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AN OPEN LETTER TO THE TENANTS AND RESIDENTS OF DELAWARE MANUFACTURED HOME COMMUNITIES

The Delaware Manufactured Home Owners Association (DMHOA) is the only organization that represents manufactured home owners on leased-land, whether their communities are members or not. Not one single piece of legislation beneficial for home owning tenants has been enacted in the State of Delaware in the past ten years without being supported by DMHOA.

As a reflection of DMHOA's value to leased-land home owners, Ed Speraw, President of DMHOA, was honored in 2010 as a Volunteer of the Year for his compassion and dedication to adding tenant protections to Delaware law and helping residents, home owners, and home owner associations in leased land communities.

Under Ed's leadership, DMHOA has established a website where anyone can keep abreast of activities, ask questions, and conveniently read a copy of The Delaware Landlord/Tenant Code.

A major legislative achievement supported by DMHOA, "The Right of First Offer", codified at 25 *Del. C.* §7026, enables home owners on leased land to purchase their communities and thereby control their own rents. In addition, the Delaware Manufactured Home Relocation Trust Fund was created under 25 *Del. C.* §7023 to assist manufactured homeowners on leased land who are required to relocate where the community owner intends to change the use of the land. Another legislative achievement promoted by DMHOA was the Governor's Council on Manufactured Housing, under which home owners can attempt to resolve landlord/tenant issues through the Alternate Dispute Resolution (ADR) of 25 *Del. C.* §7001A. These are just a few of the many changes in the law protecting leased land residents that DMHOA has fought for.

The governing body of DMHOA is the Council of Presidents, comprised of Presidents of member home owner associations ("HOAs"). It is this Council that elects officers of DMHOA with the advice and consent of each community's membership. Monthly meetings for all members, usually featuring an individual or individuals important in the industry, allow DMHOA members to ask questions of those important figures and officers of DMHOA without restriction or censorship.

DMHOA is constantly striving to broaden dissemination of valuable information by requesting input from individual members in the communities and putting collected information on the DMHOA website. This insures that community members have the ability to communicate directly to the DMHOA Officers in a timely fashion. Members, as well as anyone else, can request to see financial figures of DMHOA.

The RTA and DHMOA: To insure that payments were being made to the RTA by landlords, the RTA created the position of Compliance Investigator. Three people applied for that position that was advertised as paying \$45,000 for 32 hours of work a week, vacation time, and other benefits. One of the 3 applicants, Ed Speraw, was the most experienced and knowledgeable applicant regarding housing on leased-land, and was offered the position on the condition that he resign as a member of the RTA. So far, Mr. Speraw's investigations of unregistered manufactured home communities and count of homes in the communities that are registered has more than paid for his compensation in dues to the RTA that would not have otherwise been collected.

DMHOA Proposed 2011 Legislation

After years of requesting a Disclosure Bill, the House and Senate have passed one. This Bill, if signed into law, requires prospective home buyers to sign for a copy of Chapter 70 and Highlights of the Chapter drafted by the Attorney General's Office. This would show that landlords can raise their rents without limits once a year, unless a Rent Control or Rent Justification Bill is passed this session. (DMHOA has discovered many community owners do not provide copies of Chapter 70, which contains statutory rights for those who live on leased land).

DMHOA is supporting a Bill proposed by the RTA to require penalties for community owners who have not registered with the RTA since 2004 and who are late or have failed to pay the RTA fees. The law also permits the RTA to recover legal fees from delinquent community owners if legal action is necessary.

The long advocated Rent Justification Bill will finally be considered this legislative session. To provide evidence in support of passage of that Bill, DMHOA requested communities to complete a rent survey. Every survey was used regardless of whether or not the rent increases were high or low. It was noted that the lower increases were from communities with capped leases.

The volunteered information was necessary for another change in the law requested by DMHOA. To provide a guide on rent increases for prospective buyers, the law was changed to provide a rent history. Because most of the landlords could not produce their rent records for 5 years, only 3 years of rents are provided.

When DMHOA reached out to a number for communities with health, safety and maintenance problems, some tenants refused to provide information for fear of retaliation by the community owner.

The original survey material is being maintained by DMHOA in the event of challenges.

Fortunately, many of our elected officials have great faith in the honesty and integrity of DMHOA and its President. And DMHOA thanks these legislators for their invaluable work in protecting those who live on leased land.

Very Truly Yours,

/s/ Peter K. Schaeffer, Jr., Esq.
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