

A stylized floor plan of a house in a light orange color, serving as a background for the text. The plan shows a living area with a grid pattern, a kitchen with a stove and sink, a bathroom with a toilet and bathtub, and a bedroom with a bed.

mobilehome owner

WHAT EVERY

SHOULD KNOW

INTRODUCTION

The majority of mobilehome owners in California live in one of almost 5,000 mobilehome parks or manufactured housing communities. 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 for installation of the mobile 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 attempts to answer some of the questions most commonly asked by mobilehome owners residing in mobilehome parks.

What laws govern living in a mobilehome park?

There are a number of laws, but the two major areas of state law relating to mobilehome parks are:

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 mobilehome installations. These code requirements spell out the minimum standards for park common area facilities, such as roads and utility systems, as well as code requirements for mobilehome and accessory installations. The Department of Housing and Community Development (HCD) or delegated local government agencies enforce the Parks Act.

Do I need to sign a rental agreement?

A buyer of a mobilehome in the park may be required by the park 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 Mobilehome Residency Law (MRL) to the homeowner along with the rental agreement, with updated copies of the MRL furnished annually to homeowners by February 1 of each year.

If the homeowner requests it, the management must provide a minimum 12-month lease, or one 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 may require a new resident buying a home in the park to sign a long-term lease. Some park leases are as long as 10, 20 or 30 years and may contain multiple pages with arbitration, hold-harmless and other clauses.

- ▶ **NOTE:** Homeowners should read a park rental agreement or lease fully before signing it and consult an adviser or attorney if they do not understand it. Once signed, a rental agreement or lease is a binding contract, which cannot be rescinded, except in unusual cases by legal action.

How much can the park increase my rent?

IT DEPENDS. 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.

For most mobilehome parks, where there is no rent control, rent increases are normally governed by your rental agreement or lease. In any case, state law requires the park at a minimum to give you written notice of any rent increase at least 90 days before the increase occurs.

How much can the park charge for utilities and other fees?

UTILITIES: Most parks use a ‘master meter’ utility system with submeters 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 or public utility district 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 along any low-income utility discounts for residents qualified under California Alternate Rates for Energy (CARE) program. If your park has a propane (LPG) system, the MRL provides the park cannot charge you more than 10% above the park’s cost for the propane.

FEES: 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 resurfacing the park’s roads, replacement of the clubhouse roof, or other park maintenance costs.

The MRL 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 park rules and regulations, or extra fees for additional members of your immediate family. The park shall also pay for the upkeep of all park common area trees, as well as trim or remove trees on individual lots constituting a health and safety hazard as determined by the code enforcement agency.

Are my home 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 complaint under the Mobilehome Parks Act. Inspectors do not go inside the home. Violations cited normally must be corrected within 30-90 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 1.800.952.5275 (toll free).

As a homeowner, can I be evicted from the park?

YES. But unlike most apartment tenancies, park management must give homeowners a 60-day notice of termination and can evict you only for specified (just cause) reasons, outlined on the next page. 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 time, the management may, but does not have to, allow you to resell your home in place in the park.

In the termination notice, the management must specify why you are being evicted (next page) 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 'unlawful detainer.' In order to preserve your right to defend in an unlawful detainer action, you must follow certain procedural requirements, including the filing of specified documents. 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 case, 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 then will normally file a warehouseman's lien on the home, or through an abandonment proceeding, conduct an auction, and eventually gain title to it.

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 3 days puts you back in good standing, unless you are late in paying the rent or charges more than 3 times within a 12-month period.
- 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.

What are my rights if the park is closed for conversion to another use?

Normally, a permit from the city or county planning agency will be required to convert a mobilehome park to another use, but if no local permits are required to convert the park to another land use, the management must give you at least a 12-month written termination notice.

Where permits are required, the park management must give homeowners at least a 15-day written notice that they 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

may require the park to pay reasonable costs of a resident's relocation as a condition of obtaining the permits. Once all permits have been obtained, the management must give homeowners a 6-month written termination notice. The park management must also give prospective homeowners written notice of any planned park conversion before they move in.

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 management. The Civil Code regulates home sales as follows:

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

- **PARK AS AGENT:** The park management cannot require the selling owner or owner's heir to use 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, upon sale to another party, cannot require you to remove your mobilehome from the park unless the home:
 1. Does not meet minimum health, safety and construction code standards;
 2. Is in significantly run-down condition and disrepair, as reasonably determined by the management;
 3. Is not a mobilehome or manufactured home (i.e. smaller than 8x40 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 leaflets 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 mobile-home. 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;
 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 with a park disclosure check-off form indicating any problems with specified park facilities at the time buyers sign a rental agreement to move into the park.

Who handles the sales of mobile and manufactured homes?

Only dealer-brokers licensed by the 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 from 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).

How is my mobilehome taxed?

Pre-July 1980 mobilehomes are usually subject to an annual state vehicle license fee (VLF). Mobilehomes manufactured on or after July 1, 1980 and those permanently fixed to the land are subject to local property taxation. The sale of new mobilehomes and 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.

Do I have a right to 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 without your prior written consent, except in the case of an emergency or where you have abandoned the mobilehome.

Can the park management limit residency to seniors only?

YES. Federal law, which went into effect in March 1989, 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 or 62 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. Complaints involving discrimination against families with children in mobilehome parks should be addressed to the Department of Fair Employment and Housing at 1.800.233.3212 (toll free).

Can residents buy their park and convert it to resident ownership?

There are more than one hundred resident-owned mobilehome parks (ROPS) in California, which have been purchased by the residents and converted to some form of resident ownership. In an ROP, residents have a voice in setting park policies and controlling park rents. Since residents own their own 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 loans or other limited financial assistance. For more information, obtain a copy of the booklet *A Guide to Mobilehome Park Purchases by Residents* (see page 20).

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 more information, call the Franchise Tax Board at 1-800-852-5711 (toll free).
- **HOMEOWNERS & RENTERS ASSISTANCE:** Lower-income mobilehome owners and renters, who are 62 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). For more information, call the FTB at 1-800-852-5711.
- **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 (CARE) program. 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 lower-income mobilehome owners through the Dept. 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.
- **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 city or county 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.

Where can I get other information or assistance?

MOBILEHOME OWNERS ADVOCACY GROUPS

Mobilehome owner associations are important resources for information and assistance on mobilehome issues.

Golden State Manufactured-Home
Owners League (GSMOL)
TEL 714.826.4071

California Mobilehome Resource
& Action Association (CMRAA)
TEL 408.244.8134

National Association of
Manufactured Home Owners (NAMHO)
TEL 717.284.4520



MOBILEHOME OMBUDSMAN
TEL 1.800.952.5275 (TOLL FREE)
or 916.323.9801

This HCD office can assist you with complaints relating to mobilehome registration and titling, mobilehome & park inspections (health and safety issues), mobilehome installations (foundation and earthquake bracing issues) and problems relating to mobilehome dealer sales.



DEPARTMENT OF FAIR EMPLOYMENT
AND HOUSING (DFEH)
TEL 1.800.233.3212

Complaints on housing discrimination should be reported to your local fair housing commission or DFEH.



SENATE SELECT COMMITTEE ON MOBILE
AND MANUFACTURED HOMES

1020 N St., Room 520, Sacramento CA 95814
TEL 916.324.4282

This legislative office has information about mobilehome legislation and copies of various brochures and pamphlets, including the *Mobilehome Residency Law* (mentioned previously), *A Guide to Mobilehome Park Purchases by Residents*, which describes the steps involved in purchasing a park and converting it to resident ownership, and *A Guide to Purchasing Mobile and Manufactured Homes*, which describes requirements and procedures relating to purchasing a mobilehome.

Some of these documents can also be accessed on the committee's website at
WWW.SEN.CA.GOV/MOBILEHOME



LOCAL GOVERNMENT

Cities and counties, particularly those with mobilehome rent control 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.

