

Tackling a MOBILE HOME RELOCATION

A strategic look at minimizing the adverse impacts of displacement



The relocation of mobile homes is much like assembling a puzzle. Each piece represents an issue that the acquiring agency must resolve. Once each issue is considered, then all the pieces must 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. 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. 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?"

Real Property vs. 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 to the site in some permanent manner. In other states, mobile homes are always considered personalty, regardless of how they are attached to the land.

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. It is important for the appraiser to consider any state laws concerning the status of mobile homes.

Eligibility for Moving to a **Replacement Site**

Normally, if the mobile home is considered personal property, the owner-occupant is not eligible for a replacement housing payment. 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 under the provisions of 49 CFR 24.502.



Mobile Home Relocation

Repairs and DSS Modifications

An owner-occupied mobile home may need repairs or modifications to make it decent, safe and sanitary, since the displaced person must occupy a replacement dwelling that meets DS&S standards to be eligible for a replacement housing payment.



Classifying the move, determining moving expenses and computing replacement housing payments is addressed in IRWA's online Course 503 - Mobile Home Relocation.

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

Cannot be economically made decent, safe and sanitary. An owneroccupied mobile home classified as personal property may need repairs or modifications 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.

Ownership and Occupancy Status

Another difference with mobile homes is the various ownership scenarios you can encounter. There are four possible scenarios for displaced persons:

- 1) Owns mobile home/owns site
- 2) Tenant in mobile home/tenant on site
- 3) Owns mobile home/tenant on site
- 4) Tenant in mobile home/owns site

In these situations, the classification of the mobile home as realty or personalty will impact 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. Some examples include the landlord who rents out the mobile home, the mobile home park

owner who is a business displacee and possibly other businesses on site.

Given the complexity of this topic, this article is intended as an overview of some of the more challenging issues that arise with mobile home relocations. The subject is explored in depth in IRWA's online Course 503 -Mobile Home Relocation, developed by O.R. Colan Associates, LLC/ ORC Training through its licensing agreement with IRWA. By taking this course, participants will learn more about planning the move, classifying eligibility, determining moving expenses and computing replacement housing payments. And the online format keeps learners engaged with interactive exercises, videos and case studies. Visit the IRWA Online University at www.irwauniversity.org to register! ②



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