WHAT EVERY mobilehome owner SHOULD KNOW

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Introduction

There are almost 4,800 mobilehome parks or manufactured housing communities in the State of California and the majority of mobilehome owners live in these communities. Every year the California Legislature considers ways to improve the state's laws that are unique to mobilehome park living. The Senate Select Committee on Manufactured Homes and Communities has information about mobilehome legislation that can be found on it's website: **www.sen.ca.gov/mobilehome.**

A mobilehome park is like a small subdivision with the land along the streets divided into lots separated and identified by markers. Spaces consist of a utility pedestal for electric, gas, and water hookup, a driveway and an area or pad for installation of the mobilehome or manufactured home. Some parks have clubhouses and other recreational facilities. The park owner normally hires a manager or management company to operate and maintain the park. Unlike other kinds of tenancies, mobilehome park living is unique. Homeowners are both owners and tenants. They own their own homes but are subject to the rental agreement or lease with the park in which they reside. This brochure answers questions most commonly asked by mobilehome owners residing in California mobilehome parks and provides contact information for other assistance.

Laws That Apply

WHAT LAWS ARE UNIQUE TO LIVING IN A MOBILEHOME PARK?

THE MOBILEHOME RESIDENCY LAW (MRL) is the 'landlord-tenant law' for mobilehome parks, found in the California Civil Code. The MRL spells out the rights and obligations of the park owner/management and mobilehome owners or residents relating to such issues as notices of rent increases, rental agreements, resale of a home in the park, or termination of tenancy. State or local government agencies do not enforce these Civil Code provisions. If a dispute arises, the park management or the homeowner must seek enforcement or damages through the courts.

THE MOBILEHOME PARKS ACT establishes health and safety (building code) requirements for both parks and mobilehomes installed in the parks. These code requirements spell out the minimum standards for park common area facilities, such as roads and utility systems, as well as for mobilehome and accessory installations. The state Department of Housing and Community Development (HCD) or delegated local government agencies enforce the Parks Act through inspections.

These two major areas of state law unique to mobilehome parks may be accessed on the Senate Select Committee on Manufactured Homes and Communities' website: www.sen.ca.gov/mobilehome

OTHER LAWS not unique to parks, like conventional landlord-tenant laws not in conf ict with the MRL, may also apply. Website: **www.dca.ca.gov/publications/landlordbook.**

The Rental Agreement

DO I NEED TO SIGN IT?

A buyer of a mobilehome in a park may be required by park management to sign a park rental agreement in order to live there. The park management is required to offer a homeowner a rental agreement that includes the amount of rent, fees, the term of tenancy, and the park's rules and regulations. The management must provide a copy of the MRL to the new homeowner along with the rental agreement, with updated copies of the MRL furnished to homeowners by February 1st of each year.

The MRL provides that the management must provide a minimum 12-month rental agreement, or if the homeowner requests it, a rental agreement for a lesser term, usually month-to-month. In either case the monthly rent and terms must be the same. The management may also offer long-term leases of more than one year under which the rent is exempt from local rent control. Homeowners living in the park cannot be required to sign long-term leases but may opt for the 12-month or month-to-month rental agreement, mentioned above. However,

unless protected by a local rent ordinance, park management can require a new resident buying a home in the park to sign a long-term lease. Some park leases are for as long as 10, 20 or 30 years and may contain multiple pages with arbitration, hold-harmless, and other clauses.

NOTE: *Homeowners should never sign a park rental agreement or lease before reading it fully and should consult an adviser or attorney if they do not understand it. Once signed, a rental agreement or lease is a binding legal contract, which cannot be rescinded, except in certain cases by legal action.*

Rents, Utilities, Fees & Taxes

HOW MUCH CAN THE PARK INCREASE MY RENT?

IT DEPENDS: Rent increases are normally governed by your rental agreement or lease. However, if you live in one of more than 100 local jurisdictions in California that have a mobilehome rent control ordinance and your rental agreement is not more than twelve months in duration, the park may increase your rent only in accordance with the local ordinance. In any case, state law requires the park to give you a written notice of any rent increase at least 90 days before the increase occurs.

HOW MUCH CAN THE PARK CHARGE FOR UTILITIES?

Most parks use a 'master meter' utility system with sub-meters for each space and bill each homeowner for utilities on their monthly rent statement. The Public Utilities Code provides that the park management cannot charge you any more for gas, electricity or water than a regulated utility could charge you if the utility served you directly. The management must clearly post the serving utility's residential utility rate schedule in the park and give you your own beginning and ending meter readings and billing statements. Moreover, the park must pass through any low-income utility discounts for residents qualified under California Alternate Rates for Energy (CARE) program. If your park has a park operated propane (LPG) system, the MRL provides the park cannot charge you more than 10% above the park's cost for the propane.

CAN THE PARK CHARGE ADDITIONAL FEES ON TOP OF THE RENT?:

YES. The park may charge you a reasonable fee for services actually rendered if the fees are listed in your rental agreement or if you have been given a 60-day written notice of a new fee. Some parks also charge 'pass through' fees for other park maintenance costs (resurfacing the parks' roads, replacing of the clubhouse roof, etc.) The Mobilehome Residency Law specifies that the management cannot charge homeowners certain fees, such as fees for guests who stay fewer than 20 consecutive days or a total of 30 days in a calendar year, fees for entry, installation or utility hookup charges as a condition of tenancy, enforcement of most park rules and regulations, or extra fees for additional members of your immediate family. The park is also responsible

for paying for the upkeep of park common area trees, as well as paying for the trimming, pruning or removal of any tree on a rental space if a public code enforcement inspector determines the tree poses a health and safety violation.

HOW IS MY MOBILEHOME TAXED? Mobilehomes manufactured and sold new prior to July 1, 1980 are usually subject to an annual state vehicle license fee (VLF). Mobilehomes manufactured on or after that date and those permanently fixed to the land are subject to local property taxation. The sale of new mobilehomes and the resale of used mobilehomes subject to the VLF are also subject to a sales tax. Homeowners may have to pay property taxes on their mobilehome accessories (carports, cabanas, etc.), depending on the value of the accessories. In newly developed parks or spaces, new buyers may also have to pay a school impact fee. Mobilehome owners in parks may also be subject to a rent 'pass through' of certain government fees, such as rent control space fees or park inspection fees.

Park Rules & Regulations

WHY DO PARKS HAVE RULES AND REGULATIONS?
Most mobilehome parks have rules that provide for use restrictions or regulation of resident conduct relating to such issues as pets, parking, noise, recreational or common facilities, or home and lot maintenance, among others. Rules may be short and simple, or lengthy and restrictive, depending on the type of management and size of the park.

HOW ARE PARKS RULES AND REGULATIONS ENFORCED?
Park rules and regulations run with the park rental

agreement and are enforceable under the MRL. The MRL provides that a park may change a rule or regulation by issuing a 6-month written notice to residents, or a 60-day written notice if the rules relate to park recreational facilities. Violations of rules are enforced by the park through termination of tenancy (see the following Eviction section), a court ordered injunction, or with regard to lot maintenance by assessment of reasonable fees, but park rules have to be "reasonable" as interpreted by a court in the case of an injunction or termination of tenancy for a rule violation. The management must provide prospective park residents with a copy of the park rules and the MRL if they ask for them at the time of application for tenancy.

Park Inspections

ARE OUR HOMES AND THE PARK SUBJECT TO INSPECTION?

YES. The Department of Housing and Community Development (HCD) or a delegated local agency may inspect your park, your space and the outside of your home for code violations once every seven years or upon a complaint under the Mobilehome Parks Act. Inspectors do not go inside the home, unless invited by the homeowner. Violations cited

must be corrected within 30-60 days, unless the violation is an immediate threat to life or limb, in which case it must be corrected immediately. Questions on inspections should be directed to the Mobilehome Ombudsman at 800.952.5275. Website: **www.hcd.ca.gov/codes**

Home Sales & Re-Sales

WHAT RIGHTS DO I HAVE TO SELL MY MOBILEHOME IN THE PARK?

Despite the "mobile" connotation, once installed in a park most mobilehomes are never moved but are resold in place in the park. Mobilehomes are expensive to move, vacant spaces in other parks are seldom available for relocation, and the use of a private parcel for relocation of a mobilehome from a park is either expensive or unfeasible. Since the resale of a mobilehome in the park involves management's approval, the sale can often be a bone of contention between homeowners and the park management. The Civil Code regulates home sales as follows:

- NO PARK RIGHT OF FIRST REFUSAL: The park management can require notice that you are selling your home in the park but they cannot require you to sell it to them.

- NO FEE ON SALE: The park management cannot charge you or your agent a fee as a condition of the sale of your mobilehome in the park unless you give them written authorization to perform a service in the sale.

- PARK AGENT: The park management cannot require the selling owner or owner's heir to use the management or a dealer or broker approved by the management as an agent in the sale, and the management cannot show or list the home for sale without first obtaining your written authorization.

- REMOVAL OF HOME FROM PARK: The park management cannot require you to remove your mobilehome from the park upon sale to another party, unless the home:
  1. Does not meet minimum health, safety and construction code standards; or
  2. Is in significantly run-down condition and disrepair, as reasonably determined by the management; or
  3. Is not a mobilehome or manufactured home (i.e. smaller than 8 x 40 feet in size).

- FOR SALE SIGN: The homeowner has the right to put up a 'for sale' sign in the window or side of the home, or the yard facing the street on an A or H type frame if it does not extend into the street. The sign face cannot exceed 24 x 36 inches in size and may include the name, address and phone number of the owner or agent. Information tubes for leaf ets about the home for sale may be attached to the sign or the home.

- PROSPECTIVE BUYERS: The park management has the right to approve the buyer of your home that remains in the park, and their

refusal to approve the buyer may make it difficult to sell your mobilehome. The management must inform you and the buyer in writing within 15 business days whether they accept or reject your buyer for residency. The management may only reject the buyer for two reasons:

1. Buyer's inability to pay the rent and charges of the park – usually based on an income to rent ratio and the buyer's credit history; and
2. Buyer's inability to comply with the park's rules and regulations – usually based on past rental history or conduct in other mobilehome parks or apartments.

- DISCLOSURE: Mobilehome owners and their sales agents must provide their buyers with a mobilehome resale or transfer disclosure statement (TDS) on used mobilehomes that lists the home's features, defects, and code violations, if any. The park management must also provide buyers of homes in the park with a park disclosure check-off form indicating any problems with specified park facilities before they sign a rental agreement to move into the park.

- SMOKE-ALARMS: Every mobilehome sold or resold on or after January 1, 2009 must have a smoke alarm installed in every sleeping room.

WHO HANDLES THE SALES OF MOBILEHOMES AND MANUFACTURED HOMES?

Only dealer-brokers licensed by the Department of Housing and Community Development (HCD) handle new manufactured homes and mobilehomes. These new homes come with a one-year warranty from the manufacturer, but the warranty usually does not cover transit damage and may not apply to faulty installation. Used

mobilehomes do not come with a warranty and may be sold by dealers, real estate agents, or the homeowner, who must provide the buyer with a resale or transfer disclosure statement (TDS), as mentioned above. Complaints about mobilehome dealers should be directed to the Mobilehome Ombudsman at 800.952.5275. Website: **www.hcd.ca.gov/codes**

Eviction

AS A HOMEOWNER, CAN I BE EVICTED FROM THE PARK?

YES. The park management may evict you if:

- You have received notice by a government agency that you are violating a local ordinance or state law and have not complied with the law within a reasonable period of time.
- Your conduct in the park substantially annoys other residents or homeowners.
- You don't pay the rent, utilities or reasonable charges within five days of the due date. If you are late in paying the rent, you will be notified that you have three days to pay or

vacate the tenancy. Full payment within three days puts you back in good standing, unless you are late in paying the rent, utilities, or charges three times within a 12-month period.

NOTE: *This is a three-strikes-and-you're-out provision, and the 3rd time you are late in paying the rent, the park may evict you instead of accepting the late rent.*

- You are convicted of specified crimes, such as prostitution or drug offenses, committed in the park.
- You don't comply with 'reasonable' park rules and regulations (management must attach them to your rental agreement when you move into the park). The management must give you a written notice that a rule has been violated, after which you have seven days to adhere to the rule before the management can issue you a termination notice. If you have violated a rule three or more times within a 12-month period the management may issue you a termination notice without waiting seven days for you to correct the rule violation.

- Your mobilehome park is condemned or is closed for conversion to another use.

Unlike most apartment tenancies, however, the park management must give homeowners a 60-day notice of termination and can evict you only for specified (just cause) reasons, outlined above. Upon a termination notice, the park not only may terminate your tenancy but also require you to remove your home from the park by the end of the 60-day period. During this 60-day period, you also have the right to try to resell your home in place in the park.

In the termination notice, the management must specify why you are being evicted and include such facts as the date, place and circumstances concerning the reasons for the termination. If you stay in the park beyond the time allowed in the notice, the park management must file an action in court to evict you, known as an 'unlawful detainer.' In order to preserve your right to defend yourself in an unlawful detainer action, you must follow certain procedural requirements, including the filing of specified documents within short time frame, usually five days. Most defendants in unlawful detainer actions are best advised to obtain legal representation so they can properly comply with these requirements. If you lose, the court may order your eviction carried out by a peace officer in a matter of weeks and you will probably lose your home if you cannot sell it or move it from the park. If you are actually evicted, the park management will file a warehouseman's lien on the home, or through an abandonment proceeding, conduct an auction, and eventually gain title to it.

Park Closure or Conversion

WHAT ARE MY RIGHTS IF THE PARK IS CLOSED FOR CONVERSION TO ANOTHER USE?

Normally, a permit from the city or county planning agency or approval of a zoning change will be required to convert a mobilehome park to another use. If no local permits are required to convert the park to another land use, the management must give you a minimum 12-month written termination notice. Where permits are required, the park management must give homeowners at least a 15-day written notice that management will be appearing before the local agency to obtain a permit for the park's change of use. The local agency must require the park to submit a report on the impact that the park's conversion will have on the ability of residents to find alternative places to relocate, and the local agency, at its discretion, may require the park to pay the reasonable costs of residents' relocation as a condition of obtaining the permits. Once all permits have been obtained, the management must give homeowners a six-month written termination notice. The park management must also give prospective homeowners a written notice of any planned park conversion before they move in.

Privacy

DO I HAVE A RIGHT OF PRIVACY IN MY MOBILEHOME?

YES. The park management may enter your mobilehome lot only to maintain the utilities, trees, driveways or for maintenance of the space in accordance with park rules when you fail to do so, but only at a time or in a manner that does not disturb your right of privacy. The management has no right to enter your mobilehome or an

enclosed accessory structure, such as a screened-in porch, storage shed or garage, without your prior written consent, except in the case of an emergency or where you have abandoned the mobilehome.

Senior Only

CAN THE PARK MANAGEMENT LIMIT RESIDENCY TO SENIORS ONLY?

YES. Federal law prohibits discrimination in housing, including mobilehome parks, against families with children or the handicapped. But the federal law makes an exception for senior-only housing facilities, where the park is designated for persons 55 years of age or older and a substantial majority of seniors reside there. The law does not require mobilehome parks designated for seniors, or parks open to families with children, to provide special facilities to accommodate their needs. Park management, under park rules, may require everyone residing in the park to be "senior" or may allow younger persons to reside with the seniors. Unless local zoning is an issue, parks may also change their rules to convert a senior park to an all-age park with a six-month notice to residents. Complaints involving discrimination

against families with children in mobilehome parks should be directed to the California State Department of Fair Employment and Housing at 800.233.3212. Website: **www.dfeh.ca.gov**

Resident Owned Parks

CAN RESIDENTS BUY THEIR RENTAL PARK AND CONVERT IT TO RESIDENT OWNERSHIP?

There are an estimated one hundred and fifty resident-owned mobilehome parks (ROPs) in California, the majority of which have been purchased by the residents and converted to some form of resident ownership. In a ROP, residents have a voice in setting park policies and controlling park rents. Since residents own their spaces or shares in the park property, they have an incentive to maintain the park in good condition. Resident owners also gain equity on their interest in the park, which they can cash in on when they sell. But the conversion process can be complicated, as park owners are often reluctant to sell to residents, residents may not be able to agree to purchase the park, and initial costs of purchasing may be challenging. The state and some local governments may be able to provide some loans or other limited financial assistance.

More information can be found in the booklet, *A Guide to Mobilehome Park Purchases by Residents*. Website: **www.sen.ca.gov/mobilehome**

Financial Assistance

WHAT STATE/LOCAL FINANCIAL ASSISTANCE IS AVAILABLE TO LOW-INCOME MOBILEHOME OWNERS?

Some programs that provide financial assistance to low-income or senior park residents include:

- RENTERS TAX CREDIT: Homeowners, within certain income limitations, who pay rent in a mobilehome park, may qualify for a tax credit at the time they file their annual state income tax return if they pay state taxes against which the credit can be claimed. For information, call the Franchise Tax Board at 800.852.5711. Website: **www.ftb.ca.gov/individuals/faq/ivr/203.shtml**

- HOMEOWNERS & RENTERS ASSISTANCE: Low-income mobilehome owners and renters, who are 62 years of age and older, blind, or disabled, may qualify for annual assistance on a sliding scale depending on income by filing with the Franchise Tax Board (FTB). Due to state budget deficits, however this program is not always funded. For more information, call the FTB at 800.852.5711. Website: **www.ftb.ca.gov/individuals/hra**

- CARE UTILITY ASSISTANCE: Low-income residents of master-meter mobilehome parks may qualify annually for a 20% discount on their electric or gas bills through the California Alternate Rates for Energy Program (CARE).

For more information, check with your park management or the local gas or electric utility company listed in your phone directory.

- MOBILEHOME REHABILITATION: Loans or grants are available to low-income mobilehome owners through the Department of Housing and Community Development's CalHome program to make specified repairs on their mobilehomes. Although not all jurisdictions participate, the funds are channeled through qualified local government housing or non-profit agencies. For more information check with your city or county housing department, authority or commission listed in the government pages of your phone directory.

- MOBILEHOME PARK RESIDENT OWNERSHIP PROGRAM (MPROP): On a limited basis, this program provides loans to resident organizations and non-profit organizations and 3% simple interest loans to low-income homeowners for costs involving the resident or non-profit purchase of a mobilehome park. For more information about the MPROP process and requirements, call the Department of Housing and Community Development at 916.445.0110.
  Website: **www.hcd.ca.gov/fa/mprop**

- SECTION 8 HOUSING ASSISTANCE: Rent subsidies may be available to eligible low-income mobilehome residents who live in mobilehome parks. This program is funded by the federal government but administered by local housing agencies. Section 8 allocations

are often full and many jurisdictions have waiting lists of a year or more. For more information, check with your city or county housing department, authority or commission listed in the government pages of your phone directory.

Other Information or Assistance

THE MOBILEHOME OMBUDSMAN: This HCD office can assist you with complaints relating to mobilehome registration and titling, mobilehome and mobilehome park inspections (health and safety issues), mobilehome installations (foundation and earthquake bracing issues) and problems relating to mobilehome dealer sales.
800.952.5275 or 916.323.9801
Website: **www.hcd.ca.gov/codes**

DEPARTMENT OF FAIR EMPLOYMENT & HOUSING (DFEH): Complaints on housing discrimination should be reported to your local fair housing commission or DFEH.
800.233.3212.
Website: **www.dfeh.ca.gov**

SENATE SELECT COMMITTEE ON MANUFACTURED HOMES AND COMMUNITIES: This legislative office has information about legislation affecting the mobilehome community and mobilehome issues. Copies of various brochures and pamphlets, such as *The Mobilehome Residency Law, The Mobilehome Parks Act, Frequently Asked Questions, and A Guide to Mobilehome Park Purchases by Residents*, which describes the steps involved in purchasing a park and converting it to resident ownership, are available by calling the committee or through the committee's website. The committee's website is also an excellent resource for information on various mobilehome issues and for contact information for major manufactured housing and mobilehome organizations and homeowner groups.

1020 N Street, Room 520
Sacramento, CA 95814
916.651.1517
Website: **www.sen.ca.gov/mobilehome**

LOCAL GOVERNMENT: Cities and counties, particularly those with mobilehome rent control ordinances, park conversion ordinances, or health and safety code enforcement jurisdiction, may be of assistance with some mobilehome park issues. Check your city or county listings for your local housing department, authority or commission in the government pages of your phone directory.

NOTES:

COURTESY OF

Senator Darrell Steinberg

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