

Cape Gazette, letter to the Editor.

Regarding your recent article about The Attorney Generals' lawsuit against a Manufactured Housing Community owner: This has been a long time coming.

Manufactured Housing Communities on rented land have been existing since the 1940's as an affordable alternative to home/land ownership, or apartment living. The pluses are many, including much more space as opposed to apartments, especially with the double wide designs available now. It allows families to provide housing at a much more reasonable cost as they progress to future home ownership and it also allows senior citizens to downsize their lifestyle after they retire. Once the initial infrastructure is put in and paid for, the community owners average a 70% plus profit margin, on his investment. It is a win-win situation for both "partners" in this arrangement.

In nature, when two separate organisms live together in harmony, it is often called a "symbiotic relationship". They depend on each other for their survival. If this "balance" is disrupted, however, the result can be the eventual demise of one or both partners. Manufactured Housing on Rented Land is this unique type of relationship. The homeowners invest in their homes and own them, and the community owners own the land the homes are placed on.

Homeowners understand and expect lot rent to increase at a reasonable rate over time. But when greed such as was promulgated about 10 years ago with the Great Land Value Balloon we saw the disaster that resulted when the balloon burst. During that time, lots rent were increased as much as 100% in some communities because the community owners want to profit even more than the average 70% they had been getting for decades. Many homeowners lost their homes and some had to walk away and lose everything they had invested. The State Legislature saw the injustice in the situation and produced several laws to help restore the balance. One of the most important laws to come from this turmoil was known as "The Rent Justification Act." Basically, it established guidelines and parameters that allowed the community owners to realize "reasonable" profits from their investments, and it recognized that homeowners have viable equity in their homes as well. Both sides need the "balance" to continue to maintain this affordable housing alternative.

Those who object to laws like this feel it is about control. But they are wrong. Rules are not all about control, they are about protection, guidance and balance. They help establish a fair and just system that allows proper procedures and understanding of what the right thing to do, is, and how to achieve it in a fair manner to all sides involved. Without rules, there is chaos, disarray and eventually failure.

Under the Justification law, community owners are allowed to raise the rents, once a year (just like most apartment developments) and they can raise them to equal the CPI-U which is the most accurate of ways to determine the cost of living percentages. Most businesses used these rates when determining their future business plans.

If they feel they need higher increases than warranted by the CPI-U, they are supposed to justify those higher costs to the residents in the community, showing what improvements have been made above normal repair and maintenance the community owner should be doing to protect their own investment. The law provides for a legal hearing if the residents feel the costs that are being passed directly to them in the lot rent, are not correct.

This community owner tried to exchange a lower increase in lot rent if the residents would not go to arbitration, which is against the law. We are guaranteed the right to arbitrate if we disagree with them. They were hoping to eliminate any legal expenses by coercing the residents not to fight this in Arbitration.

The homeowners need to be protected from lawyers who try to change what a law says to suit themselves. This law levels the playing field, and hopefully restores the balance that will keep this affordable housing alternative viable for the over 40,000 residents in Delaware who live in manufactured housing. Our thanks go to the legislators who passed this law, and now to the Attorney General's Office who has filed suit to stop this obscene attempt to usurp its intention. Thank you, Jennifer Somolko, Deputy Attorney General and Matt Denn, Attorney General for the State of Delaware.

Dixie Boucher

I am speaking for myself, only, but I am active as a resident in manufactured housing, member of DMHOA Executive Board, Member of ACHA Executive Board and Board Member of DEMHRA, in Manufactured Housing issues.