Cannot be relocated without substantial damage

Another reason the agency may decide not to move a mobile home is that it cannot be moved without substantial damage or unreasonable cost. Some mobile homes may be old and in disrepair, and will not survive the move. In other instances, it may cost more to move it than what it is worth.

No available comparable replacement site

There may be times when no comparable replacement sites can be located for the mobile home. In some areas, it is becoming difficult to find property that is zoned for mobile home use. Local ordinances restrict the size of the property so less property is available for mobile homes. As a result, fewer mobile home parks can be found.

Does not meet replacement mobile home park entrance requirements

Mobile home parks will often require that the mobile homes meet certain size and/or age requirements. If the subject mobile home cannot meet these standards, the agency will determine that it cannot be moved.

What is the Ownership and Occupancy Status?

Another difference with mobile homes is the various ownership scenarios you can encounter with the mobile home and the site. There are four (4) possible scenarios for persons displaced from mobile homes:

- Owns mobile home/owns site
- Tenant in mobile home/tenant on site
- Owns mobile home/tenant on site
- Tenant in mobile home/owns site

In these situations, the classification of the mobile home as realty or personalty will have an effect on the computation of the replacement housing payment for the mobile home owner-occupant.

Keep in mind that the non-occupant owners may also be eligible for certain relocation payments. Examples are the landlord who rents out the mobile home, the mobile home park owner who is a business displacee, and possibly other businesses on site at a mobile home park. ■ ■ ■