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“We Own It”: Residents of Duvall Mobile Home Park Purchase Their Community



Members of Duvall Riverside Village Cooperative celebrate the purchase of their community and the feeling of security that goes along with it.

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Duvall, Wash. – Homeowners in this 25-home manufactured housing community took a big step toward securing their financial futures when they collectively bought their neighborhood as a resident corporation.

Stewart Davidson, a homeowner at Depot Village and president of its interim board, said the relief of controlling the community is hard to measure.

“It’s great to change from having Damocles’ Sword in the air that you know can fall, to having the security of knowing that when I pass, my wife can live here and not be worried about having a knock on the door with someone saying, ‘Here’s your notice, you’re out in a year,’” Davidson said.

Many residents of Depot Village have lived there for decades. While they own their mobile homes, until now they didn’t own the land underneath them—making them vulnerable to rate increases and even eviction, especially if the land should change hands.

When the land came up for sale, the community came together to purchase it as a cooperative. The new Duvall Riverside Village Co-op purchased the community Dec. 27 for \$1.18 million. As a result, the land will remain a cooperative belonging to its members in perpetuity—while affordable housing has been preserved in a prime location, within walking distance of Duvall’s Main Street and the Snoqualmie River.

Northwest Cooperative Development Center helped guide co-op members through the purchase. NWCDC is a certified technical assistance provider with ROC USA® Network, a national non-profit organization that works to help residents of for-sale mobile home parks form cooperatives and buy their communities. Technical assistance will continue to be provided by NWCDC to the co-op for the length of the mortgage — a minimum of 10 years.

“Northwest CDC and ROC USA — they’re not just changing manufactured home communities, they’re changing the lives of people by making them more secure,” Davidson said.

Ben Dryfoos-Guss of Northwest CDC said the residents were honored that sellers Ray and Tove Burhen gave them the opportunity to purchase.

“We are extremely happy for the members of Duvall Riverside Village Co-op,” he said. “The entire community came together to make the sale happen when Ray and Tove needed. Duvall Riverside Village residents are committed to this community and have a very strong vision that they are working to make their reality.”

This is the third manufactured home cooperative with which NWCDC is working in Washington. In this type of democratic cooperative, homeowners in the community each buy one low-cost share and become members of the co-op. Each member household has one vote on matters of the community, elect a Board of Directors to act on day-to-day issues and vote as a membership on larger matters like the annual budget, by-laws and community rules.

Joel Erlitz, president of First Commercial Property Corp. of Seattle, Wash., helped broker the sale. He said the transaction was comparable or even shorter than a conventional sale and he would recommend other community owners to seriously consider selling to their homeowners.

“The business model that ROC USA has developed is superb,” Erlitz said. “It was a different transaction in that you usually have to jump through a litany of different hoops in regard to banks and bank regulations. But that simply wasn’t the case here. I would certainly do it again, and I will.”

Financing for the project was provided by ROC USA Capital and the Washington State Housing Finance Commission.

The Commission’s involvement helped overcome barriers that had twice before scuttled the homeowners’ efforts to buy their community. Partnering for the first time with ROC USA, the Commission brought an affordable interest rate to the newly founded cooperative. The Commission previously helped to preserve four other manufactured-home communities in Washington through issuing bonds and other investment programs.

“We are committed to supporting manufactured-home communities, and ROC USA is a great partner,” said Karen Miller, chair of the Washington State Housing Finance Commission. “We look forward to future collaborations here in Washington state.”

As for Duvall Riverside Village, ROC USA Capital Managing Director Michael Sloss pointed to the community's prime location with unique access to Duvall's Main Street and to recreation amenities on the Snoqualmie River, both of which are within walking distance of the co-op.

"ROC USA Capital was very pleased to partner with the homeowners at this cooperative and Washington State Housing Finance Commission to preserve 25 affordable homes in the heart of Duvall," Sloss said. "To deliver long-term affordable fixed-rate permanent financing to the co-op while promoting preservation of this walkable neighborhood represents tremendous community impact."

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About the Partners

Co-op ownership of mobile home parks as a way of preserving affordable communities is a priority for several national non-profit organizations that in 2008 formed **ROC USA**[®] to make resident-owned communities viable nationwide. ROC USA (www.rocusa.org) is a non-profit organization with a national network of eight organizations such as NWCDC and a national financing source for co-ops. "We solve the two basic barriers to resident ownership – access to expert technical assistance and financing to help homeowners become buyers when their community is for sale," said Paul Bradley, ROC USA's founding president.

ROC USA[®] is sponsored by the Ford Foundation, NeighborWorks[®] America, NCB Capital Impact, the Corporation for Enterprise Development, and the New Hampshire Community Loan Fund. The Community Loan Fund, a non-profit community development financial institution in New Hampshire, leveraged its experience with 103 resident-owned communities in that state to launch ROC USA with national partners in May 2008. Since then, ROC USA Network has helped 44 communities preserve 2,931 homes in 13 states.

Northwest Cooperative Development Center (www.nwcfdc.org) is a nonprofit organization devoted to assisting new and existing cooperative businesses. It supports cooperatives in Oregon, Washington, Idaho and Hawaii. Founded by cooperatives in 1979, the Center has grown into the Northwest's leading provider of services for co-op business development. It has a long history of collaborating with communities, governments, economic development agencies and other cooperatives, sharing expertise and building cross-sector support for new and existing cooperatives.

The **Washington State Housing Finance Commission** (www.wshfc.org) is a publicly accountable, self-supporting team, dedicated to increasing housing access and affordability, and to expanding the availability of quality community services for the people of Washington. The commission, which receives no regular state funding for its operations, works with lenders, investors, developers, nonprofit organizations, first-time homebuyers, beginning farmers and ranchers and energy companies to bring private investment dollars to benefit families and achieve public goals in Washington.

Joel Erlitz is president, designated broker and principal stockholder of First Commercial Property Corporation (www.firstcommercialpropertycorp.com) in Seattle, Wash. For more than 33 years, he has represented community owners in Washington, Oregon, Idaho and Montana. He has been appointed twice by governors to represent Manufactured Housing Communities of Washington, Inc. (MHCW), an industry trade organization on state-funded task forces.