



Impact Report

COMUNIDAD NUEVO LAGO

BACKGROUND

Comunidad Nuevo Lago, formerly Shady Lakes Mobile Home Park, situated in Fresno, Calif., is a 60-home community of largely farmworkers who are Mixteco, an indigenous Mexican group originating in the state of Oaxaca, Mexico. Most residents hail from the village of San Miguel Cuevas and have resided in the park for decades – sharing a strong sense of community, family ties, shared culture, and Mixteco, an indigenous language, as their primary language. Most speak Spanish as a second language.

When their community was acquired by a new commercial investor in 2019, they quickly were handed a total of 57% in increases to site-rents plus new water and trash pass-through fees.



329

Resident Owned Communities

21

States

22.7

Thousands of homes preserved in ROCs

57%

Households in ROCs earning less than 50% of Area Median Income (AMI).

Statistics as of July 2024

RESIDENT INITIATIVE

In response to site-fee and other increases as well as deteriorating conditions, residents filed a class-action lawsuit alleging failure to maintain the premises and discrimination. During that long process, the group and their lawyers began to explore buying the community.

PATH TO OWNERSHIP

The residents' ownership journey was marked by perseverance and collaboration. Their California Rural Legal Assistance lawyers – who were also supported by the UC Irvine School of Law – introduced ROC USA and the California Center for Cooperative Development (ROC USA's California affiliate) and, together, we supported the group's development as a co-op. The financial support of The California Endowment and Chan Zuckerberg Initiative for ROC USA's and CCCD's field operations was critical, as was impact financing from the State of California's MORE and SERNA program (through Housing and Community Development) and The California Endowment. Despite language barriers, residents successfully organized, undertook due diligence with the help of a forgivable due diligence loan from ROC USA Capital, analyzed financing options, and finally voted to purchase. The litigants withdrew the lawsuit contingent upon buying the community. The co-op purchased in February 2024 with technical assistance from CCCD. Financing was provided and organized by ROC USA Capital, which partnered with CCCD as administrative contractor to manage SERNA Funds.

FINANCING

Acquisition and Bridge (for up to 12 months until MORE Program funds are received.)

- 1st Mortgage by ROC USA Capital at 6% for 10 years on 30-year amortization: **\$1,595,637**
- 2nd Mortgage (Bridge) by ROC USA Capital at 3.5% interest only: **\$3,246,000**
- 3rd Mortgage by Serna, 0% interest, non-accruing and forgivable after 20 years: **\$4,500,000**
- Legal fees contributed: **\$20,000**
- Resident Equity: **\$820**

Permanent Financing

- 2nd Mortgage at .42% by MORE/HCD will replace ROC USA Capital's 2nd mortgage within 12 months.

IMPACT AND SUSTAINABILITY

“What excites me the most about buying the community is we managed to lower the rent and we are at ease, knowing that they are not going to separate us as a Oaxacan community,” said Marcelino Santos, Vice President of the Board of Directors for Comunidad Nuevo Lago, which translates to “New Lake Community.” “I feel very satisfied with the achievement we have made so far and we are going to continue improving this beautiful place where I have been living for 25 years and someday I would like to have the joy of having many grandchildren here and being a happy grandfather.”

By transitioning to a limited equity cooperative, the homeowners, 82% of whom earn below 50% AMI, gained the security of land ownership, and, remarkably, reduced their site fees by \$158 per month. These savings are immediate and long-lasting. On average, limited equity Resident Owned Communities increase site-fees only 1% per year compared to commercial owners who have raised site fees 5.9% per year. Run these numbers out over 30 years and the savings are thousands of dollars per month.

Below-market site fees and cooperative land ownership have been shown to increase housing values, building wealth for low-income homeowners. ([2006 Carsey Institute, UNH](#))

The cooperative model also fosters housing and community stability as well as deep engagement. This is the second ROC in California and represents the beginning of our effort there to cluster communities to create efficiencies in technical assistance, establish peer-to-peer engagement, and develop advocates for future ROCs.

CONCLUSION

There were countless ways this success story could have ended in failure. But a combination of dedicated nonprofits and legal advocates, led by homeowners with the passion and commitment to one another, fought to protect this community for themselves and future generations.

The resident purchase of Comunidad Nuevo Lago signifies more than financial liberation — it embodies generational housing affordability, wealth-building, community empowerment and preservation of cultural heritage.

IN THE MEDIA

KQED, the San Francisco-based public broadcasting outlet, [tells the inspiring story of the homeowners' purchase](#), offering hope for other communities facing similar challenges in California's high-priced housing market.

