

PUBLIC HEARING

before

ASSEMBLY COMMERCE, INDUSTRY & PROFESSIONS COMMITTEE

on

ASSEMBLY 1641, 1713, 1715, 1716, 1717 & 1718

(Mobile Homes)

Held:
June 6, 1974
Assembly Chamber
State House
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

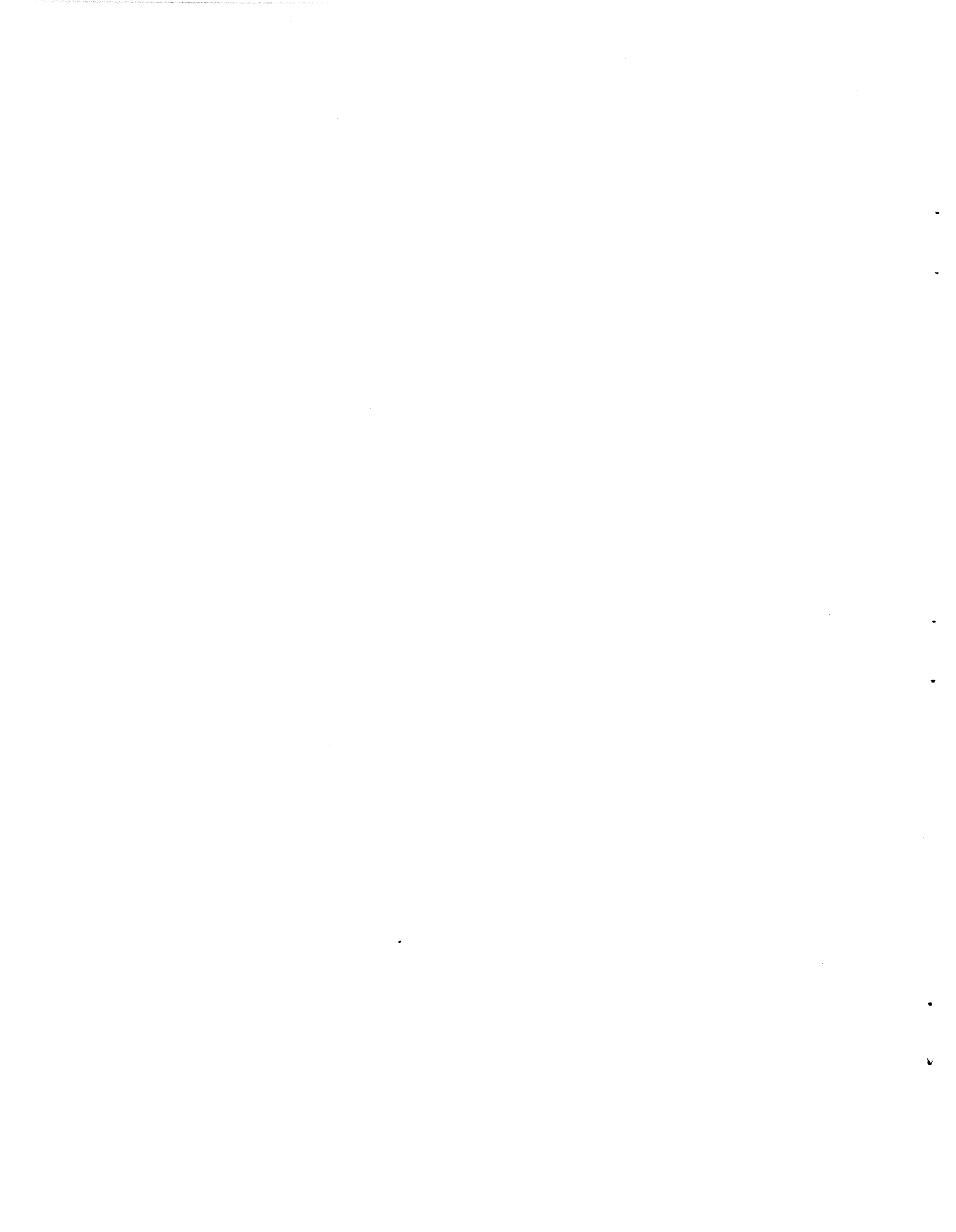
Assemblyman Byron M. Baer (Chairman)

Assemblyman D'Ambrosa

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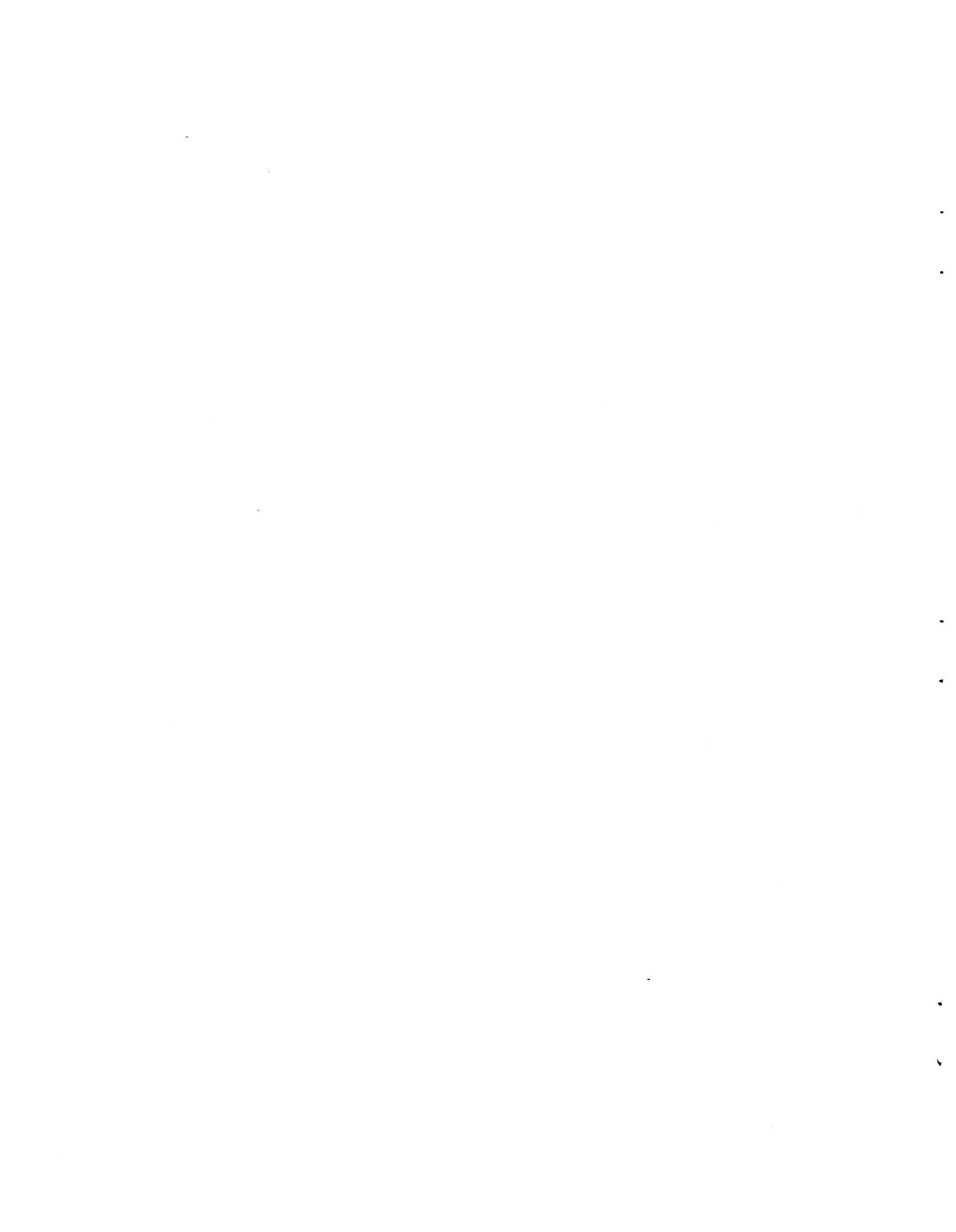
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ASSEMBLY, No. 1641

STATE OF NEW JERSEY

INTRODUCED MAY 2, 1974

By Assemblymen HAMILTON, PERSKIE, HERMAN, STEWART,
KOZLOSKI, SALKIND, FITZPATRICK, WORTHINGTON,
SWEENEY, MacINNES, NEWMAN, DOYLE, BURSTEIN and
BAER

Referred to Committee on Commerce, Industry and Professions

AN ACT to amend and supplement "An act concerning mobile
homes and the rights and obligations of mobile home park owners
and operators and mobile home dwellers," approved May 31,
1973 (P. L. 1973, c. 153).

1 BE IT ENACTED by the Senate and General Assembly of the State
2 of New Jersey:

1 1. Section 2 of P. L. 1973, c. 153 (C. 46:8C-2) is amended to read
2 as follows:

3 2. a. No mobile home park owner or operator shall require a
4 resident therein to purchase from said owner or operator under-
5 skirting, equipment for tying down mobile homes, or any other
6 equipment required by law, local ordinance or regulations of the
7 mobile home park. However, the park operator may determine by
8 rule or regulation the style or quality of such equipment to be
9 purchased by the tenant from a vendor of the tenant's choosing.

10 b. No mobile home park owner or operator shall charge any
11 resident who chooses to install an electric or gas appliance in his
12 mobile home an additional fee unless that fee reflects the cost to the
13 mobile home park of such installation or its use, or to restrict the
14 installation, service or maintenance of any such appliance, or to
15 restrict the making of any interior improvement in such mobile
16 home, so long as such an installation or improvement is in com-
17 pliance with applicable building codes and other provisions of law.

18 c. A mobile home park owner or operator shall be required to
19 fully disclose in writing all fees, charges, assessments, rules and
20 regulations prior to a mobile home dwellers assuming occupancy
21 in the park. No fees, charges or assessments so disclosed may be
22 increased or rules and regulations changed by the park owner or

23 operator without specifying the date of implementation of said
 24 fees, charges, assessments or rules and regulations, which date shall
 25 be no less than 30 days after written notice to all tenants.

26 d. Failure on the part of the mobile home park owner or oper-
 27 ator to fully disclose all fees, charges or assessments shall prevent
 28 the park owner or operator from collecting said fees, charges or
 29 assessments, and refusal by the dweller to pay any undisclosed
 30 charges shall not be used by the owner or operator as a cause for
 31 eviction in any court of law.

32 e. Any mobile home park owner or operator who, directly or
 33 indirectly, receives, collects or accepts from another any donation,
 34 gratuity, bonus or gift, in addition to lawful charges, upon the
 35 representation, understanding or statement that compliance with
 36 the request or demand therefor will facilitate, influence or procure
 37 an advantage over others in entering into an agreement, either oral
 38 or written, for the lease or rental of real property for any term or
 39 for the use or occupation thereof, or any such owner or operator
 40 who refuses to enter into such agreement unless he receives, di-
 41 rectly, or indirectly, any such donation, gratuity, bonus or gift, or
 42 any such owner or operator, who, directly or indirectly, aids, abets,
 43 requests or authorizes any other person to violate any of the pro-
 44 visions of this section, is a disorderly person.

45 f. In any action by any person to recover any fee, donation,
 46 gratuity, bonus or gift acquired by another in violation of the pro-
 47 visions of this act, the court, upon finding for such person, shall
 48 award recovery of double the value of such fee, donation, gratuity,
 49 bonus or gift, together with costs of the action and reasonable
 50 attorneys' fees.

51 g. *No mobile park home owner or operator shall charge an*
 52 *entrance fee to mobile home owners. The park owner or operator*
 53 *may, however, charge a fee to recover actual expenses incurred in*
 54 *installing the mobile home provided that the mobile home owner*
 55 *receives an itemized bill for same prior to the signing of any rental*
 56 *agreement.*

1 2. Section 3 of P. L. 1973, c. 153 (C. 46:8C-3) is amended to read
 2 as follows:

3 3. a. No mobile home park shall deny any resident of such mobile
 4 home park the right to sell said resident's mobile home within the
 5 park or require the resident to remove the mobile home from the
 6 park solely on the basis of the sale thereof. The park may reserve
 7 the right to approve the purchaser of said mobile home as a tenant,
 8 but such permission may not be unreasonably withheld and the

9 park shall not exact a commission or fee with respect to the price
 10 realized by the seller unless the park owner or operator has acted
 11 as agent for the mobile home owner in the sale pursuant to a
 12 written contract.

13 *b. If the mobile home park owner or operator shall unreasonably*
 14 *withhold approval of a purchaser of a mobile home as a tenant,*
 15 *either the mobile home owner who is selling or the intended pur-*
 16 *chaser of the mobile home may institute an action in the Superior*
 17 *Court. A plaintiff who shall recover a judgment in any such action*
 18 *shall be awarded all damages proximately caused by the unreason-*
 19 *able refusal of the mobile home park owner or operator to approve*
 20 *the sale together with the costs of the action and reasonable*
 21 *attorneys' fees. In any such action the court shall also be em-*
 22 *powered to order the admission of the purchaser of the mobile home*
 23 *to the mobile home park.*

1 3. (New section) There shall be a warranty by the park owner or
 2 operator of substantial compliance with all state and municipal
 3 health and sanitary laws concerning mobile home parks in all leases
 4 or rental agreements for space in mobile home parks.

1 4. This act shall take effect immediately.

STATEMENT

The purpose of this bill is to prohibit mobile park home owners and operators from charging entrance fees, except actual expense incurred in installing mobile homes, to mobile home owners who are moving into the park. Moreover, it provides that if a mobile home park owner or operator unreasonably withholds his approval to a sale of a mobile home within the park, he shall be liable to the seller and intended purchaser of the home for damages, costs and reasonable attorneys' fees. Further, it requires mobile home park owners and operators to provide a warranty of substantial compliance with all State and municipal health and sanitary laws concerning mobile home parks in all leases.

ASSEMBLY, No. 1713

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1974

By Assemblymen HAMILTON, PERSKIE, HERMAN, BARBOUR,
STEWART, SALKIND, KOZLOSKI, FLYNN, VAN WAGNER,
WORTHINGTON, SWEENEY, NEWMAN and DOYLE

Referred to Committee on Commerce, Industry and Professions

AN ACT providing for the posting of performance bonds by owners
or operators of mobile home parks who offer as an inducement to
taking up residency therein the making of capital improvements.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. Definitions. The following terms whenever used or referred to
2 in this act shall have the following respective meanings for the
3 purposes of this act, except in those instances where the context
4 clearly indicates otherwise:

5 a. "Capital improvements" means the construction, reconstruc-
6 tion, relocation, establishment, improvement (by way of better-
7 ments, additions or otherwise) or rehabilitation of any capital asset
8 of the owner or operator within the mobile home park, or an under-
9 taking relating thereto which requires a capital expenditure;

10 b. "Inducement" means any oral statement, writing, diagram,
11 architectural rendition, drawing or picture which invites reliance.

1 2. Every mobile home park owner or operator, who offers as an
2 inducement for entering into a rental or leasing agreement for a
3 mobile home, or mobile home site, that capital improvements will
4 be made to the mobile home park, shall deposit with the Bureau of
5 Mobile Homes within the Division of Housing and Urban Renewal
6 of the Department of Community Affairs a performance bond in the
7 amount of such capital improvements and in a manner required by
8 rules and regulations promulgated by the bureau.

1 3. Any person subject to this act who fails to comply shall be
2 subject to a penalty of \$25.00 for each day the violation continues,
3 which penalty shall not exceed \$1,000.00. The penalty may be re-
4 covered in a summary manner as provided in the Penalty Enforce-
5 ment Law (N. J. S. 2A:58-1 et seq.).

1 4. This act shall take effect the ninetieth day after enactment.

STATEMENT

The purpose of this bill is to prevent owners and operators of mobile home parks from inducing prospective residents of their parks to enter into rental or leasing agreements by means of false promises.

ASSEMBLY, No. 1715

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1974

By Assemblymen HAMILTON, PERSKIE, HERMAN, BARBOUR,
STEWART, KOZLOSKI, SALKIND, FLYNN, VAN WAGNER,
WORTHINGTON, SWEENEY, NEWMAN and DOYLE

Referred to Committee on Commerce, Industry and Professions

A SUPPLEMENT to "An act establishing and concerning a Department of Community Affairs as a principal department in the Executive Branch of the State Government and providing an appropriation therefor," approved November 23, 1966 (P. L. 1966, c. 293, C. 52:27D-1 et seq.).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. There is hereby established within the Division of Housing
2 and Urban Renewal of the Department of Community Affairs the
3 Bureau of Mobile Homes, the duties and responsibilities of which
4 shall include, but not be limited to:

5 a. Development of a Statewide policy with respect to the regula-
6 tion of mobile homes and mobile home parks.

7 b. Research and inspection to ensure high standards of design
8 and construction of mobile homes and high standards of operation
9 of mobile home parks within the State.

10 c. Certification of special permits prior to issuance by the
11 Division of Motor Vehicles, pursuant to P. L. 1942, c. 268
12 (C. 39:3-84 et seq.) to individuals transporting mobile homes over
13 the roads of this State, to ensure that the mobile homes comply with
14 the uniform standards prescribed in P. L. 1972, c. 148
15 (C. 52:27D-25.1 et seq.).

16 d. Drafting and promulgating rules and regulations governing
17 the submission and administration of performance bonds as may
18 be required by law.

1 2. This act shall take effect immediately.

STATEMENT

Mobile homes are an attractive and readily available alternate mode of housing for many persons living or desiring to live in New Jersey. The mobile home and mobile home park industry have been virtually unregulated and lacks even official recognition by State Government. Frequently this has resulted in a failure to promulgate and enforce standards of design and construction of mobile homes and operation of mobile home parks, and inconsistent and ineffective compliance with State law and regulation. The purpose of this bill is to take a first step toward correction of these aforementioned problems by the establishment of a Bureau of Mobile Homes in the Department of Community Affairs charged with the responsibility of the development of a Statewide policy with respect to the regulation of mobile homes and mobile home parks.

ASSEMBLY, No. 1716

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1974

By Assemblymen HAMILTON, PERSKIE, BARBOUR, HERMAN,
STEWART, KOZLOSKI, SALKIND, VAN WAGNER, FLYNN,
WORTHINGTON, SWEENEY and NEWMAN

Referred to Committee on Commerce, Industry and Professions

AN ACT to amend "An act concerning mobile homes and the rights
and obligations of mobile home park owners and operators and
mobile home dwellers," approved May 31, 1973 (P. L. 1973,
c. 153).

1 BE IT ENACTED by the Senate and General Assembly of the State
2 of New Jersey:

3 1. Section 1 of P. L. 1973, c. 153 (C. 46:8C-1) is amended to read
4 as follows:

5 1. No mobile home park owner or operator may evict a mobile
6 home dweller other than for the following reasons:

7 a. Nonpayment of rent;

8 b. Violation of a Federal or State law or local ordinance which
9 may be deemed detrimental to the safety and welfare of other
10 dwellers in the mobile home park;

11 c. Continued violation of any rule or regulation established by
12 the park owner or operator, provided that the mobile home owner
13 received written notice of said violation at least 30 days prior to the
14 date he is required to vacate and has not ceased to violate said
15 rule or violation. A copy of all rules and regulations shall be
16 delivered by the park owner or operator to the mobile home owner
17 prior to his signing the lease or entering into a rental agreement.
18 A copy of the rules and regulations also shall be posted in the
19 recreation hall, if any, or some other conspicuous place in the park.
20 *An additional copy of such rules and regulations shall be filed with
the Bureau of Mobile Homes in the Division of Housing and Urban
Renewal of the Department of Community Affairs;*

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

21 d. Where the mobile home dweller holds over or continues in
 22 possession after the expiration of his term and after written
 23 demand has been made by the mobile home park owner or operator
 24 for possession thereof;

25 e. Termination of the use of the park for mobile home purposes
 26 provided that all mobile home dwellers receive written notice of
 27 said termination 90 days prior to the effective date thereof;

28 f. Additional grounds for eviction proceedings may be estab-
 29 lished in a written lease agreement between the park owner or
 30 operator and a mobile home dweller in addition to those established
 31 by law.

32 This section shall not preclude summary actions for recovery
 33 of premises. If the park operator or owner does not have one of
 34 the above grounds available, the park tenant may raise the same
 35 by affirmative defense.

1 2. Section 2 of P. L. 1973, c. 153 (C. 46:8C-2) is amended to
 2 read as follows:

3 2. a. No mobile home park owner or operator shall require a
 4 resident therein to purchase from said owner or operator under-
 5 skirting, equipment for tying down mobile homes, or any other
 6 equipment required by law, local ordinance or regulations of the
 7 mobile home park. However, the park operator may determine by
 8 rule or regulation the style or quality of such equipment to be
 9 purchased by the tenant from a vendor of the tenant's choosing.

10 b. (1) No mobile home park owner or operator shall charge
 11 any resident who chooses to install an electric or gas appliance in
 12 his mobile home an additional fee unless that fee reflects the cost
 13 to the mobile home park of such installation or its use, or to restrict
 14 the installation, service or maintenance of any such appliance, or
 15 to restrict the making of any interior improvement in such mobile
 16 home, so long as such an installation or improvement is in com-
 17 pliance with applicable building codes and other provisions of law.

18 (2) *No mobile home park owner or operator shall require, as a*
 19 *condition precedent to acceptance for entrance into the mobile*
 20 *home park, the purchase of a mobile home from the park owner or*
 21 *operator or any related or affiliated person or company.*

22 (3) *No mobile home park owner or operator shall require a*
 23 *resident therein to purchase from him, or from any vendor or*
 24 *supplier he designates or selects, any natural product, by-product*
 25 *or synthetic of petroleum gas; provided however, whenever said*
 26 *owner or operator owns or has a possessory interest in the lines*
 27 *or equipment transmitting or consuming the petroleum or gas the*

28 park owner or operator may, by rule or regulation, designate a
29 specific grade or quality of petroleum or gas to be used. Specifica-
30 tion of grade or quality is also permitted whenever reasonably
31 necessary to maintain safety standards prescribed by State law or
32 regulation or by local ordinance.

33 (4) No mobile home park owner or operator shall move, or
34 require to be moved or relocated within the park, any mobile home
35 owned by any person other than the park owner or operator,
36 unless reasonably necessary and unless written notice is served
37 personally on the mobile home dweller 30 days prior to such pro-
38 posed move, except in case of an emergency requiring a temporary
39 move or relocation. All costs and fees related, directly or indirectly,
40 to any such move or relocation shall be borne by the owner or
41 operator. In addition, the dweller of the mobile home shall have a
42 right to reimbursement for any loss or damage caused by any such
43 move or relocation, and this right shall not be waived; and any
44 instrument containing a waiver thereof shall be null and void.

45 c. A mobile home park owner or operator shall be required to
46 fully disclose in writing all fees, charges, assessments, rules and
47 regulations prior to a mobile home dweller assuming occupancy
48 in the park. No fees, charges or assessments so disclosed may be
49 increased or rules and regulations changed by the park owner or
50 operator without specifying the date of implementation of said
51 fees, charges, assessments or rules and regulations, which date shall
52 be no less than 30 days after written notice to all tenants.

53 In addition, all fees, charges or assessments, including but not
54 limited to entrance, membership or association fees, however
55 denominated, disclosed by said mobile home park owner or operator,
56 must be specifically related to and identifiable with actual costs
57 incurred by the mobile home park owner or operator. All dis-
58 closures made in accordance with this section shall be completed
59 prior to the execution of any leasing agreement as required by
60 section four of this act, or the entering into of any other contractual
61 relationship.

62 d. Failure on the part of the mobile home park owner or oper-
63 ator to fully disclose all fees, charges or assessments shall prevent
64 the park owner or operator from collecting said fees, charges or
65 assessments, and refusal by the dweller to pay any undisclosed
66 charges shall not be used by the owner or operator as a cause for
67 eviction in any court of law.

68 e. Any mobile home park owner or operator who, directly or

69 indirectly, receives, collects or accepts from another any donation,
 70 gratuity, bonus or gift, in addition to lawful charges, upon the
 71 representation, understanding or statement that compliance with
 72 the request or demand therefor will facilitate, influence or procure
 73 an advantage over others in entering into an agreement, either oral
 74 or written, for the lease or rental of real property for any term or
 75 for the use or occupation thereof, or any such owner or operator
 76 who refuses to enter into such agreement unless he receives,
 77 directly, or indirectly, any such donation, gratuity, bonus or gift,
 78 or any such owner or operator, who, directly or indirectly, aids,
 79 abets, requests or authorizes any other person to violate any of
 80 the provisions of this section, is a disorderly person.

81 f. In any action by any person to recover any donation, gratuity,
 82 bonus or gift acquired by another in violation of the provisions of
 83 this act, the court, upon finding for such person, shall award
 84 recovery of double the value of such donation, gratuity, bonus or
 85 gift, together with costs of the action.

1 3. Section 4 of P. L. 1973, c. 153 (C. 46:8C-4) is amended to read
 2 as follows:

3 4. A mobile home park owner or operator shall be required:

4 a. Within 30 days of the effective date of this enactment to offer
 5 a written lease or written rental agreement for a period not less
 6 than 12 months, to mobile home dwellers within the park;

7 b. Within 30 days of a mobile home dweller assuming occupancy
 8 in the park by **[virtue of the purchase of a mobile home from] any**
 9 **means**, a mobile home park owner or operator **[to]** shall offer a
 10 written lease or written rental agreement for a period of not less
 11 than 12 months**;**.

12 c. **[Within 30 days of the first sale of a mobile home as provided**
 13 **in section 3 hereof, to offer to the purchaser who has been approved**
 14 **the remainder of the written lease or written rental agreement then**
 15 **in effect, but in no event for a period of less than 6 months.]**
 16 *(Deleted by amendment.)*

1 4. This act shall take effect immediately.

STATEMENT

The purposes of this bill are to provide for the full disclosure of the costs incident to the purchase of a mobile home; to prevent charges such as "entrance" or "acceptance" fees unless they can be directly related to actual costs incurred by the mobile home owner or operator; to prevent owners and operators from forcing

tenants to move their homes between sites within the park and incur the cost thereof; to prevent, as a condition precedent to acceptance into a mobile home park the purchase of a mobile home from the owner or affiliate; to prevent undue restrictions on the purchase of petroleum and gas within the park, and to require a copy of rules and regulations published by the owner or operator to be filed with the Bureau of Mobile Homes.

ASSEMBLY, No. 1717

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1974

By Assemblymen HAMILTON, PERSKIE, BARBOUR, HERMAN,
STEWART, SALKIND, KOZLOSKI, FLYNN, VAN WAGNER,
WORTHINGTON, SWEENEY, NEWMAN and DOYLE

Referred to Committee on Commerce, Industry and Professions

**AN ACT concerning the selling of mobile homes by mobile home
park owners or operators.**

1 BE IT ENACTED by the Senate and General Assembly of the State
2 of New Jersey:

1 1. Definitions. The following terms whenever used or referred to
2 in this act shall have the following respective meanings, unless a
3 different meaning clearly appears from the context.

4 a. "Mobile home" means a home, excluding travel trailers,
5 which is a movable or portable unit, designed and constructed to be
6 towed on its own chassis (comprised of frame and wheels), and
7 designed to be connected to utilities for year-round occupancy. The
8 term shall include:

9 (1) Units containing parts that may be folded, collapsed or tele-
10 scoped when being towed and that may be expanded to provide
11 additional cubic capacity; and

12 (2) Units composed of two or more separately towable com-
13 ponents designed to be joined into one integral unit capable of
14 being again separated into the components for repeated towing.

15 b. "Mobile home park" means a place where three or more
16 mobile homes or mobile home sites are offered for rent or lease and
17 includes the land appurtenant to said mobile homes or mobile home
18 sites.

19 c. "Owner or operator" means any person, individual, trust,
20 estate, partnership, company, or corporation who controls, directly
21 or indirectly, the operation of a mobile home park, or owns or
22 controls more than a 10% interest or 10% of the stock thereof.

1 2. No mobile home park owner or operator shall be engaged in

2 the business of selling or acting as an agent in the sale of mobile
3 homes.

1 3. Any person who violates the provisions of this act is a dis-
2 , orderly person.

1 4. This act shall take effect immediately.

STATEMENT

The purpose of this bill is to prevent the adhesive aspects of an agreement between the owner or operator of a mobile home park and a prospective tenant. The tenant very often, if he wants to buy his own home, must purchase it from the owner or operator in whose park the tenant wishes to locate. Thereafter when leaving the park the tenant may be forced to remove the mobile home from the park, use the owner or operator as his agent, or sell it directly back to the owner or operator.

ASSEMBLY, No. 1718

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1974

By Assemblymen HAMILTON, PERSKIE, HERMAN, BARBOUR,
STEWART, KOZLOSKI, SALKIND, FLYNN, VAN WAGNER,
WORTHINGTON, SWEENEY, NEWMAN and DOYLE

Referred to Committee on Commerce, Industry and Professions

AN ACT concerning the purchase of certain insurance coverages by
the purchasers of mobile homes under certain circumstances.

1 BE IT ENACTED by the Senate and General Assembly of the State
2 of New Jersey:

1 1. a. The purchaser of a mobile home shall have the privilege of
2 obtaining comprehensive insurance on said mobile home, or any
3 other type of insurance related to the purchase thereof, through an
4 agent or broker of his own selection. Any person requiring the
5 purchase of the aforementioned insurance may direct only that the
6 insurance be obtained from an insurance company duly qualified to
7 do business in this State.

8 b. The inclusion of the premium for such insurance in the
9 security agreement or retail installment contract related to the
10 purchase of a mobile home, when the purchaser selects the company,
11 agent or broker, shall be optional with the seller of the mobile home;
12 however, no premium shall be included therein for a period in
13 excess of 3 years of coverage.

1 2. a. No person shall cause to be included in any comprehensive
2 insurance policy for a mobile home, which policy is to be paid for
3 by the purchaser of the mobile home, a provision providing for the
4 insuring of the personal effects of the purchaser, unless the pur-
5 chaser agrees thereto in writing.

6 b. Prior to the inclusion of any insurance for the personal effects
7 of the purchaser within a comprehensive insurance policy, the
8 purchaser shall be questioned by the person offering the insurance
9 coverage, concerning the amount of personal effects insurance he
10 desires. A statement signed by the purchaser indicating that such
11 inquiry has been made shall be included in the security agreement

12 or retail installment contract offered in connection with the pur-
13 chase of the mobile home.

1 3. Any person who violates any provision of this act is a dis-
2 orderly person.

1 4. This act shall take effect immediately.

STATEMENT

The purpose of this bill is to allow the purchasers of mobile homes freedom of choice in the selection of an insurance company. The bill would permit the inclusion of insurance premiums in the security agreement entered into in connection with the purchase, but limit the inclusion therein to 3 years. The bill also prohibits mandated personal effects insurance from being included in a comprehensive insurance policy unless agreed to by the purchaser, and only then when he is questioned as to his desire for such coverage and evidence of compliance with this bill must be included in the security agreement or retail installment contract.

ASSEMBLYMAN BYRON M. BAER (Chairman): The Assembly Commerce, Industry and Professions Hearing on Assembly 1641, 1713, 1715, 1716, 1717 and 1718 will come to order. All these bills are sponsored by Assemblyman Hamilton who, I understand, will be with us in just a few minutes. I would like to proceed with Curt Hubert from the Department of Community Affairs in the meantime.

C U R T H U B E R T: Good morning. I am Curt Hubert, Deputy Director of the Division of Housing and Urban Renewal of the Department of Community Affairs.

The Department, through its Division of Housing and Urban Renewal, is currently responsible for the registration of all Mobile Homes bought or sold in New Jersey. Such registration was mandated by Chapter 148 of the Laws of 1972 and uses as its standard the American National Standards Institute Code A-119.1, covering minimum construction.

The Department has supported earlier legislation strengthening the position of mobile home purchasers and residents of privately operated mobile home parks, and supports the intent of this legislative package as well. We do, however, feel that additional consideration be given to broadening the scope of the proposed Bureau.

I would like to interject here that I believe the interests of the Department are parallel to those of the industry here in New Jersey - the dealers and the operators. We feel that by the development and enforcement of proper standards many of the objections, real or imagined, that people and officials have with respect to mobile homes and mobile home parks can be ameliorated.

We feel that proper involvement in parks with respect to site and improvement considerations will eliminate objections in that area.

So, I am hopeful that my remarks will be interpreted by the industry and by the Committee as being favorable toward the interests of mobile homes in New Jersey.

We would suggest that A-1715, calling for the establishment of a Bureau of Mobile Homes be made more comprehensive by providing for:

1. The Bureau to establish and enforce rules and regulations pertaining to the construction of mobile homes through the adoption of national standards. We are presently doing this under Chapter 148, P.L. 1972 but, hopefully, that would be incorporated in the mandate of the Bureau when and if that legislation is passed.
2. The Bureau to establish and enforce rules and regulations governing the construction and maintenance of mobile home parks or multiple mobile home installations. This would cover such things as sites and improvements and, possibly, the setting-up of mobile homes; the tying down, meeting the hurricane requirements of this area; and other related maintenance considerations.
3. Regular periodic inspections to insure compliance with established standards. This would be similar to the enforcement responsibilities that the Division presently has under the Hotel and Multiple Dwelling Act.
4. Unification of the mobile home parks health and sanitation activity presently repositied in the State Department of Health with the Department of Community Affairs.
5. A mobile home park full disclosure activity similar

to that for retirement communities. The rationale for this would be the fact that you have a hybrid of sorts with a privately owned mobile home on a separately privately owned piece of property and to insure a full understanding of the rights and obligations of both parties a full disclosure requirement might be effective.

6. A system of fees designed to make the activity self-supporting. Here I am going to equivocate a little bit. Our current registration fees do not represent sufficient revenues to cover our cost of operation and we did that deliberately because we didn't want to add to the cost of mobile homes unnecessarily. We see mobile homes as the only source of low cost housing available in the State, so we kept our registration fees low.

7. Registration requirements for parks and dealers.

8. Administrative enforcement procedures similar to those found in the Hotel and Multiple Dwelling Law. The current package of legislation would require an allegedly aggrieved individual, I believe, to take a civil action, thus representing an expenditure of money and complications and confusion and we feel that enforcement responsibilities, such as those under the Hotel and Multiple Dwelling Act would enable the Division to insure that the provisions of these bills would be enforced without making it necessary for an individual to have to seek a lawyer and to go to court.

9. Provision for cooperative enforcement with municipalities. Here again, this would be comperable to the cooperative arrangements we have with municipalities under our Multiple Dwelling Act.

If A-1715 were to be revised in the manner suggested, then the remaining bills, with the exception of A-1717, which we do take objection to, would complete

an effective package. We don't feel that A-1717 could guarantee against what it is trying to protect against because you could have a corporate arrangement, or brother and sister arrangements, where you could circumvent it. While I am not a lawyer, there is possibly the suggestion that enforcement of that bill would represent a restraint of trade. I don't know.

In each case, however, the legislature may want to provide for the promulgation of supplementary regulations by the Commissioner and for administrative enforcement.

We would also like to comment on ACR-148, which calls for a commission to examine zoning and tax matters relating to mobile homes. We support it with the suggestion that the Department of Community Affairs be designated to provide the secretariat to the commission and that a modest appropriation be included to assist the commission in meeting its charge.

I think the tax and zoning matters must be resolved if we are to, once and for all, eliminate all local objections to mobile homes.

In conclusion, we endorse the concept of a Bureau of Mobile Homes and would welcome the opportunity to work with the Committee and the sponsors of this legislation toward making it as effective and useful an agency as possible.

On behalf of the Department I want to thank you for this opportunity to appear before the Committee.

ASSEMBLYMAN BAER: Thank you for your testimony. I would like to ask a couple of questions. On your point one, I am not sure I understand why you feel there is a need for legislation to give you this jurisdiction to establish and enforce rules and regulations pertaining to the construction when you already have it. What is the legislation accomplishing - to restate

that?

MR. HUBERT: The suggestion would be to simply embrace that existing power within the purview of that Bureau, simply for purposes of clarifying and cleaning it up and avoiding any confusion. This would simply be one of the responsibilities of the Bureau, although it is an existing one.

ASSEMBLYMAN BAER: I see. And that is something that could not be accomplished administratively?

MR. HUBERT: I believe it could, yes. This would simply make it clearer and consolidate everything into the one administrative unit or Bureau.

ASSEMBLYMAN BAER: I see. I take it your point two would relate to things like utilities also being supplied to the sites and all the various standards that can apply to the site itself, is that correct?

MR. HUBERT: That's correct.

ASSEMBLYMAN BAER: Now, on your second point, what would be the relationship of your rules and regulations governing the site development with municipal authority under, let's say, a local planning board to regulate site development and layout and other provisions - sewage and things of that sort. What would be the relationship between the two?

MR. HUBERT: Well, municipalities, of course, have the responsibility for initial approval of a mobile home park and for any site and other standards related to it. It is our experience, however, that municipalities do not continue to have an active relationship with the park - or in the park - after that approval and after the park is constructed and this would insure that certain minimum standards with respect to streets and sanitation and other facilities be maintained within that park.

ASSEMBLYMAN BAER: What would be the relation-

ship of this to municipal authority under a code, such as the Property Maintenance Code? Wouldn't that be able to cover these things?

MR. HUBERT: Once again, I believe municipalities can do that but I don't think they are actively working in that area at this time.

ASSEMBLYMAN BAER: Let me ask you this - I am just trying to clarify this further - when we are likely to be faced with questions as to interfering with local prerogative, what argument would you give that would support the reason for asserting jurisdiction here with mobile home parks on property maintenance in relation to asserting this authority in other areas - what precedent is there for it, or to the extent to which there is no precedent, what reason is there that would justify going further in this area?

MR. HUBERT: The distinction that I would make is that we are dealing with a single piece of property on which are located a large number of pieces of private property and that the owner of the mobile home does not enjoy the same control over the maintenance and repair of that large piece of property that he does when he has his home on a single family detached lot. That is the distinction I would make - it is sort of a hybrid between a single family home and a multiple dwelling, if you will. Under the last point that I made, of course, the enforcement could be arranged on a cooperative basis with the municipality. So, our interest is only in making sure that certain standards are met, not necessarily in doing the inspection ourselves.

ASSEMBLYMAN BAER: What would you propose is the way in which that State-local cooperation would work out? What mechanics do you see for that?

MR. HUBERT: Under our Hotel and Multiple

Dwelling Act we do have a cooperative program in which we contract with municipalities to inspect the multiple dwellings under our jurisdiction and then we reimburse them on the basis of the units inspected. So, something comparable to that, I am sure, could be worked out.

ASSEMBLYMAN BAER: Proceeding to point three, what you would want is to have these periodic inspections mandated, as with the multiple dwelling. Have you any estimate as to what this would cost - this additional activity that you are proposing?

MR. HUBERT: No, I have made no such projections.

ASSEMBLYMAN BAER: Can you give me, with relation to point four, more details as to how you would propose unifying the Health and Sanitation activity that is presently with the State Department of Health with the Department of Community Affairs? What specific proposal for doing that do you see?

MR. HUBERT: Well, as I see it there are two ways in which that could be accomplished. One would be administratively by having a very formal, structured working relationship with the Department of Health and its responsibilities under Chapter 9 of the Sanitary Code, or by consolidating the responsibilities into a single agency.

ASSEMBLYMAN BAER: On point six you called attention to some uncertainty here. Can you try to give some idea as to - in dollars - what the range of fees are that you think should be recommended and are you proposing that these be established by statute or by regulation?

MR. HUBERT: Presently our fees, under the Hotel and Multiple Dwelling Act, would be about \$65, I think, every 5 years for a three-family unit - something of that magnitude.

I expect that there would be a comperable cost relationship. Also, currently, the fees are legislated, although because of inflationary factors it may be necessary to suggest a change in the legislation which would permit the Commissioner to adjust them administratively, based on the consumer price index or some other acceptable criteria - or cost, actual cost.

ASSEMBLYMAN BAER: In relation to all of these suggestions, would you be able to provide the Committee with any followup material that would detail, in more specific language, what you would like to see?

MR. HUBERT: Yes.

ASSEMBLYMAN BAER: Possibly even-- If you are able to, and if you have specific suggestions for proposed statutory language -- if not, at least detailed outlines would be very helpful to us.

MR. HUBERT: If you will tell me who we should contact ?

ASSEMBLYMAN BAER: If you will provide that to Mr. Bryan he will distribute it to the Committee. If we get it within 15 days it will also be added to the hearing transcript.

I want to thank you very much, Mr. Hubert, for your testimony.

MR. HUBERT: Thank you.

ASSEMBLYMAN BAER: I note that ACR-148 was not part of the notice for this hearing. Nonetheless, there has been reference made to it and the Committee will certainly entertain as relevant any testimony on this, as I understand this is part of the overall package. I believe it was not intended to be omitted from this hearing, so we would welcome information on it from any witness who might be prepared to testify on it.

I would now like to call Assemblyman William Hamilton, the sponsor of the legislation before the Committee today.

A S S E M B L Y M A N W I L L I A M H A M I L T O N:
Mr. Chairman, I d like to thank you and the other members of the Committee for this opportunity to speak on these various bills.

I think at least some of us who have been in this legislative body in the past recognize that mobile homes are an increasingly popular form of housing. As a result of outstanding growth over a period of a few decades, over 6 million people who constitute 3% of all households in the United States now live in mobile homes. It is believed that one new single family dwelling out of every 5 is a mobile home and that this will increase.

This increasing demand is a reflection of the relatively low cost of this form of housing and the attractiveness of the new, modern mobile home itself, which, in most cases, comes fully furnished for permanent living.

Mobile homes have become increasingly less mobile. The addition of steps, foundations, garages and other out-buildings have changed not only the outward appearance but also reflects a desire by mobile home owners to be connected with a community. Many of them are closely connected with the communities where they live by jobs, by professions, by public office-holding, in many cases.

Mobile home owners move, on the average, no more often than the population in general and they are now considered to be as stable and financially responsible as the average local citizen, although both park management and mobile home owners frequently live under a stigma that dates back some 30 years.

The most striking irony of the modern mobile home is its lack of mobility but the non-mobility is as close as modern mobile home living comes to falling completely within other classes of conventional housing in the eyes of the law.

Mobile homes remain a unique mode, caught between established and emerging laws dealing with landlord-tenant relations and a multi-family dwelling situation and the law's traditional respect for the rights of property owners in the single-family dwelling situation.

The problems of restricted zoning, taxation, lack of taking advantage of modern technological methods of development of housing and other similar problems combine to create a chronic housing shortage in the State of New Jersey today. They create, also, a situation where the people who live in mobile homes may be subject for abuse.

Let me say, at that point, that the legislation we have before us, in my judgment, is sound public policy under any set of circumstances. Because of the activities of a very small minority of the mobile home industry I consider much of this legislation to be essential. I have found in my dealings with the Mobile Home Association and with most of the park management that I have dealt with that they are responsible, they are willing to make changes and they want a healthful situation on an equality basis with their tenants.

During the past few years a number of state governments have made efforts to rectify many of the problems that do exist and have existed in the mobile home area. Those governments, most notably Delaware, Florida and New Jersey, have enacted laws which attempt to bring mobile home living up to 20th Century standards in the dealings between park management and owners.

In New Jersey, last year, we passed Chapter 153, A-1245, which was the beginning of this State's attempt to meet the major problems of the industry head-on and insure a viable future for this mode of housing. It was designed to halt the most flagrant abuses of landlord park owner power, including arbitrary evictions, unwarranted and arbitrary charges upon a resident for receipt of additional advantageous treatment over others. The bill set standards of eviction, prohibited park owners from requiring the purchase of certain equipment - tie-down equipment and skirting, similar equipment to that - from the owner as a condition of residence. It set standards whereby fees for installation of appliances would be based upon actual cost differentials and require disclosure of all fees to be paid by mobile home owners upon assuming occupancy in a park. It prohibited bonuses upon a promise of advantageous treatment in a park and required that park owners could only receive a commission upon the sale of a mobile home, if, indeed, they had acted as an agent.

Most significantly, it gave, for the first time, the right to sell mobile homes on site, in the park, subject to reasonable approval from park management. The bill, finally, required that written leases be offered.

I am aware of the argument that will be made, and perhaps should be made, on what is to be considered by your Committee; that not sufficient time has elapsed since Chapter 153 has become law to know whether or not additional legislation is necessary.

I don't fully agree with that contention. I think we must recognize that the mobile home industry is in this State. It probably can play an even bigger

part in this State to meet our chronic housing shortage. If our figures are correct, over 20% of the new single family dwellings are mobile homes. If we are serious about providing decent housing for all of our citizens, then we can no longer ignore, nor allow to grow in an unregulated manner, this valuable alternative in the hopes that it will take care of itself.

I think the bills that are before you today probably can be divided into at least four categories. The first, and the largest, would address specific present problems with proposed solutions. In this category I would put A-1641, which is an administration proposal; A-1713; A-1716 and A-1718. I will discuss each of them briefly in just a few minutes.

The second group would establish and create for the first time a responsibility within the State Department of Community Affairs to develop and establish State policies with respect to many aspects of mobile home living. That bill, of course, is A-1715.

I saw the statement of Mr. Hubert just a few moments ago and, on a quick perusal, I am really heartened that the Department has taken the position that it has because virtually without exception, on that hurried review, I think the proposals contained therein are just excellent and outstanding and I am happy to see them not only reacting to A-1715 but also taking the initiative in proposing additional steps beyond.

The only question that I would see right now would be with respect to the proposal to come up with procedures similar to the Hotel and Multiple Dwelling Law. I am not terribly familiar with that particular body of law and I am not sure that ought to be the parallel that we follow. But, putting aside that one concern that I have - or the one reservation that I have - I think the proposal from the Department is excellent

and merits the very, very serious consideration of your Committee at the earliest possible time.

The third category of bill is a bill - ACR-148 - which is a little different from the others in focus, in that it seeks to find solutions to very complex present problems. It is like the large group of bills I spoke about in the beginning, in that these are present problems; the problems of restrictive zoning; the problems of multiple taxation and the problems of financing. Yet, it was fairly simple to come up, at least, with proposed solutions to the problems presented in 1641, 1713, 1716 and 1718. I think it is going to take a great deal more study and consideration to come up with solutions to those long-term problems because they cross over not only out of the mobile home area but into the areas of zoning and home rule and into areas of financing and taxation.

I think that a study commission is probably necessary there.

The final bill, and I will put it into a separate category, is what might be called a stringent measure. I don't consider it punitive. I consider it to be within the realm of legitimate statutory regulation of an industry. I refer, of course, to A-1717.

A-1717, in my judgment, does not need early release; it does not need an early vote. Many of the proposals that I am going to talk about in just a minute are proposals that arise out of the monopolistic kind of situation, the housing shortage kind of situation which we have in the State of New Jersey.

If we were to prohibit a person from simultaneously engaging in the business of operating a mobile home park and selling mobile homes, I think we would probably eliminate many of the problems that the other bills seek to solve. I recognize, however, that that

is drastic. It is going to dramatically interfere with existing patterns of business and it may create other problems not now foreseen. So, I am content to request that your Committee look at that bill and consider it as against the backdrop of the other regulatory bills that are in and, at this point, I am asking, in essence, that your Committee release, at the earliest possible time, the Study Commission Bill - ACR-148 - and the bill, A-1715, that would establish a Bureau of Mobile Homes with the kind of amendments that have been recommended by the Department and that as early thereafter as it practicable to release the other regulatory bills - 1641, 1713, 1716 and 1718 - after taking into account not only my comments but those from the Mobile Home Association, the Mobile Home-owners Association and others who may appear.

I suspect that there will be some who will urge that if you release the Study Commission bill you ought to do nothing more; that the Study Commission ought to be broadened to look in to all of these areas. In my judgment, we don't need the in-depth study for the problems of insurance; the problems of freedom of choice in petroleum products and the other provisions that are contained in 1641 and the 1700-series bills.

It seems to me, the solutions are readily apparent. My proposals are not written on stone. They can certainly be varied by the Committee or as a result of input from others. But it does seem to me that those solutions suggest themselves fairly readily.

Were we to put everything into a study commission, I fear that the work of the commission would be overwhelming and the commission would founder and we would not get around to coming up with solutions to the major problems that the commission seeks to address itself to, namely the restrictive zoning practices, the

financing problems, and the multiple taxation problems.

Addressing myself, very, very briefly, to A-1641, as I said before, this bill is the administration's bill. I have discussed this bill with representatives of the Mobile Home Association. I suppose I should say that the Mobile Home Association was instrumental, in large measure, in having Chapter 153 signed into law, because there was a time, just about a year ago, when we were very much at loggerheads with A-1245 and it was only as a result of concessions made by myself, as the sponsor, and that Association that the bill was released from Committee and became law.

I should say that at the time that was done there was an agreement between all parties that no attempts would be made to amend 1245 and that no attempts would be made to introduce other legislation during the last session of the Legislature. There was never a commitment on either side not to seek additional legislation, nor to support additional legislation if it were introduced.

The administration bill, in essence - of which I am the prime sponsor - seeks to do three things which are in the forefront of the present problem. The first is to regulate entrance fees. I don't think I need to go into detail on what entrance fees are. I think all here present will recognize what they are, although there may be a definitional problem.

Secondly, the bill seeks to avoid legal redress in those limited situations where park management unreasonably withholds approval of a new purchaser from an original mobile homeowner.

Finally, it provides a warranty of substantial compliance with municipal and state health and sanitary laws concerning mobile homes.

From my conversations with the representatives

of the Mobile Home Association there has been a suggestion that there are perhaps three, and perhaps more, areas on this particular bill that need amendment. Because it was the first of the group to be introduced, I am going to talk about that for just a moment.

The treatment of entrance fees in both 1641, the administration bill, and also in the second bill, which I introduced independent of the administration, A-1716, does not distinguish between entrance fees in a new section of an existing mobile home park and entrance fees in existing sections. By that I mean this, as mobile home parks expand, there are capital expenditures that are required - paving, roads, improvement of the land, and otherwise. It may well be that there ought to be a distinction made between permissible entrance fees where those kinds of capital improvements are required in order to make a home livable and in those situations where it is only an exchange of one mobile homeowner in place of another, where the capital cost to the park would be, at best, minimal. I think that is something that ought to be considered before the bill is released. I would hope that could be done at an early time.

In section 3(b) there is a provision that if there is a successful suit by a mobile homeowner, against a park management that unreasonably withholds approval to a new purchaser, there is a right to recover attorney's fees. This is a trend that we have seen in many of the consumer-oriented bills over the past few years and I think it is a good trend. Yet, the Mobile Home Association asked what I think is a very pertinent question, why not reciprocity; why not, if the suit is unsuccessful, at least some attorney's fee chargeable against the tenant and in favor of management? I think

that is something that in fairness ought to be considered. I don't suggest the answer but I do think that it merits serious consideration.

Finally, with respect to the warranty of compliance with health codes, I think legislation in that area is very, very badly needed. However, the existing law, which I believe is Title 9, can be a sword as well as a shield to mobile homeowners.

Many of the requirements that are in the existing law are not really there for the benefit of the mobile homeowner. I am not suggesting that they are there for the benefit of management either. But it could be used, rather than as a shield, as a sword. I think that a little bit more consideration into the nature of the existing regulations ought to be done before the provision is released as it is. I think it is an area where we ought to have legislation.

I think there should to be a warranty but we ought to understand whether there are things in there that really need to be warranted or whether or not there might not be some grandfather provision included. So, in a situation where there is a space requirement for a mobile home site, we don't have people actually displaced from the mobile home park in which they live as a result of legislation that actually seeks to protect them and might have the opposite result.

I will be a little bit briefer on the remaining bills. 1713 is a bill that provides that where a park owner leases sites within a mobile home park and holds out, as an inducement to new residents, certain capital improvements, whether they are in the nature of a recreation building or a swimming pool or what have you, that there would be an improvement bond

that would actually have to be posted in order to insure that those improvements would be made for the benefit of the people that enter into the park, relying upon the fact that the recreation building or the swimming pool may be built.

A-1716 is a little bit broader in scope. Its purposes are to provide for the full disclosure of the costs incident to the purchase of the mobile home; to prevent charges such as entrance or acceptance fees, unless they are directly related to cost incurred by the mobile home park owner or operator; to prevent owners and operators from relocating tenants arbitrarily within the park and to require that management assume the costs where it is reasonably necessary that a tenant be moved within an existing park; to prohibit as a condition precedent to entering into a mobile home park the purchase of a mobile home from the park owner or operator or any related or affiliated person or company; to prevent undue restrictions on the purchase of petroleum and natural gas products within the park and to require a copy of the rules and regulations originally established by A-1245 to be filed with the Bureau of Mobile Homes, in the event, of course, that that Bureau is created.

A-1718 is a bill that goes into the insurance area, which, at this point, appears not to receive very much attention, at least in the mobile home industry. The purpose of the bill is to allow the purchasers of mobile homes a freedom of choice in the selection of an insurance company, provided, of course, that the company must be validly licensed to do business in the State of New Jersey.

The bill would permit the inclusion of insurance premiums in security agreements, entered into in connection with the purchase, but would limit the inclusion

to 3 years.

Let me say that it has come to my attention that a typical financing arrangement on mobile homes is a 10 year buy out. I was appalled to find a year or so ago that there is included in many of the security agreements what is, in effect, single interest insurance coverage for a total of seven years that is added on to the purchase price and then carries interest at somewhere close to 12%. The insurance really protects only the lender. It does very little to protect the owner and he is paying for it at the front end, plus interest on it. It seems to me that in the automobile situation we allow insurance to be tied on, I believe, for only three years. I think it would be appropriate to do the same with respect to this legislation. I think it would avoid some of the tie-in arrangements that apparently exist at the present time.

The bill also prohibits mandated personal effects insurance from being included in a comprehensive insurance policy unless agreed to by the purchaser and only then when he is questioned as to his desire for such coverage. Of course, it would require evidence of compliance with these requirements to be included in appropriate sized type on the documents to be executed.

I believe this is necessary because in too many instances single interest insurance has been issued and there has been a figure arbitrarily picked out by someone in the insurance industry for the personal effects coverage to the mobile homeowner. He has no choice in it at all. He doesn't know what his coverage is. He has a loss and he may then find out that he is greatly underinsured.

Many park dwellers have also found out in recent years that the insurance that they bought

and paid substantial sums for, not to mention the interest that I mentioned earlier, has no liability coverage, so that if they were to suffer, or one of their guests were to suffer, a fall, serious injury, or otherwise receive personal injury and were to bring an action against the mobile homeowner, in many instances there would be no insurance protection to stand behind them.

I am not certain that this bill addresses all of those problems but it certainly takes several steps in that direction and I think it merits your consideration.

I won't dwell anymore on A-1715. I think the purposes of the bill ought to be continued and included. I think that the proposed additions thereto by the Department of Community Affairs, with the one possible caveat with respect to the Multiple Dwelling Act ought to be incorporated and I would ask that if your Committee sees fit to approve the bill generally that the bill be released at the earliest possible time for a floor vote.

I think that we can start developing some policies that are badly needed with respect to mobile homes and this is probably the most appropriate vehicle for taking that action.

ACR-148 which, Mr. Chairman, you noted was not specifically on the list but certainly is encompassed within these purposes, addresses the three problems that I mentioned previously: Restrictive zoning - this is a very, very complex problem, recognized by the fact that one of the public members of the commission would have to be an attorney who is experienced in zoning and planning matters. Too many municipalities zone out well planned mobile home parks as a housing

alternative thereby adding to the housing crunch that we are experiencing.

I have also found that in the taxation area mobile homes are presently being treated as motor vehicles and are subject to sales tax upon initial purchase. Thereafter, the municipality wherein the mobile home is located imposes a tax on the real estate which is paid by park management, and management, quite properly and understandably, passes that tax along in the form of rent to the mobile home dweller.

Finally, in some municipalities there is also a space fee, a monthly fee which is passed on to the mobile home dweller in the park. So that you end up, really, with triple taxation on this particular form of housing, which is looked upon by many young people and by many senior citizens as an economical form of housing. I think we ought to make it as economical as possible, consistent with mobile home dwellers bearing their fair share of municipal cost.

Finally, there has just been too little said and done and looked at with regard to the financing of mobile homes - the kind of tie-in arrangements that exist, the kind of monies that flow back and forth among the various parties in the transaction without accounting to the purchaser, increasing the cost and thereby, in some measure at least, deflating the otherwise demand for mobile home housing. I would ask that ACR-148, without any amendments that I can foresee at this moment, also be released at the earliest possible time.

I have already expressed myself with respect to A-1717. I think it merits your consideration but I think that it may well be unnecessary. I think, in fairness to the industry, that the knowledge that the bill exists probably is going to be enough. There are

very few recalcitrant members, as far as I am concerned, in the mobile home industry on the management side. Those that are, are being - I won't say constantly but I know that they are being reproached by the more responsible members of their Association. I have had enough conversations with the people involved to know that is the case. I would just think that A-1717 could be held and that the other regulatory bills be considered and, most importantly, I think that the Study Commission Bill and the Bureau of Mobile Homes Bill be released at the earliest possible time.

I have taken longer than I wanted to take. I intend to stay around for much of the day while your public hearing goes on. I appreciate very much the opportunity to speak to you and to the members of the Committee and I will be happy to meet with you as you, perhaps, consider specific amendments to any of these bills when we go back into session next week. Thank you very much, Mr. Chairman.

ASSEMBLYMAN BAER: Thank you, Mr. Hamilton.

ASSEMBLYMAN D'AMBROSA: I have one question I would like to ask you. It is about the insurance. You want to limit it to three years. I am not too familiar with this but if the unit is purchased and it is financed for 10 years, normally when you purchase a home you are required to carry fire insurance for as long as you have the mortgage. Would this have the effect that the person wouldn't have to carry any insurance while it is being financed?

ASSEMBLYMAN HAMILTON: No, I am not at all suggesting that either the park management or the lender cannot require insurance. I am only saying that they can't require that it all be paid for at the front end.

In your typical mortgage situation you have

to come in with a mortgage policy at the beginning of each year. Ordinarily the bank holds a couple of month's premium in escrow so that they can buy the protection if you don't comply with that requirement.

I think that required insurance is good; I just think that it is unfair to add the cost of 7 year's insurance on the front end and pay interest of 12% on it. That seems to be the pattern right now.

ASSEMBLYMAN D'AMBROSA: Could this be interpreted that it isn't necessary to have it after the three years?

ASSEMBLYMAN HAMILTON: No. I think if we look at the language -- If it is necessary to spell it out more specifically, I would welcome that kind of amendment. But I agree with the concept and I don't think there is a problem with the bill as presently worded, but I'll take a further look at it.

ASSEMBLYMAN BAER: Assemblyman Hamilton, regarding some of the suggestions that you have made where we might consider modification, such as the distinction on the entrance fees, have you or are you likely to have some suggested language on that and if so, will you be submitting that to the Committee?

ASSEMBLYMAN HAMILTON: I will but what I'd like to do is hear the presentation from the Mobile Home Association and if there are any representatives from the Mobile Homeowners Association here I would like to hear them as well.

I don't pretend to have all the answers in this area. I kind of backed in to having an interest in the area two years ago. It seems to me that this is an area that demands and cries out for legislative attention. I don't think that we are going to get full agreement between all the interested parties.

I do think we have a much better basis for discussion and development of legislation, some of which, I think, all will support; others will probably be controversial. But I would like to hear what they have to say and then I would be happy to work with the Committee in making the distinction that may be necessary, and in coming up with specific language that may be necessary.

ASSEMBLYMAN BAER: In that general regard, I would like to ask you if you would be interested at the conclusion of the testimony today - if time permits, or if time does not permit by means of submitting anything written - to have a further opportunity to respond to some of the testimony today? Would you like that opportunity?

ASSEMBLYMAN HAMILTON: Yes, I would, Mr. Chairman. I am going to stay just as long as my schedule will permit. At this point I don't know how long that will be because I don't know how long you will run. But I would like the opportunity of making a further written statement and perhaps submitting all remarks that I made at the outset of my testimony.

ASSEMBLYMAN BAER: Thank you very much.

ASSEMBLYMAN HAMILTON: Thank you, Mr. Chairman.

ASSEMBLYMAN BAER: Mr. Howard Kaufman, President of the New Jersey Mobile Home Association, who I see will be accompanied by Mr. Norman Cohen.

Now the procedure I would like to follow would be, where there are multiple representatives from a given organization, in view of the possible limitation that we may have on time, we will limit an organization to a single representative in terms of the initial testimony. If, in the course of our questioning of that witness, the other representative - or any other representative - is better able to answer

or respond to that question, he may do so. Then, after all the witnesses have been heard - witnesses who represent any organization or group - once, then, if time permits, we will allow further testimony. I think this is, perhaps, the fairest procedure.

I'd also like to mention that if there are persons here who plan to testify and who have not yet left their name, nor filled out a slip for Mr. Bryan, I would request that they now do so, so that they can be added to the list of witnesses.

MR. KAUFMAN: Mr. Cohen was interested in amplifying, from a legal standpoint, a couple of points that I was going to make.

ASSEMBLYMAN BAER: Well, I would request, then, that that be kept very brief because out of fairness I think we do want to hear everyone.

Will this be lengthy testimony?

MR. KAUFMAN: No.

ASSEMBLYMAN BAER: All right. Why don't you proceed, Mr. Kaufman.

H O W A R D K A U F M A N: Mr. Chairman, Gentlemen, I am pleased but puzzled to have this opportunity to present the views of our State's mobile homes sales and service industry on six bills which affect our very existence as business people.

We are pleased to state our position because we had no such opportunity to consult in the drafting of this legislation. By contrast, there appears to have been considerable consultation with groups of mobile homeowners.

We are puzzled by a number of facts: This full public hearing - not a regular committee meeting - has been called only one month after the bills were introduced and while we were still studying their vast impact on our livelihood. This hearing was called in the midst of a legislative recess. The hearing was

not scheduled to consider another measure, ACR-148, which appears to be part of the same legislative package but which offers an alternative approach to mobilehome legislation. You have since agreed to consider that, which we appreciate.

This hearing was called just before we could assess the considerable impact of two legislative developments which are certain to have important bearing on the very problem with which the sponsors of these bills profess to be concerned with.

Last year, our Association worked closely with Assemblyman Hamilton, the principal sponsor of these bills, in enacting Chapter 153, "The Mobilehome Owners' Bill of Rights." This law was designed to deal with a widely recognized shortcoming in existing legislation--the threat of eviction. Chapter 153 required every existing mobilehome owner to be offered a lease of at least 12 months by the park in which he resided. The first of these leases will expire next August 1. In addition, the law provided for lease protection of second purchasers, required posting of regulations and made other substantial reforms.

Furthermore, as part of Governor Byrne's 1974 legislation, the Legislature passed a bill extending this lease protection almost in perpetuity. Assembly bill 1586--which was approved by the Senate on May 16--provides that a mobilehome owner cannot be evicted from a park without good cause, even though the term of his lease may have expired. Last year's bill provides that a mobilehome park operator cannot unreasonably withhold approval of the sale of a mobilehome by a resident of the park, nor can he require the home to be removed because of sale. Thus, the combination of last year's legislation with A-1586 of 1974 effectively guarantees a place--and thereby a market--for existing mobilehomes no matter how many times they

are sold and no matter who makes the sale.

With this bill, the major argument of spokesmen for the owners' group would be effectively moot. While we would have preferred that mobile-homes not be treated in the same legislation as fixed housing--there are real differences under law--we did not oppose A-1586.

Now, before these important measures have been given a chance to demonstrate their effectiveness, we are confronted with an additional wave of proposed legislation. Some changes could be beneficial. But others would put us out of business and would foreclose the opportunity for thousands of additional New Jerseyans to obtain good housing at economical cost.

Before I discuss in detail the bills for which this hearing has been called, I would like to comment on ACR-148. This resolution directs a study of such problems as zoning restrictions against mobilehome park construction, tax laws affecting the industry and financing requirements. The statement notes that the study is not limited to these subjects. We think the resolution should be amended to formally cover the whole field, including the matters with which the six bills we are considering today purport to deal. That way we can treat with any problems that might remain in a constructive manner that respects the interests of mobilehome owners without attempting to punish the thousands of people who earn their livings in the mobilehome park, sales and service industries.

Interestingly, ACR-148 calls for presentation of legislation that may be needed "within nine months of the filing of this resolution." This is designed to allow substantial time for study of this important subject. Yet, here we are today considering detailed legislation with a life-and-death impact on us only one month after it was introduced. What's the rush, gentlemen?

Let me now discuss each bill in some detail.

With regard to A-1641, we hold no brief for unreasonable entrance fees and hence would not object to a proposal for a limitation on such charges. This, however, should be a subject of the study called for by ACR-148.

This bill dramatically illustrates the punitive nature of this legislative package. For example, Section 3(b) provides for damages and attorneys' fees for mobilehome owners in suits they might bring against park owners. Section 1(f) provides for double indemnity as well as attorneys' fees for mobilehome owners. Nowhere does this bill provide compensation for park owners who may be unjustly sued. Is the mobilehome owner always right? Are mobilehome park operators--because they are businessmen--people of unlimited means who must bear the full cost of defending themselves against malicious litigation? Is "businessman" a dirty word in the eyes of this Legislature?

We think the answer to all of these questions is no. When such legislation is considered--and we hope it will follow a comprehensive study--we expect that appropriate language would be included to provide some balance.

A-1713 offers another example of the need for a thoroughgoing review. Its simple purpose would be to require a performance bond to assure that a park owner or operator delivers on "inducements" he offers to prospective residents. Most municipalities which license mobilehome parks already require such bonds. Would this bill impose a double bonding requirement? Are similar bonds required for developers of fixed housing? Is the Legislature ready to act on such a bill at this time? We think not. We think it deserves a lot of study.

A-1715 would create a Bureau of Mobile Homes in the Department of Community Affairs. We can support such a development, particularly since it would help eliminate a lack of understanding of our industry that is reflected in the statement accompanying this bill. That paragraph asserts that the mobilehome industry is "virtually unregulated and lacks even official recognition by State Government." Are the drafters of this legislation unaware of Chapter 9 of the State Health Code which specifies a whole spectrum of requirements for mobilehomes parks? Don't they know about last year's Chapter 153 and A-1586 of this year? They're apparently unaware of the construction code for mobilehomes enacted several years ago and enforced by the Department of Community Affairs. As I have noted, we support the creation of this bureau, but think that its structure should be defined following the study prescribed by ACR-148. For example, this bill does not provide for an advisory board such as the Hotel and Multiple Dwelling Health and Safety Board which plays a vital role in regulation of those related industries.

A-1716 apparently has been conceived as the keystone of the package. Section 2b (3) is especially confusing. Perhaps the sponsors might advise on its application, for instance, in parks where there is a central oil system, with fuel provided to residents on a metered basis. We also call your attention to the amendment of Section 4b of Chapter 153 as proposed in Section 3 of A-1716. It requires the offering of a lease to a mobilehome owner who assumes occupancy in a park by "any means." Do the sponsors of this bill really mean to grant such a broad privilege? How about misrepresentation by a mobilehome owner who tells the park owner that he needs a place for only a few months and then decides to hold on to it for a lifetime? Is this fair

to another who might have been promised the space? The connotations of this language should be frightening to all of us.

The most far-reaching provision of A-1716 is redundant to the basic requirement of A-1717. The first bill prohibits a park owner from requiring, as a condition precedent to residence in the park, purchase of a mobilehome from him. A-1717 prohibits a mobilehome park owner or operator from selling or acting as an agent in the sale of mobilehomes.

I do not exaggerate when I say that these two provisions will destroy the mobilehome industry in New Jersey.

Perhaps more important, they will remove the opportunity for new mobilehome living for thousands of consumers of modest means who have a real need of this type of housing.

Many are retirees on fixed incomes who can afford neither the price nor the upkeep of the average fixed dwelling in New Jersey today. These and other people planning a move hope to live in mobilehomes in the near future. These bills would deny them that choice.

The principal inducement to the development of new mobilehome parks is the opportunity to sell the homes. Engineering and lawyers' fees alone for a prospective mobilehome park today average some \$30,000. Such an outlay is mandatory even before the developer learns whether or not he is to receive a permit from the municipality. Certainly, over the long run, he will show a profit from rentals. But the only way he can economically recover development costs and show a profit is through the sale of homes. Indeed, he must project such sales in order to obtain most bank financing.

If the profit from mobilehome sales no longer were available, just think of the substantial increase in rent which would be required--and justi-

fied--just for a park to break even. This is not fair to existing mobilehome owners and, we would hope, would be opposed by their organizations.

Some of the finest mobilehome parks are developed with the mobilehome on the site even before it is sold. A-1716 and 1717 effectively would outlaw such developments.

Today, the park operator who also sells a mobilehome maintains a continuing relationship with the resident. If A-1717 became law, the only sales could be by persons who bore no such continuing responsibility to the purchaser. It would be the strongest inducement yet to a "fly-by-night" sales operation. The park operator cannot leave; he must answer to any shortcomings in his product.

There are many thousands of mobilehomes now occupied and which have been sold under bank finance agreements which provide recourse--reversion of the home for resale--to the original dealer. If the dealer no longer is permitted to sell or act as an agent in the sale of homes, what happens when there is a foreclosure?

These bills raise another question. What about the emergency sale where the home owner is suddenly transferred, say, to California? Today, he can ask the park operator to sell his home at a set commission. Who could undertake such a sale if these bills become law? Since a mobilehome is not real estate, a real estate agent would not be permitted to do so. Here is another result of insufficiently considered legislation.

The last bill in this package is A-1718 which proposes to provide a free choice of insurance for purchasers of mobilehomes. We have no quarrel with the intent of this legislation. But we do think that such a bill should be included as part of a comprehensive package developed by a balanced study.

This, incidentally, is presently being done under present finance contracts by existing banks in New Jersey.

We appreciate the continuing concern that appears to have motivated this legislation but we wish that our problems also had received some consideration.

Mr. Hamilton has alluded to many suggested changes in the bills that he would have you pass so quickly. There were so many changes, I stopped listing them.

What I would suggest and, in summary, would urge is that this Committee broaden the language of ACR-148, which is also before you, and to move for its early implementation so we could begin on this study and look into this in detail with parties on all sides who are familiar with the problems, so as to alleviate them. We will join you in that effort in the hopes of better serving residents of mobile homes as well as the other New Jerseyans who make their living in this industry. Thank you.

ASSEMBLYMAN BAER: Thank you, Mr. Kaufman. I would like to ask you a question regarding A-1718, for instance, which you support in principle but propose be delayed for study. What areas in 1718 do you think need to be reviewed in this study? What changes do you suggest would need to be made in this?

MR. KAUFMAN: Well, first it should be looked at in depth because presently the mobile homeowner is given a choice of his insurance. As a matter of fact, before the banks will accept a finance contract from this mobile homeowner he must attest to the fact that he does understand what insurance he is buying and he agrees that he wants to put the insurance through this particular institution.

Now, if he doesn't choose this insurance, he

can get his insurance anywhere.

I, personally, have put through finance situations where there was only insurance for one year. I have had customers of mine - and my associates have also - where they have asked to be covered for the full term so they don't have to worry about the renewal. If there is a problem I think that the banking industry, the mobile homeowners, as well as representatives from our Association should get together and let's hear what the problems are. None of us want to force insurance on anyone, we want them to be fully covered.

Right now, as far as personal effects are concerned, we have no restrictions on personal effects insurance. It is an open item. If they want it, they are allowed to take personal effects for as much as they want.

As far as liability goes, a copy or a specimen of the policy is shown to the mobile homeowner before he purchases. Granted, there are long in verbiage, like many contracts are, but we point out to them what it covers. If he wants more coverage he can get it. If he wants less he can get that too. It is not a simple matter. It is rather complex. It ties in with present banking laws. I don't know how you could quickly pass A-1718 without a complete review.

ASSEMBLYMAN BAER: Are you saying that -- you seem to be saying that the prospective mobile homeowner has these options already - that this legislation would provide. Is that what you are saying?

MR. KAUFMAN: Yes, sir.

ASSEMBLYMAN BAER: Well, if that is the case, then I am a little puzzled on the one hand as to why you support the legislation and on the other hand why you feel its passage would make any difference,

or create any problems.

MR. KAUFMAN: Well, number one, we support it to be combined with a balanced study. If, after meeting with the banking people and the insurance people and the mobile homeowners, we find out where the problems really are and not where a few purport them to be, maybe 1718 won't be necessary.

However, if Mr. Hamilton feels that it is, we don't object to it because in our feeling there aren't the violations that he purports there are.

ASSEMBLYMAN D'AMBROSA: Do you feel that all mobile home park operators and sellers operate the same as you do; that they don't require the purchaser to take the insurance from their people?

MR. KAUFMAN: The majority of them? Yes, I do.

ASSEMBLYMAN D'AMBROSA: I think there are some instances where they don't. If there were no objection to the bill I don't see why it would have to be held up for any specific reason. I think there are some operators that don't operate the same way as you do.

MR. KAUFMAN: Well, there always are, in any industry, bad guys, but if we legislate the bad guys out of business, I am afraid there will be 98% of us hurt.

There is one industry I haven't heard from here, and I don't know whether Mr. Hamilton has either, and that is the banking industry and the insurance industry. I think their input should be in this 1718 before any legislative action is taken. They may have very good reason for wanting insurance for 8 years on liability.

Frankly, the financing of the mobile homes isn't up to us, it is up to the banks. If they decide, or elect not to take a particular customer because they think they require insurance, then we have no

choice.

So, the input by the banking industry, as far as I know, is not in there and the input of the insurance industry is not in there.

What I suggest is that these people be called upon for their input. What is the rush? We have been living with this for so long and now all of a sudden, in 30 days, all of these bills are coming down the pipe. What is the hurry? Why can't we study them? Why can't we give it 9 months? If we feel that after 9 months it is necessary legislation, well then, we will back it.

ASSEMBLYMAN BAER: Well, I might suggest that - perhaps it is okay in other areas - in the area of legislation, 9 months is not a magic figure for producing something.

I would like to say that insofar as your comments on the fact that it is only a minority of operators that some of these problems are derived from, and you question why we have legislation, isn't that the case with so many of our laws? Laws are there to protect against the abuse caused by a minority of our society. Lawbreakers generally are that minority.

The fact that there are a few who do it does not mean that society does not need protection. I think that we have to regard the merits of the legislation. Just the fact that abuses are perpetrated by a minority does not seem to me to be persuasive reason enough for letting that go by.

MR. KAUFMAN: That is the reason for passing any legislation, sir. But if that same legislation is harmful to the majority, then there is good cause not to pass it. I would hate to see A-1718 go through and then find out that the banks decide that they don't want to finance 50% of my customers for whatever reasons

they may give, or that the insurance companies don't want to write the coverage that Mr. Hamilton would like to see get registered in the State of New Jersey. I would hate to see people losing the ability to get financing in this industry because of a law that was not thought out properly - that wasn't given enough time.

ASSEMBLYMAN BAER: I think your associate, Mr. Katz, will tell you that the banking industry and the insurance industry do have representatives that watch very closely what legislation comes before a committee here and is scheduled for hearings here, so that they can testify on any legislation they feel affects them in any way. I would certainly hope that if the insurance industry and the banking industry has concluded that this has any impact on them, they will testify. We welcome that testimony.

I mention specifically to you that if you find there is no such testimony today, that the record of this hearing will be open at least another 15 days so that any written testimony can be added to the record and carefully considered by the whole committee.

Thank you for your testimony.

MR. KAUFMAN: Thank you, sir.

N O R M A N C O H E N: Mr. Chairman, Members of the Committee, I will try to be brief and not too repetitive. Assemblyman Hamilton went over some of the points that I was particularly going to raise with reference to A-1717. It is, definitely punitive in nature and it is definitely a restraint of trade and violative of due process of individuals to engage in a day-to-day business.

I checked the various laws covering this throughout the country and insofar as I know, there is no ban in any state, banning a mobile park operator

from the sale of mobile homes.

I would like to further add, if I have to draw on Mr. Hubert's remarks, Mr. Hamilton's remarks, as well as Mr. Kaufman's remarks, it appears that an early release of ACR-148 should be given so that a commission could be established to discuss this entire package of bills.

We spent many hours last year on Chapter 153 in an attempt to get a good piece of legislation. I think the same hours should go into the study of 1641, 1713, 1716 and I will tag on 1718 on the end because it is a package.

Too often - and I don't know if any of you gentlemen are aware, I know Mr. Hamilton is - we are faced with hurried legislation that subjects itself to a great deal of amendment in the future, and changes. I think insofar as sound public policy would be concerned, you gentlemen should consider the commission and not rush these things through. These are important bills. They are important to both sides. They are important to the operator and they are also important to the owner.

I think that some of the language with respect to the various bills is contradictory in nature and I think it could be modified and amended so that you have a smooth package and piece of legislation.

I would like to draw, very briefly, on restraint of trade, sales, and the condition precedent to an owner coming into a park. Having been directly involved in financing of mobile home parks, I am not talking about existing parks, as such; I'd like to confine my remarks strictly to new parks being constructed.

The banks who tend to mortgage companies and do place mortgages on these parks require a building projection, in that they require a profit from the sale of a mobile home and very often limit the larger portion of

the mortgage, insofar as payment is concerned, until the park is completely developed.

I ask you to consider these things and I ask you to consider that this committee's representative perhaps contact the corresponding member of the committee in the State of Florida which has a good package of mobile home legislation and perhaps write this into ACR-148 and let the commission study this package before any regulatory or punitive measures are adopted by the Assembly. Thank you.

ASSEMBLYMAN D'AMBROSA: Mr. Cohen, I'd like to say that I am a little familiar with the mobile home operations in Florida and I am not very happy with the way they operate. I wouldn't want to accept their laws and use them in New Jersey. They have a publication, The State Legislative Roundup, and it seems as though if Florida passes something it comes here to New Jersey or if New Jersey proposes something it seems to go down to Florida. If it were worked together, perhaps it could be effective for both groups.

I have seen a great many abuses in Florida in their mobile home parks and I don't think that that would be good for New Jersey.

ASSEMBLYMAN BAER: I'd just like to comment in relation to one point raised by you, Mr. Cohen and also by Mr. Kaufman. Considerable reference has been made to Assembly Bill 1245, from the past session. You expressed some satisfaction with this insofar as the way that was developed.

Having been a member of the committee that considered that, I recall that we did not even have a public hearing on it. The fact that we are having a public hearing on this legislation is indicative of

the fact that we are going into these matters with far closer attention to detail and an intent to have the fullest study and consideration of these matters.

As you know, only a small percentage of legislation actually has public hearings on them, including only a small percentage of legislation which is reported out of Committee.

This is the opportunity that you all have to present your testimony and to go into these things in full detail. It really represents far more opportunity than is normally available.

The fact that we have scheduled these hearings relatively promptly after the introduction of the legislation, I think, is a credit to the committee in that they are dealing with these matters without just putting them on the shelf where no consideration is given them of any sort for an extended period of time.

Were we to postpone having hearings for a certain number of months, there would be no action on the part of the committee in the interim and nothing productive would be able to be accomplished by the committee.

Our best consideration will come following the hearing, when we are able to review and deliberate on all testimony put before us.

Thank you very much.

MR. COHEN: May I make one further comment? In your Concurrent Resolution, you adopt a commission to study the very thing that the proposed legislation intends to cover. I think by your very remarks and comments that a study commission should meet and report back to this committee before another public hearing. Thank you.

ASSEMBLYMAN BAER: The next witness will be Ken Meiser of the New Jersey Tenants Organization.

K E N N E T H M E I S E R: My name is Kenneth Meiser, I am Vice President of the New Jersey Tenants Organization and an attorney with Camden Regional Legal Services.

The New Jersey Tenants Organization seeks to assist tenants of all types, whether they live in apartments or mobile homes. For too long the mobile home tenant has been the forgotten tenant, not only in New Jersey but throughout the country.

The bill that was passed last year makes New Jersey one of the first states to even consider the problems of mobile home tenants.

I would hope some of the solutions proposed today can put New Jersey in the forefront of guaranteeing protection to mobile home tenants, just as we have tried to do with apartment tenants.

I note that because of the lateness of this, we did not have time to prepare testimony in writing but I will get a copy to the committee early next week. I apologize for that.

The New Jersey Tenants Organization has taken an affirmative stand in supporting Assembly Bill 1641. It is part of the tenant package that the Tenants Organization is pushing and which we feel is needed immediately.

The other bills have been introduced at a fairly recent date and no formal position has been taken by NJTO, however, I will comment on what I see as the strengths and possible weakness of them. I will say that the study commission and the need for the agency seem to be something very essential at this point.

I'd like to begin by talking about 1641, which I feel deals with three critical points that are in need of resolution now.

The first is the problem of entrance fees.

In many parks today entrance fees are as high as \$1,000 are being charged. This is not like a security deposit. It is not refundable when the tenant moves out. It is not like a mortgage on a mobile home, something that can be spread out over the life of the mobile home. It is like a downpayment. If the person doesn't have this money, the person cannot move in the park. It is something that needs to be paid immediately, which is not returned.

We believe that there is a need for the park owner to recover actual costs of installation but other charges, such as capital improvements, can be charged as part of the rent over a period of time, if necessary. But there has been a lot of talk about mobile homes being the source of housing for senior citizens, for young married couples who are getting started. These are the very people who can't afford large downpayments, large entrance fees. I think these payments are making impossible, in many situations, the provision of housing that we are trying to make available for low and moderate income people.

So, I feel by allowing the park owner to recover immediately the actual cost of installation we are being fair. The other things - the capital improvements - if they need to be incorporated in the rent on a monthly basis, of the period the tenant is there, so be it. At least that is fair and it allocates the cost, it doesn't require that the cost be paid immediately when the person moves in.

The second problem is the sale of mobile homes. I think what needs to be understood is this, no one is going to purchase a mobile home that they cannot use - that they cannot live in. Given the prevalence of closed parks and given the shortage of mobile home

space in this State and elsewhere, if the person who is purchasing in a park cannot live in that park, then there is no place to put the mobile home. So, when a park owner says, I am not going to let Joe Smith buy from you, then Joe Smith is not going to buy that mobile home.

We made a giant step forward last year when we said the park owner cannot unreasonably refuse approval. But I think everyone knows you can come up with a reason. Only a court, in the final analysis, can determine reasonableness or unreasonableness. The purchaser - the person interested in buying this mobile home - is not interested in purchasing a law suit. He will go look elsewhere. So, the person who is going to have to pursue this litigation, if it comes down to it, is the person selling the home.

We are not talking about something simple, like going into landlord/tenant court - you know, on a Friday afternoon, in 15 minutes, you have a decision. We are talking about filing papers in Superior Court. We are seeking, perhaps, a preliminary injunction. We are talking about a major law suit.

The burden of attorney's fees makes it so impossible, so expensive, that even in the most blatant case the mobile homeowner is not going to be able to afford this litigation.

I think what needs to be remembered is that the person challenging this refusal has a heavy burden. He has to convince a court that the decision was clearly unreasonable. If the judge says, well, I wouldn't have decided this way, I think you made a wrong decision but still within the range of reasonableness, the mobile homeowner loses. Only if a court finds that the decision was clearly unreasonable, does the person get to move into the park. So, there is not a great likelihood of success. But at the same time,

what we are saying is, in the excessive case only with the possibility of attorney's fees can the person undergo the expense of litigation. I think that is why it is so crucial to put these teeth in. Otherwise, in many situations we are going to have the unenforceable provision that the sole and final determiner of what reasonableness is is the person making the decision - the mobile home park owner. That's is what we are trying to avoid.

The final point of 1641 goes to the warranty of habitability. What happens if conditions become very unlivable in a park because of sewer backups or because of many, many things? The towns where most mobile homes are located are small communities that, in general, do not have much of a system of housing inspection or much of a system of code enforcement. There is really not much, as far as I can determine, recourse on the State level where there are these types of problems.

The tenant may - may - have a defense from implied warranty of habitability but that is not clear. There have been no court decisions. So, all we are saying is that when the State and the city impose health or sanitary regulations, there should be a warranty that the landlord will comply with them. If he doesn't, then the tenant should have the remedy of the apartment tenant - the right to an abatement where necessary, where it goes to habitability; the right, where appropriate, to repair and deduct; and in a drastic situation, perhaps to put the place in receivership and use the rent to make the repairs. This is an infrequent situation, admittedly, but the point is, there are no remedies at this point.

By coming up with implied warranty we open up, in an exceptional case, a remedy to the tenant where

there is none now. For these reasons, we feel that 1641 is an urgent bill and one which needs passage now, not a year from now or two years from now when a study commission gives its report.

I would like, if I could, to go on to some of the other bills. Again, as I said, while we do not have formal recommendations or endorsements of any of these bills, we would like to give what we see as possible strengths and weaknesses.

The study commission I see as being crucial. I think we know that exclusionary zoning is one of the biggest problems in New Jersey. Even if the courts open up exclusionary zoning we still need studies to determine what the need for mobile homes is, per county.

I see the study commission as crucial. The landlord-tenant problems are really coming about because of a shortage of housing. If we can do something to eliminate the shortage of housing, at least some of these landlord-tenant problems will correct themselves.

But, it seems to me there are alternatives also which are not being used today. Why are there no mobile home subdivisions, where the person can own his plot of land on which he puts his mobile home? Why is it not possible to consider something like condominium parks, where perhaps an association owns the land jointly, as you have in condominiums? Why have we not gotten into things like planned unit developments in mobile home parks, where there is open space - where there are things like this? This may be beginning to happen but I think the study commission needs to see what the alternatives are to make possible mobile homes as a housing alternative for those people who want that.

I think this study commission could do that and I would hope that it would get into this and I would hope that this would be its primary function because

once again, the problems that we are hearing about - that the tenants are complaining about - are primarily caused by the shortage of park space. If the commission could resolve that and come up with legislation or proposals to open this up, then some of this legislation would become unnecessary.

The second proposal in 1715 - The bureau - also seems to me to be a valuable thing. Once again, I will repeat that mobile home parks tend to be - not always, but tend to be - in small communities, often rural or semi-rural communities. Those towns don't have the budget; they do not have the expertise to inspect or to regulate. I think we need some type of State system for inspection and for regulation. This could be, as it is in apartments, an alternative. You work together with the cities. Where the cities or towns are confident and have the desire to carry out the inspection, fine. Let them do it. Where the towns have neither the ability or the interest, then let the State take over. I think we desperately need this type of regulation.

So, of the other proposed proposals, I see 1715 and I see A-148 - the concepts of each - as being extremely crucial.

Just briefly, going on to a few of the other bills, 1713 - the capital improvements bill - does deal with, I think, a universal problem. You have this in housing sub-divisions. You have it in apartments. You have it in condominiums. Promises are made, promises which are relied upon and the promises are somehow never fulfilled. The person has good intentions and changes his mind or it is simply a bait to get you into the park.

So, I think the problem of capital improvements, in making sure that they come about, is necessary.

I have some questions about 1713. I wonder, first, if it wouldn't be very easy for a park owner to circumvent 1713 by carefully phrased disclaimers. We also talk about inviting reliance. Supposing there was a written disclaimer: We hope to do these things in the future, conditions warranting? It seems to me an attorney, with one or two careful sentences, could exclude his client from the entire coverage of this bill. I am not sure because I have only looked at these bills in the last couple of days. It seems to me, however, that that is a danger.

It also seems to me a danger when you talk about oral statements. I, in no way, condone misrepresentation by a salesman. On the other hand, could a rash or unauthorized statement, if it were made by a staff salesman, subject a park owner to the types of requirements of this bill when he had no intention of carrying out these capital improvements? Again, I am not sure. I am only asking the question.

The second thing that I would ask about is the broad discretion given to D.C.A. You know, we provide that rules and regulations should be set up to enforce this. I wonder if perhaps some more detail should be elaborated in the statutes, should this be enacted. We really don't know when a default would come about or how much time a park would be given to complete its capital improvements. We really don't know the provision, or the procedure, when forcing a default, should a default occur. There are a lot of questions.

Now, you could validly leave all of this to regulation, to administrative discretion. My only question is whether that is a choice, a conscious choice, or whether, should you decide to pass this bill, you would not want to flush this out a little bit more. I am only raising the question.

A third point that I would raise concerning this bill is, there is a penalty of \$25 per day of violation, which penalty shall not exceed \$1,000. Now, if we were talking about one-quarter of a million dollar capital improvement fee it would seem to me that I'd be very glad to pay a penalty of \$1,000 to avoid having to post a performance bond of one-quarter of a million dollars. I would just wonder about the adequacy of this sanction, given the dollar amount we are talking about.

I am also not sure - and I haven't had time to research - what the relationship is between municipalities. Perhaps municipalities, when they approve mobile home parks - and most of these are by variances or special exception - should be required to seek a performance bond of some sort to be posted. Again, I am talking about this as an alternative. I haven't had time to come to definite conclusions on this.

Possibly, also, there should be something like a two-page prospectus, almost like you do in your interstate land transactions and your securities, so that the person has a definite statement of what is promised, when, and so that you wouldn't have to rely on possible misrepresentation of a salesman out for a commission. What I am saying is, I think 1713-- I think the concept of this is important. It may be this bill has the best answer. I am just raising this for your consideration.

1716 seems to be perhaps the most controversial bill. I'd just like to explain for a second what I see as the problem of a closed park. If you bring a mobile home into New Jersey from another state, where can you put that mobile home? I mean, if the majority of the parks - if almost all the parks - are closed, there is no park you can get into. To the

best of my knowledge, no municipality in New Jersey now lets you put a mobile home on a private piece of property. If you can't get into a mobile home park then, your mobile home is useless.

What if you buy a used mobile home? What if you get transferred from one part of the State to another and you bring your mobile home down? These are the type problems a closed mobile home park present.

You also have other questions. What if you cannot get the model mobile home you want because the park you want to get into does not sell it? What if the prices are higher because of this monopoly? It is my understanding, again, that prices tend to be somewhat higher in New Jersey than in Pennsylvania and I think it might possibly be because of the closed park.

Those, it seems to me, are the problems that the closed park presents.

Now, I'd just like to point out one thing. I think even in the absence of 1716, these closed parks could very well be illegal. Under the Sherman Act - the Sherman Anti Trust Act - tying arrangements, arrangements where you condition the acquisition of product 1 on the purchase of product 2, has been held to be per se unreasonable if the person has strong economic dominance.

Now, based on that theory, the Attorneys General in Minnesota and Illinois brought suits under the State Anti Trust Act to challenge these closed parks and in both cases a consent agreement was entered into where the park agreed to no longer be closed.

So, my feeling is, if this problem continues with or without 1716, this problem is going to be brought to the courts and may well be struck down.

On the other hand, I think there is a reason that this suit hasn't been brought yet and I think there is a reason why, perhaps, 1716 may not be necessary

today, and that is, simply, the problem is really the zoning at this point. I think the zoning is more crucial than the closed parks. I think the restrictions on mobile home parks is the primary problem. I would say if we could deal with that, then perhaps there could be modification where parks agree that, for example, 20% of their lots would be open to the persons moving into the State, or something like that.

I think that we should be trying to work out some kind of understanding. I think I have to say this also, in a year or two years if the problem isn't resolved, if zoning isn't dealt with, if this closed park system continues to spread rather than decrease, then I think we are going to see the Anti Trust suits brought and I think we are going to see real pressure for something like 1716.

I think my comments concerning 1717 would be about the same.

I have to confess I don't know enough about the insurance system to make any comment whatsoever.

So, in summation I think the most important thing is 1641. I think we need that now. I think we need the study commission now and I think we need some statewide regulation through D.C.A. at this point. I think those are the three crucial points today. We need solutions by September, at the latest.

ASSEMBLYMAN BAER: Thank you.

ASSEMBLYMAN D' AMBROSA: Do you feel that the -- You were discussing exclusionary zoning, do you feel that the State should come into a municipality that doesn't allow mobile parks and order the municipalities to provide an area for them?

MR. MEISER: Okay. I think we are not going to have to deal with that because there is one case that can be decided in the Supreme Court of New Jersey that I think is going to strike down the exclusionary

zoning barriers. So, I think that is something the Legislature is not going to have to deal with.

On the other hand, I think that something the Legislature could be looking at is, what are the real needs? You know, we have been talking about this in the concept of voluntary low and moderate income housing. The State should do studies and suggest guidelines with the assurance that the municipalities who do it voluntarily are going to be free from further judicial interference.

So, I think in some sense the Legislature - if Mt. Laurel and some of these other cases come down - could help the municipalities avoid zoning battles. I think that might be the ideal compromise to this.

ASSEMBLYMAN D'AMBROSA: Well, there are many municipalities that don't allow mobile Parks at all.

MR. MEISER: What I am telling you is, I think the New Jersey Supreme Court, within the next three months, is going to make it very difficult for municipalities to continue to sustain that position.

ASSEMBLYMAN D'AMBROSA: Another point you made was about the tenants being reimbursed for their legal fees--

MR. MEISER: Yes.

ASSEMBLYMAN D'AMBROSA: --if they sue the park owner. Do you also feel that the park owner should be reimbursed for his legal fees if he should win the case?

MR. MEISER: Okay. Let me say this, I think you have to understand the burden that the mobile homeowner has. He has to prove it was completely unreasonable. The attorneys fees are assessed to the park only if their position is found to be totally unreasonable.

I think there may be some ground in between; that, if the court also finds that this is an unreason-

able suit, or frivolous suit, possibly in those cases the park owner should be. But I would feel very upset if the court were to be required to assess attorneys fees against the mobile homeowner, only because he has not convinced the court it was totally unreasonable.

If the court were to say, I'd don't like your decision, parkowner, but I am not completely sure it is unreasonable, I don't think in that case either party should be liable for attorneys fees--

ASSEMBLYMAN D'AMBROSA: Well, in other words, you feel that the park owner should have the same rights that the tenant has?

MR. MEISER: I concede that if they find it is a frivolous suit, there is justification for attorneys fees.

ASSEMBLYMAN D'AMBROSA: That's all the questions I have. Thank you.

ASSEMBLYMAN BAER: I was interested in your comments on 1713, where you point out that there could be loopholes on the statement; that certain types of capital improvements might be avoided by the park owner having some escape language. From a practical point of view, how can you deal with such a loophole? What can you do? The only thing that occurred to me was limitation such as exists with our "misleading advertising legislation," whereby advertising, even if it doesn't guarantee certain things, is designed to mislead by impression or omission, or whatever. Nonetheless it is illegal and in that case there are penalties for the advertisement.

How could you require filing of bonds where such loose statements were made? Where do you draw a line between the kind of thing that can be stated in a brochure where there, maybe, are some statements put in with good intent? Maybe it is part of an overall plan

of development. You mentioned P.U.D. and there are mobile home P.U.D. parks. I don't know if there are any in this State but I have studied some of them in various planning materials. With P.U.D. one never knows for certain, until the first phase is done, whether you are going to get the financing for the second phase.

So, what practical means would you propose to deal with this?

MR. MEISER: No plan is foolproof. The two things that might insure greater confidence, or greater reliability would be a formal prospectus, or the municipality doing what they do in the Planned Unit Development; as a condition of granting tentative approval they require a listing of performance bonds to see that certain basic things are carried out. Now this gives the P.U.D. applicant the right to change his mind and not come in for final approval. But when he does get his final approval, when he finally commits himself, it is at that point - as I understand it - that he posts a bond for that section for which he is getting final approval.

I think something like that, although it is not foolproof, it is not 100%, would be moving to a greater guarantee that these things are carried out.

ASSEMBLYMAN BAER: Yes, but with P.U.D., for instance - the way that works - as with any form of development, you may be required to post bonds for that which you are committing yourself firmly to go ahead with. But because of the staged nature of P.U.D. and because of the financial impracticality of holding somebody to, perhaps, a total P.U.D. covering a couple of hundred acres, let's say, if you were to require performance bonds for the whole thing in the beginning it would never get off the ground. They don't work

that way.

About the best you can do in something like that is, if there is a start on open space of something that is ultimately going to be much larger and it doesn't come to pass, they might be required to post a bond for that portion if the rest of it never does come to pass. How do you relate that to here? I can understand the proposal on having a prospectus but how do you deal - or what would you propose to do - with situations where there are loosely worded statements about probable improvements that may be adjacent to a park at a later phase or something like that?

MR. MEISER: Okay. I think I should say at this point that I don't feel I have definite answers. I only looked at these. I would think that our group would be working on that. I would hope your committee would be also. I would hope together, perhaps, that the best answer would come out of that. I can't give you a definite answer on that right now.

ASSEMBLYMAN BAER: Thank you very much for your testimony.

We will not take a five minute break and then we will resume with this until around 1 o'clock.

(5 minute recess)

AFTER RECESS

ASSEMBLYMAN BAER: Mr. Roland Oexman, Mobile Homeowners Association, will be our next witness.

R O L A N D O E X M A N: Gentlemen, as President of the Mobile Homeowners Association of New Jersey, representing membership from all areas of the State, I'd like to bring up these points on the legislation being considered here.

Assembly Bill No. 1641, which MHOA was consulted on and which we strongly endorse, is basically three amendments to Public Law 1973, Chapter 153.

First, it prohibits the charging of an entrance fee to obtain a site in a mobile home park. An entrance fee, unlike a security deposit, is money paid for admission to the park. It is not interest bearing nor is it returnable and may be charged each and every time the tenancy of the mobile home changes. In some parks, it is an arbitrary policy with the amount varying from one tenant to the next. It has no connection with any actual expenses incurred by the park owner and, in some cases, is charged in addition to the actual expenses. This section in no way keeps a park owner from recovering actual expenses as long as the mobile home owner knows what he is paying for.

Second, the section concerning the available recourse should the park owner unreasonably withhold approval of a purchaser as a tenant is badly needed. In the short time that P.L. 1973, Chapter 153 has been law, an amazing variety of methods to keep the mobile home owner from selling his home on the site have been tried, with the final question left to the mobile home owner of "what can I do now?". The expense of a court action has in itself worked to the advantage of the park owner who is not complying with the intent of the law. A responsible park owner who has presented reasonable guide lines would have no problem with this supplement.

Third, we believe that every mobile home owner living in a park is entitled to a warranty of substantial compliance with State and local health and sanitary codes. It cannot be asking too much to expect the mobile home park owner to comply with the health codes governing him. Unfortunately, many park owners do not agree with this. With the New Jersey Supreme Court ruling on the warrant of habitability concerning apartments, we do not see how this warrant can be denied the mobile home owner.

MHOA strongly recommends that Assembly Bill No. 1641 be released from Committee without deletions at the earliest opportunity.

Assembly Bill No. 1713 requiring the posting of performance bonds for capital improvements to be made in the mobile home park is a much needed safeguard. Many times, when a new park is opened or an existing park is enlarged, promises are made to prospective tenants which are never realized. Whether this is intentional deception or poor management is of little regard to the mobile home owner who has made the investment in the home and is located in the park, since there is very little he can do about it.

MHOA believes the mobile home owner is entitled to this protection and endorses Assembly Bill No. 1713.

Assembly Bill No. 1715 creating a Bureau of Mobile Homes within the Department of Community Affairs would benefit everyone concerned. It would enable the efforts of several State agencies involved, directly or indirectly, with the mobile home industry

and the development of mobile home parks to coordinate their efforts through one source with the authority to implement them. A State regulatory authority concerned only with mobile homes and mobile home parks is long overdue, particularly in light of the severe shortage of sites in the State.

Assembly Bill No. 1716 proposes six (6) amendments to P.L. 1973, Chapter 153 which must be considered individually.

First, the filing of the rules and regulations of a mobile home park with the Bureau of Mobile Homes would be dependent on the passage of A-1715. It should be made a part of A-1715 since Section 1 of P.L. 1973, Chapter 153 which it was intended to amend was repealed by Assembly Bill No. 1586, now awaiting the Governor's signature.

We feel that the filing of the rules and regulations could do much to eliminate the ridiculous and even illegal clauses some of them now contain. If this is done, we believe there should be a registration or receipt policy to enable the tenant to know that the rules he has received are the ones on file. This becomes increasingly important in that continued violation of these rules would be grounds for eviction.

Second, the conditioning of entrance into a mobile home park on the purchase of the mobile home from the park owner or an affiliate dealer severely limits the freedom of choice for the purchaser. He may only buy the homes made available by the park owner. Unfortunately, due to the extremely limited number of mobile home sites available in New Jersey and the restrictions in

developing new ones, we feel this section could only make a serious problem even more serious.

Many mobile home dealers attempt to develop new parks or enlarge existing parks at considerable expense in order to sell their homes. If this incentive was removed, we feel it might destroy this development of new sites so much needed.

We would like to see the day that this section could be made law, but in a practical sense we do not see that day as now and regretfully cannot support this section.

Third, the section prohibiting the park owner from specifying that oil or gas must be obtained from a specific vendor would correct a long standing problem in many mobile home parks. The policy of only allowing landlord chosen vendors to service a park has in many instances resulted in the mobile home owner paying excessive prices for these products, which has been greatly magnified by the energy crisis, and have in some cases, created dangerous conditions. In one instance we know of, a tenant was harassed by not delivering heating oil to them and not allowing outside vendors to make delivery. We realize that where there are central distribution facilities for these products it would be impractical for every tenant to make an individual choice and other protection may be necessary. This could be done by requiring that the price could not exceed the current average price of outside vendors.

Where possible, it should be a basic right of every mobile home owner to obtain these products from a dealer of his choice.

MHOA strongly recommends this section be added to P.L. 1973, Chapter 153.

Fourth, the section concerning the relocation of a mobile home within a park cannot be fully appreciated, unless you have been faced with this problem. Despite the common misconception, the movement of a mobile home once it is set up is a major operation and can be quite costly. We feel the mobile home owner should be protected against unreasonable and arbitrary movement within the park. If this movement is absolutely necessary by the park owner, he should bear the responsibility and cost of the move and any damages that may result from the move. Again MHOA strongly recommends this section be made part of P.L. 1973, Chapter 153.

Fifth, this section prohibiting entrance fees basically duplicates the prohibition stated in Assembly Bill No. 1641.

Sixth, we feel that upon entering a mobile home park, a tenant should be entitled to a twelve (12) month lease if he chooses. We feel that a reasonable lease would benefit both the park owner and the tenant.

Assembly Bill No. 1717. Unfortunately, as with the section of Assembly Bill No. 1716 dealing in the same general area, we cannot support this bill for the same reasons.

Assembly Bill No. 1718 which guarantees the mobile home purchaser the simple right of choice in the selection of his insurance broker or agent. As long as a retail installment contract is satisfied, we do not feel that he should be forced to purchase insurance from a specific company for periods of up to seven (7) years, with the additional expenses that may be incurred and many times not receiving the needed or satisfactory coverage. This

right is extended to many mobile homeowners in the State now and we feel it should be assured to all, and strongly urge this bill be released from Committee.

In closing, let me say that it is unfortunate that the mobile homeowners must come to the State for the protection that many people take for granted; in some instances, nothing more than protecting the simple right of choice. It has been gratifying that responsible men and women in the government have been willing to listen and have offered solutions to our problems. Thank you, gentlemen.

ASSEMBLYMAN BAER: Thank you, Mr. Oexman, for coming down to testify.

Mr. Gilbert Putnam, President of the Jackson Township Association of Mobile Homeowners and Tenants.
G I L B E R T P U T N A M: My name is Gilbert Putnam and I am the President of Jackson Township Association of Mobile Homeowners and Tenants.

I came here this morning and received the copies of the bills under discussion upon my arrival, so my remarks will simply be cursory remarks on the six bills plus some comments.

I'd like to make the statement that there is a great need for constructive legislation to assist people living in immobile homes, particularly those classified as senior citizens. The threat of eviction constantly hangs over us and we live in an atmosphere of fear.

A-641 - I'd like to cite a specific case relating to this bill, because as President of the Jackson Township Association I am called many times by our members for advice on what to do and where to go. This happened just two days ago. It was called to my attention that a young couple was charged \$500

entrance fee to come into this park. They couldn't afford it. They were on a low income, so they were paying it off at \$25 per month. When this was called to my attention they had already paid in \$300 but someone told them about some existing legislation so they called me and said, "what should we do"?

My advice was to get an attorney. I learned that they couldn't afford an attorney so my next advice was for them to go to Legal Aid and see what help they could get there.

I don't know the outcome. I don't know what has been done. But I know of many instances - also in the park where I live - where entrance fees range from \$250 up to, I am told, as high as \$700 in order to help populate the park.

On A-1713, the witness that will follow me will probably be a little more specific but as far as advertising is concerned, in our particular park a bus that would transport people, who did not have any means of transportation, to shopping centers was promised in brochures; a swimming pool was promised in the brochures; and many other things. They never happened.

It is our opinion that they are using this method to attract people to mobile home parks and then after there are no more sales and there is no more profit on sales, they take the opportunity to escalate rents beyond a reasonable level.

On A-1715, all I can say is we heartily agree with this. We certainly need some agency at the State level that we can apply to and channel our problems through and seek some help from.

On A-1716, I'd like to note a case on this also, however, I think the bill covers this. A party purchased a home in a mobile park - this was called to

my attention just recently - and before the party moved in - this happened to be an aged woman - the park owner moved, without her consent, the home to another site. When she went to take possession of her home she learned that she was not only on a site that was not of her pleasure but also she was presented with the moving cost which she had to pay or else be evicted.

There was another case where a Marine was transferred to another duty and did sell his mobile home. He was told by the park owner he couldn't do this, that he had to take the home out of the park. He couldn't sell it. When it was brought to my attention I said there must be something that happened somewhere back to bring this about. You must have had some kind of controversy between you and the park owner. He admitted that he had reported, time and time again, a cesspool that continually overflowed and, finally, when it was called to the attention of the Board of Health it was corrected and for this the park owner apparently was holding it against him.

This gentleman had to go to court. The park owner refused to appear in court and the Marine won his case by default but he had to pay \$450 in lawyer's fees, court costs and sheriff's fees.

On A-1717, I personally feel that this particular bill needs more looking into. I disagree that sales should be separated from parks. I am afraid that if this is done we might restrain the development of the parks and we need them badly.

It also might have a dire effect upon the warranty. It is like buying an automobile here, moving to Detroit, and then asking the Detroit dealer to service it, whereas he did not have the benefit of the sale.

I believe that park sales and the park itself can live in a comfortable atmosphere without such

a restriction.

On A-1718, I agree with it in its entirety and I have no comment on it.

Thank you for the time you have given us.

ASSEMBLYMAN BAER: Thank you, Mr. Putnam.

ASSEMBLYMAN D'AMBROSA: I have a question, Mr. Putnam. You cited a case where a young couple was charged \$500 for an entrance fee and they were allowed to pay it off at \$25 per month.

MR. PUTNAM: That's correct.

ASSEMBLYMAN D'AMBROSA: What did the park owner violate? That was a violation. You advised them to seek legal advice. What was the violation?

MR. PUTNAM: In my opinion he was violating the 1245 bill by asking for gratuities and donations and fees other than what had been posted.

ASSEMBLYMAN D'AMBROSA: Oh, do you mean that entrance fee wasn't supposed to be \$500?

MR. PUTNAM: No. There was no posting of fees.

ASSEMBLYMAN BAER: In other words, this was like an under-the-table entrance fee?

MR. PUTNAM: Yes.

ASSEMBLYMAN BAER: I see. We have no further questions. Thank you very much for coming and giving us your testimony.

We will now recess until 2 o'clock.

(lunch recess)

AFTERNOON SESSION

ASSEMBLYMAN BAER: The afternoon session of the Public Hearing of the Assembly Commerce, Industry and Professions Committee on A-1641, 1713, 1715, 1716, 1717 and 1718 will come to order. Our first witness will be Mr. George Kolliger, Vice Chairman of the Rent Levelling Board from Jackson Township.

G E O R G E K O L L I G E R: My name is George Kolliger. I am the Vice Chairman of the Jackson Rent Control Board.

I notice very few people have said anything in favor of 1717. It may be a little premature in time, but one must realize that the mobile home industry as it stands today is actually two businesses, one is the sale of mobile homes and the other is the operation of the mobile home park.

We had a case before us for rent control and the balance sheet and the expenses of the operation were on one statement and it was almost impossible to pull out the operation of the leasing, or the renting of spaces, from the sale of the mobile homes.

In our investigation it was brought out that although the owner was applying for a rent increase to \$100 per month, he had, two days before, issued a lease on uncontrolled space, involving the sale of a mobile home, in the amount of \$85 per month. When we maintained that the sale of a mobile home was part and parcel of the operation of a mobile home, he insisted that only the rental should be considered when rents are to be established.

My suggestion is - in connection with 1717 - that all balance sheets and expense items be maintained separately, or, in other words, the accounting operations of the mobile home parks should be maintained on two

separate balance sheets, expense sheets, etc., similar to the operation of two separate and distinct corporations. That is all I have to say.

ASSEMBLYMAN BAER: Thank you. I have no questions. I want to thank you very much for your testimony and for coming down here today.

The next witness will be Arlene Deibel.

A R L E N E D E I B E L: Good afternoon. My name is Arlene Deibel and I am a tenant at the Oakview Mobile Estates in Indian Mill, New Jersey.

I would like to mention Bill 1641 first - the section that reads, "No mobile home park shall deny any resident of such mobile home park the right to sell said resident's mobile home within the park or require the resident to remove the mobile home from the park solely on the basis of the sale thereof. The park may reserve the right to approve the purchaser of said mobile home as a tenant. . ." Now, I feel this might be a little discriminatory when they say they can approve of the person you are selling to. I think they should have a right mainly for the purpose of credit check, but I don't feel they should decide on who they would like to live in their park.

ASSEMBLYMAN BAER: Where is this you are reading from?

MRS. DEIBEL: On page 2 of 1641, section 3.

I just feel that they can only approve it for the purpose of credit. I don't feel they can designate who they want to live in the park because anyone you would choose to sell your home to, the owner can merely say no, for whatever reason. I think they can only have the say on the matter of credit - a credit check.

Also, adding to this, many parks do not allow children and this too they could turn you down

for. Since this is a more economical way of housing many, I kind of feel that a section should be set aside for children. I think mobile homes will be adopted more throughout the State. There is just a critical shortage of housing right now and people who need homes also have children.

Also, I think proof of vacancy should be posted. When you are looking for a home you should know whether or not there is a vacancy before you even decide to buy your home from a particular dealer because I am fearful that if you do not purchase from that dealer you will be denied the -- you know, they will say, we don't have a spot for you. I think a vacancy should be posted and then you should have the option of whether you want to purchase from this gentleman or not.

Bill 1717, I would just like to comment on. I am against the idea that -- Well, actually, I think an operator should have the right to sell his homes - for one thing because of warranties. I am just thinking, if they are not allowed to sell, the commissions or monies that they make will be so limited that I am just afraid many of these parks will be closed down and people will be put out with just short notice. So, I think they should have the right to sell and operate, together.

Bill 1715, I think the townships should open more ground for mobile home parks. People who own mobile homes have been looked upon as transient people, Gypsies, or whatever, and that is not so, as we all know. I think land that is available in townships should be opened up, as long as it conforms with building regulations. If someone chooses to move to a mobile park he should be allowed to do so.

Also, I feel that mobile homes should be treated as real estate and therefore be allowed on private property, if you so choose that. Right now

they are not allowed on your own ground and I don't see why it should be allowed to be sold, a home should be sold, only for the purpose of living in a park. I think we should have the right, if we choose to, to put a fine home on a piece of our own property. I think it should be dealt with just as real estate would be.

Somehow I kind of feel we shouldn't use the term "mobile" when referring to these homes. I feel that should be changed. People have the impression, when we talk of mobile homes, that we are talking about a travel trailer or something like that. I feel we should somehow get away from that and not call them "mobile". Just because it is on wheels doesn't mean that is going to be traveling with you. It gives people the wrong impression of what kind of homes these are.

That is all I have to say. Thank you.

ASSEMBLYMAN BAER: Thank you very much for your testimony.

Mr. Sheldon Elliott.

S H E L D O N E L L I O T T: I would like to talk about the rules and regulations stated in Bill 1716, as well as a portion of the leases. I will confine, predominately, all my remarks to two parks with one owner, that being United Mobile Homes, the park being South Wind Mobile Home Park in Jackson and the other park being Woodlawn in Eatontown.

Before I begin I would like to read this letter from the Community Action Committee of Eatontown. It is addressed to me at the Mobile Homeowners Association of Jackson, New Jersey.

Dear Mr. Elliott: On behalf of the Mobile Homeowners Association of Eatontown I have enclosed pertinent material relating to mobile homes in Eatontown and would appreciate it if you could relate it

to the Assembly hearings on mobile home legislation. The Advisory Board report was completed earlier this year (February) and it contains the result of their study.

If you have any questions -- I'm afraid I can't read the rest of it. It is signed, Bob Lind, President of C.A.C.

ASSEMBLYMAN BAER: If you have other letters like that you can submit them for the record and then you can testify on your own behalf.

MR. ELLIOTT: As we go along I have duplicate copies of what I will be submitting.

ASSEMBLYMAN BAER: Proceed.

MR. ELLIOTT: Thank you.

To begin with, I happen to be one of the most unique persons in this State since I have been in litigation with a park owner for 3 years, 5 courts and \$11,000 short of my own money, on a reprisal eviction.

I have a letter here, dated November 5, 1970:

Mr. Sheldon Elliott
74 Adult Drive
Moonachie, New Jersey

Dear Mr. Elliott:

It is our opinion that you have made it known publicly and privately that you are unhappy living in Metropolitan Trailer Park, Incorporated.

You are hereby given notice to vacate the premises within one week of the above date.

We hope that you may find happiness and contentment elsewhere.

It is signed by the President and on the bottom it states, "Buy Your Mobile Home Where You Want to Live". Having gone through the regular procedure

in court and then having the order set aside, on December 5th of 1970 again my landlord sent me this letter:

Dear Mr. Elliott:

Your mobile home facilities will be disconnected as of Monday, December 7, 1970. Your mobile home will be removed to the storage area unless you make other arrangements.

In the alternative, you may remove your mobile home yourself.

In any event, Metropolitan Trailer Park Incorporated assumes no responsibility for any damages that may be incurred.

It is suggested that if you intend to leave your mobile home disconnected, without facilities, that the same be winterized.

Again, it is signed by the President of the park and, as usual, on the bottom it says, "Buy Your Mobile Home Where You Want to Live".

I had trouble and then, unfortunately, because of adverse financial circumstances, I had the occasion to allow my trailer to go into default. I received notice of a repossession order - notice of sale of a repossessed motor vehicle. No where on this notice does it state I own a mobile home, but a motor vehicle of a certain size and dimensions and on it is the Peoples Trust of New Jersey, 210 Main Street, Hackensack, New Jersey, which had the lien on it. I'd like to offer this as well.

This was all part of past performance by park owners and operators. Now it is not very flattering and I intend to give more information that is definitely not flattering to park owners and operators.

Before I do so, I would like to personally apologize to many park owners and operators for whom

this is not intended. There are many fine ones and there are many decent ones and many honorable ones. Unfortunately, most of them do not live in the mobile homes they sell. It is a great business to be in but I wouldn't want to live in one - so called.

Now, I'd like to get back to United Mobile Homes and South Wind and Eatontown. Past practices and, in essence, what is going on today seems to be the same thing. It is a derivative of colonial times and ancient archaic laws which are too ridiculous and which are still in force. I say that only because in my landlord's lease he makes mention of certain facts that I could be evicted for and which are truly without words I could express. I would like to read some of them.

I would like to use United Mobile Home's lease - it is the same for South Wind as it is for Eatontown.

ASSEMBLYMAN BAER: Mr. Elliott, would you please relate what you are presenting to the Committee at this time?

MR. ELLIOTT: What I am relating to is cause for eviction, relating to the fact that the rules and regulations are now being agreed upon without anyone actually understanding what they actually mean. While you are passing legislation to close doors and cement relationships, on the other hand you are opening even a greater door to more problems. Because for everything you give the mobile homeowner as his God given right, the park owner then takes it away twice fold.

ASSEMBLYMAN BAER: Well, what bill, specifically, are you referring to at this time?

MR. ELLIOTT: 1716 - "Continued violation of any rule or regulation established by the park owner or operator. . ." Now, I have lived in this park

for over three years. There have already been three sets of rules and regulations which have never been entered into by the owner or the tenant. They have just been handed to you totally - take it or leave it.

What I agreed to when I moved in is not what I agree to now and I could be evicted as well as possibly everyone in the park.

ASSEMBLYMAN BAER: Well, as you are probably aware, this section of 1716 is just reprinting the existing law without changing it until you get to the bottom of the page; lines 18 through 20 include some changes. Now, are you saying there should be some changes in this section and, if so, what general effect would you want those changes to have?

MR. ELLIOTT: Well, I could read them off. I could make reference to them and then leave it up to everyone who has a voice to state their own opinion and let everyone have a choice in the matter.

ASSEMBLYMAN BAER: Do proceed. Try to keep it relevant and try to move it along because we do have some time limitations and quite a number of witnesses. I see you have a lot of material here.

MR. ELLIOTT: They are mostly duplicates.

I would like to offer you this notice, dated October 31, 1973 by Mobile Home Village, Inc. - or United Mobile Homes - which just tells me to get off my land -- their land, pardon me. This is one of five notices indiscriminately handed out.

This is not the first of it, it is the second. I will just shorten it down and I will read the papers and then you can read them for yourself. This part I personally researched quite a bit and it is quite lengthy so I am just going to cut it short - real short.

Article 25 of this lease states: If there shall occur any default on the part of the lessee

in the performance of any conditions or covenants herein contained, or if the lessee violates a federal, state or local ordinance which may be deemed detrimental to the safety or welfare of other dwellers in the mobile home park, or if the lessee continues to violate any of the rules or regulations established by the lessor after the lessee has received written notice of said violations. . . Now, I would like to stop there and go back to something that doesn't seem like much but today when we hear about people who are having problems with income taxes-- It says violates but it doesn't say anything about being convicted.

Now, many people have tax troubles; that could come under federal laws. You could be evicted. I have had to face the action of first having to be evicted and then proving my innocence three years later. This is not a laughing matter. You people just don't seem to realize that when we have to go to court to uphold our rights, courts are different than the laws for which they were written. Everybody gets into the act and interprets it differently. This is a federal charge.

State law - you might get a speeding ticket. The landlord may feel, well that is a state law you broke - out! There is no way that you could modify these agreements that would keep them from evicting you. Last we go to the local ordinances. I have seen some of these ordinances in the archives division, just a couple of doors down, that really can tear at you. I think you can get evicted for just breathing in and out on a Saturday or Sunday. But these are some of the things that - too broad a language - have been placed in these things that we have to agree to, whether we like it or not.

Now, I live in a park where there are many

senior citizens.

ASSEMBLYMAN BAER: If you would permit me to interrupt you for just a moment.

MR. ELLIOTT: Yes.

ASSEMBLYMAN BAER: I may be able to save you some time by calling to your attention that there is a bill, Assembly Bill 1586, that just passed the Assembly and the Senate and is awaiting the Governor's signature, which deals with evictions and applies to mobile homes and limits evictions to certain specific causes. The causes enumerated in that, relating to violation of the rules and regulations established by the landlord, limits that to those that have been agreed to by the tenant. You are talking about violations that you feel are unjust where, I get the impression, they were not agreed to by the tenant; they were just submitted to the tenant - he was just served notice of them.

MR. ELLIOTT: No. In our park our landlord is of the policy that whether you signed a lease or not, that is his way and you will follow it.

ASSEMBLYMAN BAER: Yes, I understand that. What I am trying to convey to you is that there is a bill now awaiting the Governor's signature that would no longer allow that to continue. It would only permit evictions for violations of rules and regulations where those rules and regulations had been signed by the tenant.

If that is what your concern is, I would suggest that it may be able to be met by that and you may not need to spend more time discussing it in relation to this legislation.

MR. ELLIOTT: All right.

There is one other subject I would like to discuss that was also in here, which is something that I have never heard mentioned. It is, in the event

of any park owner or operator selling their property there is nothing anywhere that I can find that offers any mobile homeowner an opportunity for relocation rights. There is no provision in any of these. It is even stipulated in the lease which I have - which I did not sign - that if my landlord sells the land we don't get anything out of it, we just get up and go.

Now, this is one provision that I haven't heard a word about so I would be grateful if you would take that into consideration as well and add it to some of the bills that are coming up. I am hoping that ACR-148 would set up such a commission where many of these things would come up for consideration and be adopted.

I will leave all of these papers with you and you can read them at your discretion at any time.

ASSEMBLYMAN BAER: Thank you for your testimony and for turning over these materials to us and for your suggestions.

As you may be aware, you can get copies of any bills in the Bill Room that is just outside in the corridor, including the one I alluded to.

MR. ELLIOTT: I finally got all of them this afternoon. Thank you.

ASSEMBLYMAN BAER: The next witness will be Mr. J. William Foster.

J. W I L L I A M F O S T E R: Mr. Chairman, Members of the Committee, I come here today as an individual. I am a resident of a mobile home park, known as Silvermead, situated in Freehold Township. I belong to no group. I am strictly what you might term the man on the street that is interested in this.

My main reason for coming today was to request

this body to adopt Resolution #148 before enacting any further legislation pertaining to mobile homes. My reason for asking that is that I think a greater study should be made. It is quite possible we may then come up with better legislation than we have now.

I have listened this morning and this afternoon to various speakers and, based on their testimony, there is obviously abuse in some mobile home parks. I believe that the existing law is capable of curing much of that abuse, if it were strictly applied.

However, the park in which I reside - I am glad to say, sir - has none of the problems that I have heard enumerated here today. We have no problem with the landlord. All mobile homes are rated nationwide. We carry the highest rating in the State of New Jersey and we are proud of our park.

Now, some of the things in these bills will not only destroy the park but will also impose a penalty, shall I say, on residents of the park who are senior citizens.

We are about 80% retired people. I am retired myself. We live on fixed incomes.

In Bill 1717, it refers to the, shall I say, abolition of the park owner from selling any mobile home. That in itself, while it may impose a hardship on the owner of the park -- I, as a resident, know that the eventual effect will be that it will impose a hardship on me because any loss of revenue to that owner has to be made up, of necessity, somewhere else. He only has one recourse, and that is the rent. That is going to hit old people that are possibly - many of them - paying the limit they can now to live. They will be subject to replacing the revenue from sales in the form of rent. I don't think that is the intent of the Committee.

Most legislatures, nationwide and statewide, are all in favor of doing something for the senior citizens. I see the effect of this bill as penalizing them indirectly. It is not the intent of the bill but that will be the end result.

I believe that we should start and, if possible, try and upgrade the parks that I have heard spoken of as being detrimental to the people that live in them, not bring the parks down to their level.

This bill will reduce all parks to their lowest common denominator - and that is down.

Now, with regard to an open park, I would have to speak against that. By open park, I mean the right of anybody to come into the park.

The park I live in is, at present, under expansion. There will be 200 additional homes. They are all doubles. They are in the high price range. I serve on the Board of Adjustment. I am conversant with the laws of the borough and when this permit was given for this park, the stipulation was that all lots should be a minimum of 6,000 square feet. Prior to issuing the Certificate of Occupancy all streets must be paved; all sidewalks must be in; everything had to be passed by the building inspector. So, we do not have the problems that I have heard enumerated here today.

Now, what is happening today is this: the owner is putting in a number of homes. There are no occupants in some of these homes. Prior to the home being sold, it is landscaped. It is sodded. There is a sidewalk. The street has to be paved. Then the owner applies to the building inspector for a certificate of occupancy.

So, what is he supposed to do after he has done that? Is he supposed to say, well here is the

home but I am sorry, you are going to have to go down the street to such-and-such a dealer and purchase, I can't sell it to you?

Now, this man happens to be a licensed real estate man. He is also a licensed motor vehicle dealer. Constitutionally, I don't think you can tell that man he can't sell that home. That is my opinion.

So, in closing, sir, I would ask that a little further study be given to this. Let the people see what a good park looks like and see what can be done to bring the others up to it. Please, don't pull it down.

I thank you, sir, for your courtesy and for the privilege of speaking to you.

ASSEMBLYMAN BAER: Thank you for your very helpful testimony, sir.

Are you an attorney?

MR. FOSTER: No, sir, I am a retired manager of a textile factory - a division of J.P. Stevens. I am not an attorney.

ASSEMBLYMAN BAER: I see. Thank you very much for your testimony.

Our next witness will be Mrs. Dorothy J. Lewis, Mobile Homeowners Association.

D O R O T H Y J. L E W I S: Gentlemen, as a current member of the Mobile Homeowners Executive Committee and as a former Administrative Director I would like to state my support of the statement made by Mr. Oexman, our President, and to thank you for the opportunity afforded by this public hearing.

As the one who was instrumental in the primary approach to Mr. Hamilton on Chapter 153, I feel the mobile homeowner now has his foot in the door, so to speak, but needs increased protection and insurance

to open this door further.

I would hope that A-1715 could be amended to include an advisory board or commission to function with the Bureau of Mobile Homes. I feel it is important for this Bureau to have the resources of a group consisting of persons active in mobile home living and directly concerned with the various aspects of the new type of housing.

In regard to 1718, I think it was mentioned earlier that insurance was not available. The Mobile Homeowners Association was instrumental in having the Insurance Commissioner approve a policy in the State about a year and one-half or two years ago which is similar to a package type insurance policy available to homeowners of conventional homes. This includes liability and other types of insurance.

I would also like to state that of the problems which are indicated in long overdue legislation for mobile homeowners, many could become less important, and these legislative measures may become less important, if there were more mobile home sites available in all areas of the State. I feel it is important for the legislators to consider ways such as ACR-148 to permit general mobile home parks, not only the so-called adult communities, and the placement of mobile homes on private property for those who wish to do so.

With the current home rule in New Jersey, the use of private property and the building of mobile home parks is almost impossible. An increase in available mobile home space would allow the supply and demand factor to become more balanced and, therefore, eliminate problems now occurring for the mobile homeowner, as well as the industry.

My final comment, relating, again, to ACR-148,

is that I would hope that the commission could be more fruitful in its efforts and in its results than the past mobile home study commission had been. I know that to date there has been no report from that commission and the results of it. I hope the new one will be more fruitful. Thank you.

ASSEMBLYMAN BAER: Thank you very much for your testimony.

Mr. Robert Muroff.

R O B E R T M U R O F F: I just wanted to make a few brief statements.

I feel that the discussion today has covered in-depth the work that needs to be done. I feel the government works best that works least. I think it is up to the people involved in this industry - the residents and the owners of the mobile homes - to get together and solve their problems.

I strongly advocate and support the formation of a study commission and the improved communications between park operators and responsible members of tenant and resident groups.

I am just very pleased with the tone and the direction that I feel this legislature is taking. I, for one, hope that we can get together very soon with the tenants organizations, as we have in the past, and continue to explore all the possibilities thoroughly so that we can self-police our industry and make it one of the best in the country. Thank you.

ASSEMBLYMAN BAER: Thank you very much for your testimony. Thank you for coming here.

Mr. William Palmer.

W I L L I A M P A L M E R: My name is William Palmer, tenant for 7 years in Monmouth Mobile Home Park, South Brunswick and a mobile home, or travel trailer, occupant for 18 years.

As a freelance photo-journalist specializing

in business magazines, I've researched and written articles on more than 200 mobile home parks in the eastern half of the country. I am now editor of a monthly newsletter for Mobile Homeowners Association of New Jersey and I am on the Rent Levelling Board in South Brunswick.

This discussion is on the basic premise that at least half of both the existing and proposed tenant legislation affecting mobile homeowners and parks is designed to create a semblance of free enterprise or open market. That is, if buyers of mobile homes had uninhibited choice of dealers and models to choose from, and a selection of parks or sites wherein to locate their homes, half this legislation would be totally unnecessary.

I think it is an anomaly, Mr. Chairman, that the mobile home landlords and the dealers that are here today, and are discussing this, are really not the people we are fighting against and I think we need to bear this in mind at the same time that we are talking about free enterprise.

A-1641 is a case in point. In Section 2-g, proposed in A-1641, it prohibits charge of entrance fees by park owners. Such fees are, and typically have been, \$1,000 but range from \$250 to \$2,500. I didn't experience the latter directly but found it in a news clipping.

This entrance fee serves a dual function. First, the landlord's euphemism is that this fee is part of rent - and so it is, a flexible part. If the landlord has trouble filling spaces, he can reduce or forego the entrance fee, in effect discontinuing rent to certain new tenants without having to change prevailing rents throughout a park.

In its rental function this entrance fee is also applied to buyers of homes from tenants

already in the park, who desire to or must sell their homes. And mobile homeowners do have a normal 15% to 18% turnover rate for normal causes, compared to 20% for the country as a whole.

These two points give the landlord a solid competitive advantage over his own tenants. For it is not unheard of for a landlord to offer to waive the entrance fee on sale of a new home, but demand the fee if the prospect buys a used home from a tenant.

Secondly, where park owner and dealer are the same, a \$1,000 entrance fee permits a new mobile home with already high mark-up to appear priced more competitively with similar models in other states, most notably Pennsylvania and Maryland where there is a freer market in mobile homes.

But when the home owner later needs to sell, he has no residual value from the entrance fee. At the same time he is inhibited from getting full depreciated value from his home because the \$1,000, or whatever fee, must come off the top for the landlord, no matter whether the home owner or new buyer actually pays the fee. A common practice is for buyer and seller to split it, but the net numbers come out the same for the mobile home owner in any case.

Entrance fees are solely a phenomenon of closed markets. They have no place in open free enterprise.

Section 3-b, A-1641 referring to landlord's unreasonable rejection of purchasers of tenant-owned homes, puts necessary teeth into Section 3-a. It makes more difficult the common practice of cowing or badgering a tenant into selling a home back to a landlord at substantial loss, for his later re-sale at a handsome profit.

Section 3(new section) (I'm confused by the numbering in the proposed bill) bearing on a landlord's warranty of a site as conforming to all pertinent statutes and ordinances.

Buyers of mobile homes are not generally qualified to determine the habitability of a site by casual inspection. Too often they discover defects the hard way. And once on location, it's almost impossible to obtain corrections by recourse to multiple state and local agencies. The tenant therefore needs a cleancut basis for taking a fraud complaint to court and getting results.

In our park, which is better than average with all its deficiencies, there are serious problems at different sites with water pressure, drainage, stability of piers, antiquated meter boards, unpruned trees, non-existent snow plowing, street maintenance and recreation space.

I would respectfully urge that a penalty clause be appended to this section, of sufficient severity to make actual compliance the preferable option for mobile home park landlords.

A-1713 Refers to posting of performance bonds covering all capital improvements promised as inducements to locate in a mobile home park.

For six years new entrants to our park have been bemused with the wonderful recreation area to be prepared for the kids. At present it is still rudimentary, and was non-existent until this past year when Chapter 153 started sparking things up a bit.

For the same six years residents of Texas Avenue have been promised curbs and gutter drainage, to eliminate ponds around many homes, often lasting as much as a week after a hard rain.

Street lights have been three years coming to streets occupied more than three years.

A-1715 Refers to establishment of a Bureau of Mobile Homes. Mobile home living is a substantial segment of American residency today, yet most statutes and ordinances at every level are antiquated, and most legislation is re-active, rather than creative and constructive.

Some agency is desperately needed to pull the whole mobile home complexity together and make it really useful to American society as a whole. Mobile home living is long since very functional, despite multiple obstacles. It's time for government at every level to catch up with the state of the art.

A-1716 Seems to be primarily tightening up loopholes in the original P.L. 1973 c. 153. Granting acceptance of that bill, I see no serious impediment to passage of this improved version.

At 20b (2), however, line 21, I suggest striking the words "related or affiliated". This would hit more sharply at under-the-table payments and/or kick-backs. That is where it says you can't force a tenant - a buyer - to buy from related or affiliated agencies. I think you shouldn't be able to force anybody to buy from any specific dealer.

A-1717 Prohibits landlords also being mobile home dealers. While I'm admittedly biased against many landlords, I am skeptical about this particular bill.

First, to my non-legal mind, it seems that if this were fully enforceable in practice, it would be unconstitutional.

There are good operators of parks who sell homes honorably and reasonably. They don't victimize the naive widow who plunks her residual nest egg into a mobile home and then finds it costs more than she can ever afford to maintain it.

I'm not sure you can justifiably forbid these legitimate operators the right to pursue honorable business ventures of any kind. The onus would be on you to prove them actually in restraint of trade or whatever.

Secondly, there are many mutual amenities to derive from joint operation of parks and dealerships. One is more revenue per acre, especially from highway frontage that is less desirable for residency. This can reduce somewhat the overhead burden per home site.

A joint park and dealership provides a pool of maintenance, repair and fitting-out needs that justify keeping one or more technically qualified mechanics on the premises or readily available. In a park with 150 homes, and new home sales of 12 to 15 yearly, this could generate a full-time job for one mechanic aided sporadically by one or two moonlighters.

Thirdly, a dealership implicitly puts the heat on management to have a park inviting enough to help sell the concept of mobile home life.

In our own park we've finally persuaded the landlord that it's not the multiplicity of "for sale" signs in mobile home windows that drives prospects away. Rather it has been the many big potholes in the streets and the muddy recreation area. He seems to be getting the message, too.

I would suggest tabling this bill indefinitely, until the Bureau of Mobile Homes has been established and has functioned long enough to bring in a considered judgement on this matter of joint park management and dealership.

Meanwhile the other bills under consideration here today, if passed, will go largely to eliminate the abuses generally deriving from joint operation.

A-1718 Allows buyers of mobile homes the full right to select their own insurance and insurers. This is a very useful interim provision, pending action on Assemblyman Hamilton's ACR-148 creating a commission to study problems of restrictive zoning, financing and taxation.

Too often mobile home financing is tied to compulsory insurance through the financing agency, which receives healthy kickbacks from the insurer, and even passes a cut on to the mobile home dealer. Neighbors have described up to 50% differential in premiums required, compared to similar coverage from an insurer of choice.

(Ladies and) Gentlemen Thank you for this opportunity to appear before you and for your patience in listening.

ASSEMBLYMAN BAER: Thank you for your full and detailed testimony. I'd like to ask you one question. Something you said kind of puzzles me in your comments on 1716, where you suggest striking out the words "related or affiliated" and say it will hit more sharply at under-the-table payments or kickbacks. That is referring to the section that would provide that no mobile home park owner or operator shall require, as a condition precedent to acceptance for entrance into the mobile home park, the purchase of the mobile home from the park owner or operator or any related or affiliated person or company. Could you explain that?

MR. PALMER: As I understand the wording there, the implication is that the landlord may not require the purchase from an organization that is fiscally, or blood relative, or in any other way tied to the landlord.

In that particular wording there is nothing to proscribe the landlord from insisting that you buy that from dealer "A" on the other side of the town, who may have no fiscal relationship with him except a kickback, under the table.

ASSEMBLYMAN BAER: We will take that under study but I would assume that that kickback, if you want to call it that, does establish a relationship; that there is a financial relationship.

MR. PALMER: If legally that establishes it, I have no objection.

ASSEMBLYMAN BAER: I understand the point you are raising and I think there is no disagreement as to what we would want to be covered here.

MR. PALMER: Yes.

ASSEMBLYMAN BAER: That was my only question. Thank you very much for your testimony.

C. W. Hoffman.

C. W. H O F F M A N: Good afternoon, Mr. Chairman. I am C. W. Hoffman. I am from Dover, New Jersey.

I have a few comments on the impending bills. We have corrected many of the complaints by the park operator, who is a licensed dealer now. Many former dealers would not give the service required in servicing a home - and it is required in many new homes. Many of my friends are builders and they also have to go back and perform a service. So, I would request that we, perhaps, eliminate the requirement that a park operator not be a dealer also, as we are

also licensed by the State.

Mr. Hoffman alluded to the premise that the park operator cannot leave the area, that the dealer-park operator combination is tied to the people. I am sorry to hear that so many people who are residing in mobile homes have had as many problems as they have. I'd like to get a transfer to one of them and show my tenants how well off they are. There is not any one of them that I wouldn't invite into my home and I have been in most of their homes for coffee. It is a shame that the relationship has to be such as it is.

Mr. Meisner suggested park improvements be paid for in monthly rents, perhaps, instead of these entrance fees. This came as quite a shock to me. I am, perhaps, a little naive on this - on these entrance fees when they first came up - except that we have another agency saying you can't raise the rents above certain rates, etc. So, we do have a little problem there.

Someone else suggested there be condominium parks in the State. It was tried up in Franklin, New Jersey but it failed, as such, because people did not have the initial investment to go for a 99 year lease, as well as the mobile homes, etc. So, the park is now being run as a conventional mobile home park, if on the side of a hill is called conventional. It is quite different.

Mr. Chairman, you stated here this morning that most people do not operate as Mr. Kaufman does, and that is so true. He has a very good operation. I will say to you that all of the tenants are not the same as many of the people that we have had testifying here today. I don't believe there is one of them here that I wouldn't love to have as a tenant, they are real fine folks. Unfortunately, in every barrel there are a couple of apples that are not very good.

This should be carefully understood - the unregulated sales in the parks can lead to built-in slums because a home built in 1957, as the law reads now, could, in actuality, be resold in the year 2,000. Many of the park operators are in a quandary at this time as to how to update their parks to get rid of some of the older - and I use the term advisedly - trailers that are still in existence in many of the parks today. Although it embarrasses me to say it, we still have some bad trailer parks in the State of New Jersey, despite the efforts of our own Association and despite the efforts of the State Department of Health. We have tried to work with the Health Department in the promulgation of Chapter 9 and in many other ways and we certainly intend to continue to do so.

Now, there is a choice of freedom of vendors of oil, gas, etc. Let me extend to you the observations of 20 years of operation. I live up in the northern section of New Jersey, in Dover. Say we have six or seven vendors coming in - and we have that many oil companies in town - and they all deliver on a different day. They come in with their oil trucks and they proceed to tear up the roads. There is no reimbursement for this, and I don't think there should be. But we have asked our tenants that they buy from two or three different companies to eliminate this possibility of having so many big trucks coming through the park all the time. We do have a children's section and we request the drivers to "cool it" when they go up in this area.

This is a problem that is not always thought about by some of the tenants unless they hear these trucks running through all the time.

With regard to the insurance prices - the insurance being written for 3 years - it was my understanding that the insurances are cheaper when they

are purchased over a long period. Perhaps the consumer would want to look into this a little bit closer. I know I get a rebate because I buy on a 5 year basis. Whether this is so or not, I don't know. I am not that familiar with it.

The forms used by the dealers must be signed as to whether or not they wish certain insurances. If they wish to have it, they sign it. If they don't wish to have it, they sign it. I believe that this is also incorporated in the Federal Law, in the Truth in Lending Law - at least the form that we use is in compliance with Regulation Z. Perhaps we will have to educate our own people to use these particular forms.

The one thing that does bother me in 1716, is on page 4, number 3, lines 7 to 10. That's a real wild line - ". . .occupancy. . .by any means. . ." I would, perhaps, think the committee would wish to go over some of the wording and thinking of that line. There are many means of taking over an occupancy of a mobile home. Whether they be legal or illegal, I don't think we should get into that can or worms. New Jersey has been a leader in legislation. Our Chapter 9 has been copied almost verbatim by 19 different states and if this legislation is to go forward, let's go at it the right way. Please feel free to call on our Association at any time and we will be glad to provide you with any help we can. Thank you.

ASSEMBLYMAN BAER: Thank you. Would you feel better about that section if it were to read, "by any lawful means"?

MR. HOFFMAN: I sure would, sir.

ASSEMBLYMAN BAER: I have no other questions. Thank you very much for your testimony.

Mr. Ralph Mansberger.

R A L P H M A N S B E R G E R: I am Ralph Mansberger. I am the Administrative Director of the Mobile Homeowners Association.

I cannot add to the statements already made concerning the pending legislation other than there are inequities within the landlord-tenant relationship that can only be rectified through legislation.- legislation such as the bills under consideration and recently passed laws returning some of the basic rights which the mobile homeowners are entitled to.

There are two items not covered in the pending legislation which I feel should be considered for possible amendment. The first item is leases. Chapter 153 precipitated issuance of leases which, I feel, were extremely one-sided and which were non-negotiable in any of the conditions set forth.

I will give you an example of one of the conditions. A tenant agrees that the landlord, landlord's agents, employees or other representatives, shall have the right to enter into and upon the leased space or mobile home at all reasonable hours for the purpose of inspection, maintenance or repairs. Of the 40 conditions set forth in the lease, 10 were so objectionable as to require rewriting and 4 others with minor changes in wording.

The other item is required oil deposits - on some receipts indicated as security deposits. This money is held by park managers for a period of years, actually until you move. It does not pay accrued interest except to the more aggressive tenant who does move and is not afraid to assert his rights.

Another tenant who has recently moved - a senior citizen over 70, who was a relatively mild mannered man - when he asked for the interest on his

deposit, was refused and issued a check in the amount of the original deposit.

In conclusion, it is my opinion that legislation is required to bring into balance the rights of the mobile homeowner with the rights of the mobile home park operators and a concerted effort should be made by homeowners and operators to improve the image of mobile home living and in educating township fathers on the positive aspects of lifting exclusionary zoning. Thank you.

ASSEMBLYMAN BAER: Thank you very much for testifying.

The last name I have on my list is Frances Kolliker. If there are any other persons present who are waiting to testify, will they please give their names to Mr. Bryan? Otherwise, this will be the last witness.

Frances Kolliker.

F R A N C E S K O L L I K E R: My name is Frances Kolliker. I am a member of the Mobile Homeowners Association and a resident of South Wind Mobile Home Village in Jackson, New Jersey.

I would like to refer to the Assembly Bill #1713, Chapter 1, section b. "Inducement means any oral statement, writing, diagram, architectural rendition, drawing or picture which invites reliance." I have with me, brochures received in April of 1971 by a park owner promising the following as an inducement to locate in the park. May I read them, please?

ASSEMBLYMAN BAER: I take it they are of reasonable length?

MRS. KOLLIKER: It isn't long.

ASSEMBLYMAN BAER: Proceed.

MRS. KOLLIKER: Thank you. "Exclusive Services At No Extra Charge: Twice daily mini bus

service to Lakewood and surrounding areas for shopping, entertainment and beach attractions.

"Courtesy cards entitling residents to substantial discounts in local shops in and around Lakewood. Also good for entertainment discounts at a wide variety of attractions. Ask for a list of participating firms.

"House calls by a doctor, on call 24 hours a day.

"Emergency delivery of drugs and medicine.

"Registered nurse on call 24 hours a day, temporary nursing care readily available.

"Courses held in the community center on such diverse subjects as flower arranging, ceramics, boat building, etc.

"Monthly newsletter to keep all residents informed of neighborhood news and community events.

"Security patrol for your peace of mind.

"Long and short distance tours to areas of interest in the Northeast - day trips and week-end excursions are planned.

"Cable TV system for guaranteed excellent reception from Philadelphia and New York.

"Tournaments and contests within South Wind and in competition with other retirement communities in the area.

"Cultural programs including reservations at performances at the Garden State Arts Center."

They also promised a Riviera-style swimming pool.

ASSEMBLYMAN BAER: How did you manage to pull yourself away?

MRS. KOLLIKER: It's paradise, according to this. Now, just let me follow through.

Now, this is what has occurred. This is what

we received. Finally, last week, we were told that they made arrangements with one doctor who would come and make a house call if you are too sick to go. I can get my own, I don't need that.

The resident newspaper is published by the residents at their cost.

Tournaments, etc., are all organized by the tenants.

The rest, there is no such thing. Nothing.

The swimming pool - after investigating, we found that this was never in the site plans.

At a meeting held in the club house in the fall of 1973, the Executive Vice President of the corporation, who came into the park the latter part of July 1971, stated that when he came here, he decided not to furnish the mini bus or the pool. Two years later, we are informed of his decision.

Here is an example of why we need legislation to protect mobile homeowners.

ASSEMBLYMAN BAER: Could you please tell me for the record, in relation to this listing of things that were to be available, what the context was in which that was stated? In other words, you basically read the list. You didn't read the introductory part.

MRS. KOLLIKER: I have all of the literature with me at the desk here.

ASSEMBLYMAN BAER: If you could submit that I think it would be good if that were part of the record.

MRS. KOLLIKER: Yes, sir. I would be happy to. (see page 95)

ASSEMBLYMAN BAER: Thank you very much for your testimony.

Let me also ask, is this refusal to - or failure to - provide these things that you have stated

in any way documented?

MRS. KOLLIKER: No. We had a meeting called by our Association and with management because they were coming for a terrific rent increase. While at that meeting, the people said, where are all the things you promised us? That is when he came out with it. When he came in there in 1971, he decided not to. In the meantime, that was two years later. And that was the pretense used for getting people in there.

ASSEMBLYMAN BAER: Let me ask you something else about this. Obviously, some of those things on the list, from their context, are a description of the community facilities. Other things there seem to be a description of facilities that one would expect would be provided by the park. Was there any material that differentiated between these things and that which indicated, specifically, what the owner was going to provide himself?

MRS. KOLLINKER: In our brochures? That's what we would go by. That's what you were given when you moved in. They handed them all to you.

ASSEMBLYMAN BAER: All right. Thank you very much and we will study all of the material.

MRS. KOLLINKER: Thank you very much.

ASSEMBLYMAN BAER: The last witness will be Mr. George Searle, Mobile Estates, Inc., Mount Holly.

G E O R G E S E A R L E: Mr. Chairman, I was very happy to have the opportunity to come here today and hear some of the testimony being given. It seems that the most important thing that I have learned today was that there are a lot of studies that have to be made.

I am in complete agreement with our New Jersey Mobile Homeowners Association as to their stand but the one thing that I didn't want to happen was some very quick laws being passed. In fact, I think that Bill Hamilton did a big job in getting

the 1245 Bill across, although some parts of it failed to do what it was supposed to do.

Briefly, one of the most important things that it didn't do is help the consumer. I have some 29 years experience in this business - open and closed parks. One of the things that it didn't do that we had before was, as dealers, we sold the mobile homes in a closed park. We were in a closed park because -- We didn't create that situation, the legislators and the municipalities created that situation.

This is something that you have to change. I can't do this. But I have to live with all of the laws and the new regulations that you are going to pass.

A home that we normally sold 5 years ago for \$5,000 to \$7,000, that same home today, with the tenant as the seller instead of the dealer, is selling for around \$13,000 or \$14,000. So, this bill didn't help them.

With dealers you had all kinds of protection, the Division of Motor Vehicles, the Federal Trade Commission's suggested list prices, book values, etc. We don't have that anymore and the consumer himself is now turning out to be an unscrupulous person and he is getting a tremendous amount of money. He is selling not only the mobile home, he is selling the space with it that doesn't belong to him.

It is so easy to write laws. I know the F.H.A. had a beautiful program which nobody used because it was so complicated and so ridiculous that it just wasn't practical.

So, the most important thing, I think, to come out of this hearing would be that you do study this thing. There are many inequities. I am sure that you will never get a perfect thing - where the landlord will be

loved by the tenant. But I think it is about time that we got together and really saved ourselves - both the tenant and the dealer.

Thank you very much, Mr. Chairman.

ASSEMBLYMAN BAER: Thank you.

I want to thank all the witnesses for their very valuable testimony. I think this hearing has served a very constructive purpose. A great deal of detailed evidence has been presented from all points of view. I am also encouraged by the expressions that I hear from mobile home operators and owners and tenants insofar as also getting together to try to work on these problems.

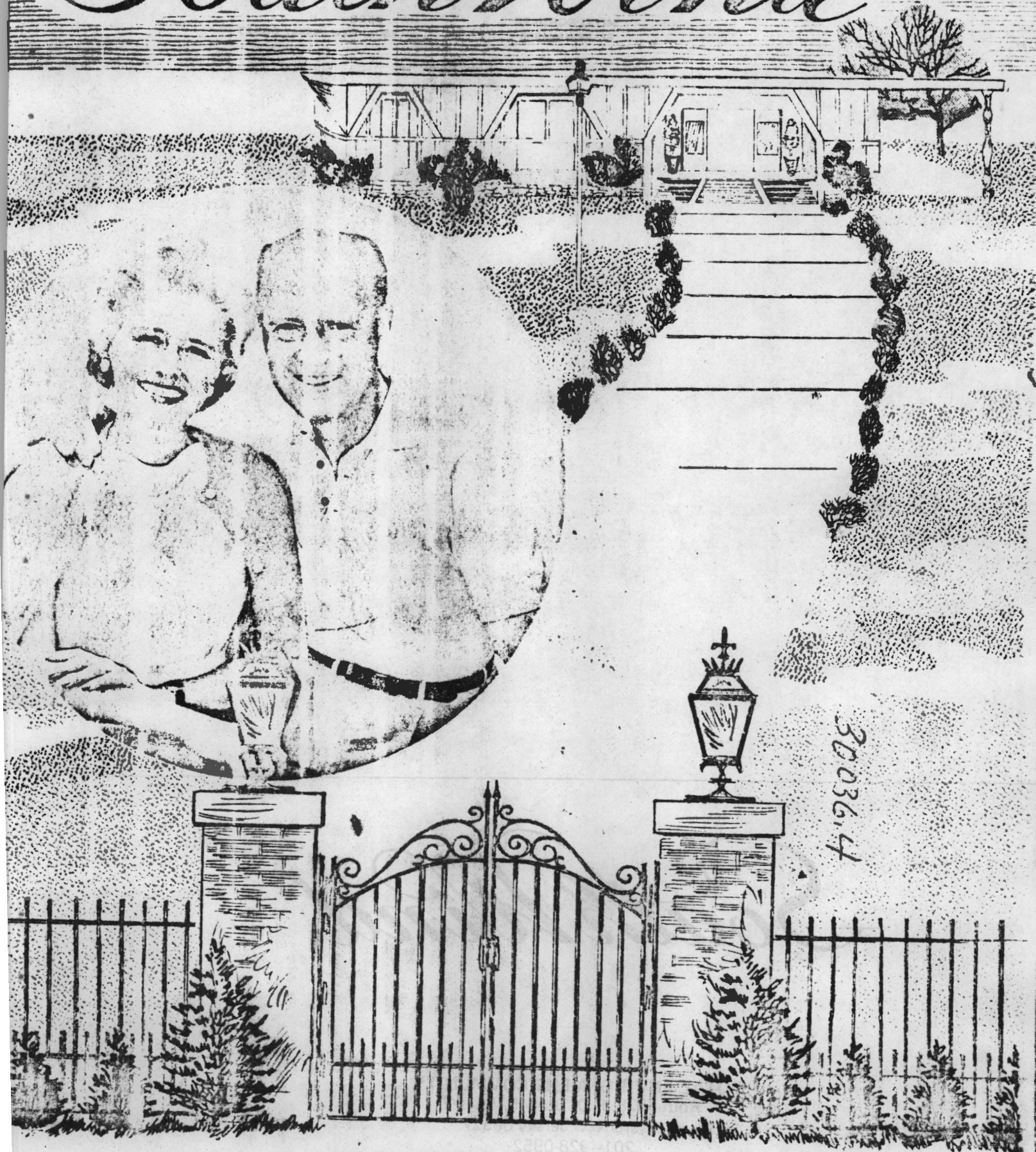
I can assure you, on behalf of all the members of the committee, that this hearing will be carefully studied. A transcript will be prepared. All the committee members will carefully read it.

Again, I remind you, as I stated in the beginning, that the record will be open for 15 days. Any supplemental statements by you or anyone else can be submitted and become an official part of that record. I assure you the committee will give all these matters and all these views very serious consideration. Thank you.

The hearing is adjourned.

(hearing concluded)

South Wind



30036.4

An Adult Community

South Wind

"AN ADULT MOBILE HOME COMMUNITY"

MITZI SCHULZE
SALES MANAGER

Hwy. #528
JACKSON, NEW JERSEY 08527

South Wind

TOTAL ENVIRONMENT COMMUNITY
Route 528, P.O. Box 45, RD #2
Jackson, New Jersey 08527
201-328-0952

Mobilehome Community for Discerning Adults



united mobile homes, inc.

developers of

South Wind

and other discriminating mobilehome communities

United Mobile Homes, Inc. was formed to keep pace with the growing housing needs of the "empty nesters" — people whose children have grown and are out on their own. These folks, usually over 50, need a new life style that suits their activities and housing needs now that they no longer have the responsibilities of children.

The Corporation is establishing a chain of mobilehome communities in the Northeast and ultimately throughout the country.

In the last ten years, mobilehome manufacturers have designed better, larger homes faster than updated communities could be built. Today, mobilehomes compete admirably with any other type of housing; with the distinct advantage of a much lower purchase price and low maintenance costs. Now United is building communities to complete the appeal of the mobilehome.

Because of its diversity, United is able to employ an enviable team of planners, engineers, architects, environmental specialists and management co-ordinators. Back-up staff of legal and administrative personnel and consultants constantly look to the future to project changes and improvements that will affect community residents five, ten, twenty years in the future.

This commitment to a forward-looking management concept is your assurance of continued quality and prestige in a United total environment community.

UMH *united mobile homes, inc.*

125 wyckoff road • eastontown, new jersey 07724

martin glasser
chief executive officer

(201) 542-2744

Why

South Wind



When the time comes to change your life style and plan your future, consider South Wind, total environment community.

Right this moment, residents of South Wind are enjoying a day filled with friendship, activity and interest. Won't you join them?

South Wind is a total environment community in the pine belt, New Jersey's most popular residential area. Just a few minutes from Lakewood, in Ocean County, South Wind has everything you've wanted and thought you couldn't find except in Florida or California. And South Wind is right here, near your loved ones, ready for occupancy as soon as you are.

- A home of your own
- Spacious, landscaped, sodded lawns
- Small town atmosphere so conducive to lasting friendships
- Dozens of activities and interests for the young at heart
- A perpetual vacation land — with a purpose in life
- A place you'll be proud to invite your friends

South Wind is more than an adult community. It is a luxurious new life style you may have thought you could never afford.

As a resident of South Wind, you enjoy a beautiful club house, outdoor recreation, swim club featuring a Riviera-style swimming pool. Everything you could need or want is available to you at South Wind.

*slight monthly fees
swim club*

Exclusive at *this park* ← South Wind

Exclusive Services AT NO EXTRA CHARGE:

Twice daily mini bus service to Lakewood and surrounding areas for shopping, entertainment and beach attractions.

Courtesy cards entitling residents to substantial discounts in local shops in and around Lakewood. Also good for entertainment discounts at a wide variety of attractions. Ask for a list of participating firms.

House calls by doctor, on call 24 hours a day. *new service last week*

Emergency delivery of drugs and medicine.

Registered nurse on call 24 hours a day, temporary nursing care readily available.

Courses held in the community center on such diverse subjects as flower arranging, ceramics, boat building, etc.

Monthly newsletter to keep all residents informed of neighborhood news and community events. *now published by residents at their cost*

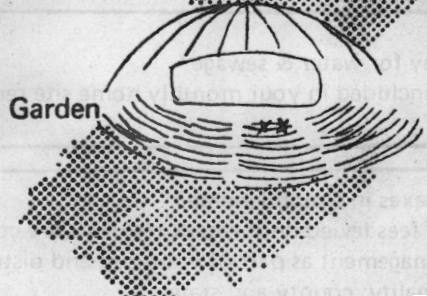
Security patrol for your peace of mind.

Long and short distance tours to areas of interest in the Northeast - day trips and week-end excursions are planned.

Cable TV system for guaranteed excellent reception from Philadelphia and New York. *OK.*

Tournaments and contests within South Wind and in competition with other retirement communities in the area. *organized by South Wind residents*

Cultural programs including reservations at performances at the Garden State Arts Center.





any questions?

Aren't all mobilehome communities alike?

No! South Wind offers exclusive services, facilities and programs available at no other mobilehome community or retirement community in the area.

What are the requirements for entrance into South Wind?

All adults over 55 years of age are welcome.

Can a third person live in our home?

Yes. A relative over 18 years of age may live with residents. Both couples and single folks are welcome.

Is there an installation charge or entrance fee?

There is no charge for homes purchased from South Wind Mobilehome Sales.

If I now own a mobilehome, may I locate it in South Wind?

An entrance fee is charged for homes in South Wind that have been purchased elsewhere. Homes must also meet approval of the management.

How do I pay for my home?

Average down payment of 25% is required. Financing can be arranged for as many as 10 years.

What are the average heat and electricity bills?

Average heating cost for residents is \$7 per month. Electricity runs an average of \$9 per month. If you choose to have a phone, basic rates for our area are \$3.35 per month.

What do I pay for water & sewage?

Both are included in your monthly home site rental.

Don't I pay taxes in a mobilehome?

Taxes and fees levied on the park residents are collected by the management as part of your rent and distributed to municipality, county and state.

Must I purchase anything else for my home?

Foundation skirting is mandatory on every home in South Wind for aesthetic purposes. However, skirting and its installation are included in the price of the home along with steps and outdoor storage.

May I rent a home?

There are no homes for rent in South Wind. However, purchase price and site rental can equal less than apartment rent.

May I reserve my home site in advance?

Yes. A small down payment will reserve your site until your house is sold or you are ready to move in.

May I plant trees and flowers?

Gardening and improving of home sites to the personal tastes of residents is encouraged.

May I construct an addition to my home?

Home additions, name signs, awnings, etc. are allowed, subject to approval by the management.

Is there a charge for the recreational facilities?

There is no charge for club house facilities or outdoor recreation. There is a small monthly charge for the swim club which is optional (available to residents only).

Are pets allowed?

In fairness to all residents, pets are not allowed.

Are additional storage facilities available?

Most residents find that the generous storage space in their home and the 8 X 5 foot outdoor storage shed are adequate for their storage needs. The management will make additional storage facilities available if necessary.

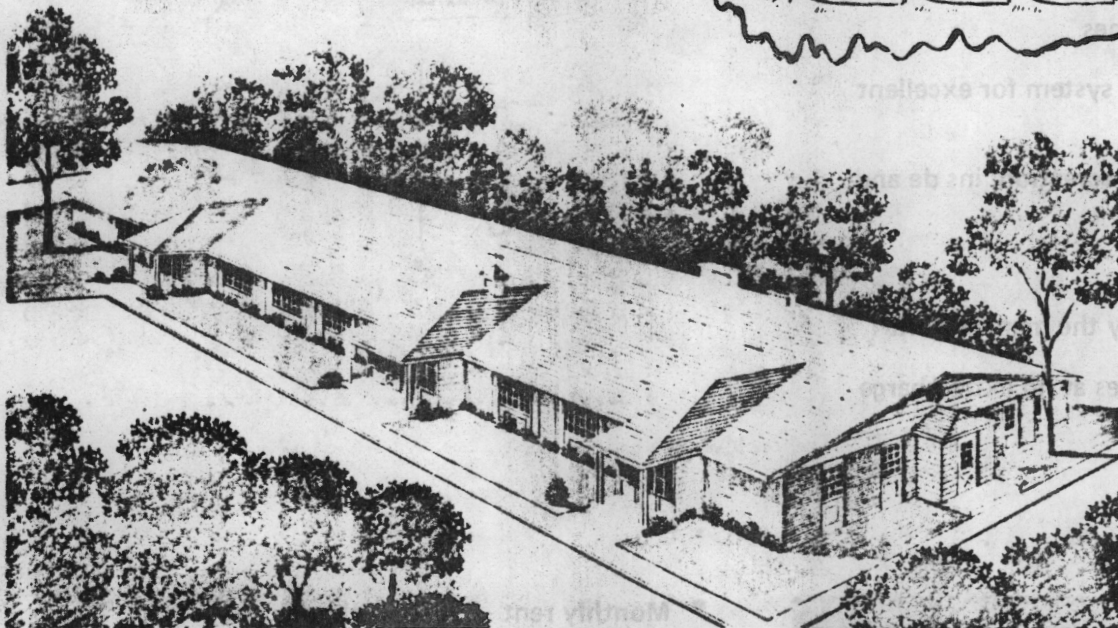
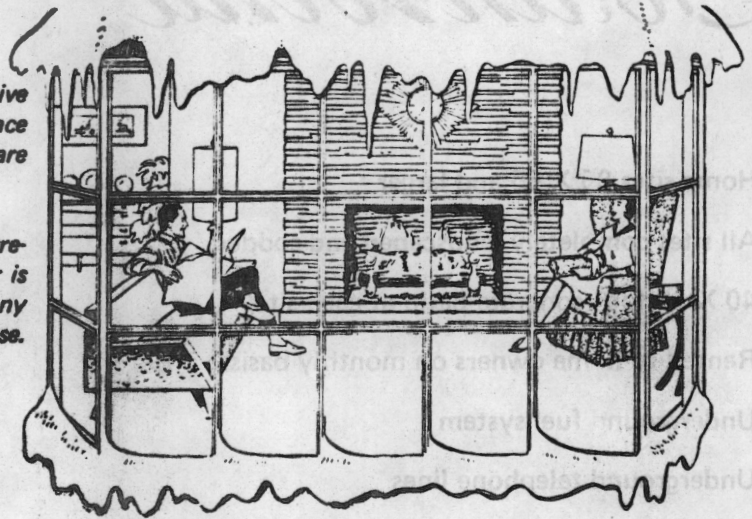
Do you provide snow removal and lawn maintenance?

Snow removal is provided by the management. Lawn and garden maintenance is available for a nominal monthly fee for those residents who need help with their yards.

Let's have a party!

A 160 foot club house is the festive center of social affairs in South Wind. A huge, cheerful fireplace sets the mood for our \$100,000 social center. It's yours to share with your friends in the community.

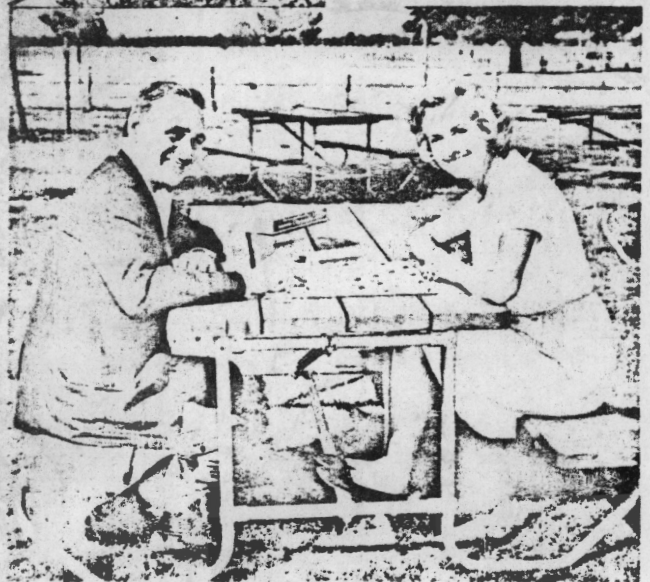
In the card room, gentlemen congregate for cards, billiards, hobbies and sports. The hobby center is used by the ladies for sewing, ceramics, knitting and their many interests. There's a complete kitchen outfitted for gourmet use.



The club house is used for many community-oriented activities. South Wind residents are members of the Lions Club, Kiwanis, Red Cross, women's clubs, ecology groups, 4-H clubs, etc. They volunteer to organizations with a wide scope of interests.

The auditorium-size community room contains a fully equipped stage for dance band, amateur thespians or guest appearances. Lectures, movies and discussion sessions are often scheduled.

In addition, there are many outdoor activities such as quarts, shuffleboard, badminton and volley ball. Summer events are staged pool side for residents who choose to join our Swim Club (optional).



The Facts About

South Wind

- Home sites 85 X 55 and larger
- All sites completely landscaped and sodded
- 40 X 10 foot concrete patio at each site
- Rented to home owners on monthly basis
- Underground fuel system
- Underground telephone lines
- Central antenna and cable system for excellent TV reception
- Club house with planned recreation, inside and outdoors
- Laundromat
- Snow removal provided by the management
- Dozens of exclusive services at no extra charge



- Monthly rent — \$60 which includes

All taxes and fees

Water and Sewage

Mail delivery

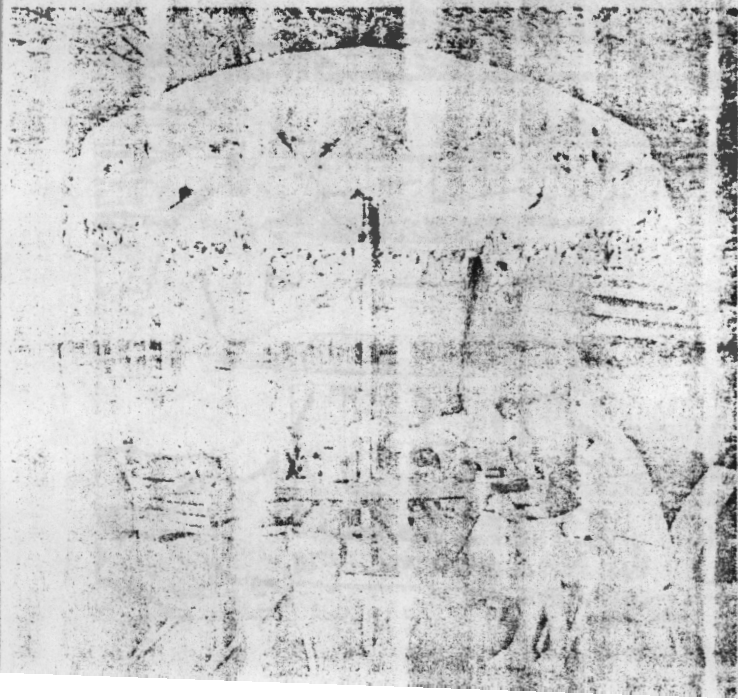
Two-car parking

Bi-weekly trash collection

Use of all recreational facilities

(except Swim Club which is optional)

- Lawn maintenance and gardening services available (at slight additional monthly fee)
- Swim Club (optional at extra cost)
- 3½ miles from County Line Shopping Center
- Seven miles from Lakewood, adjacent to state park lands

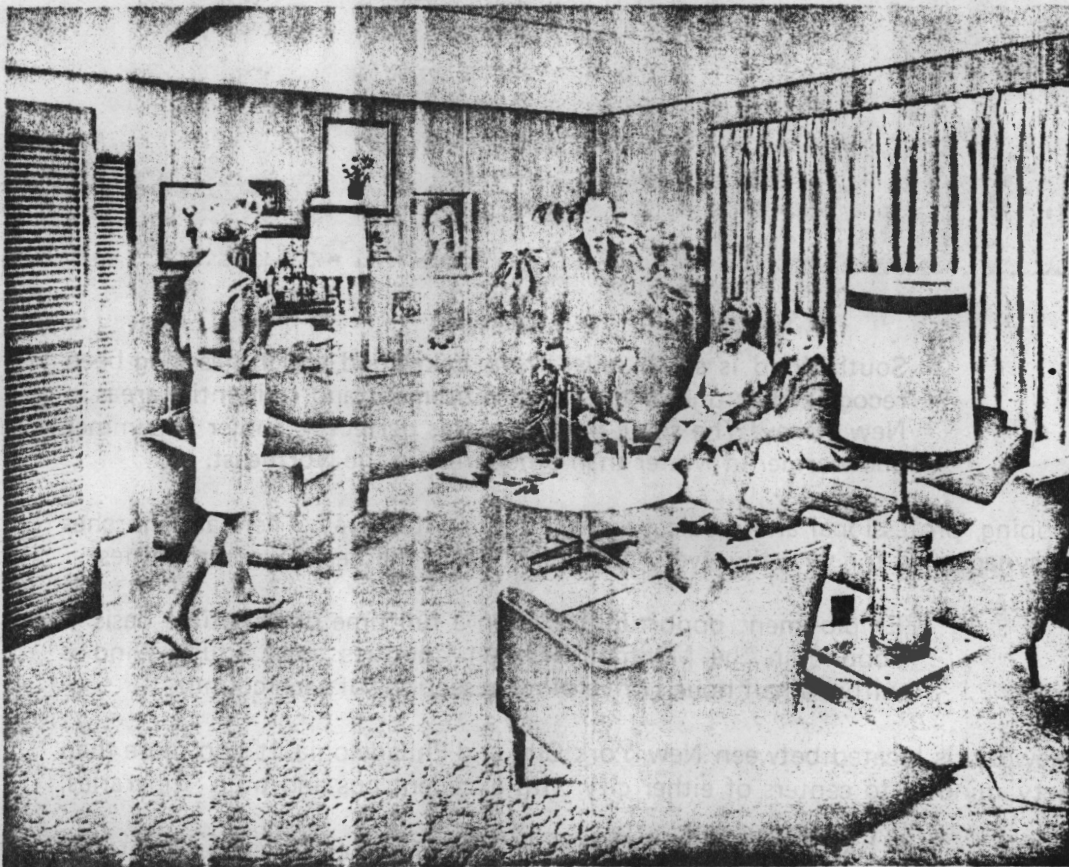


PRIVACY

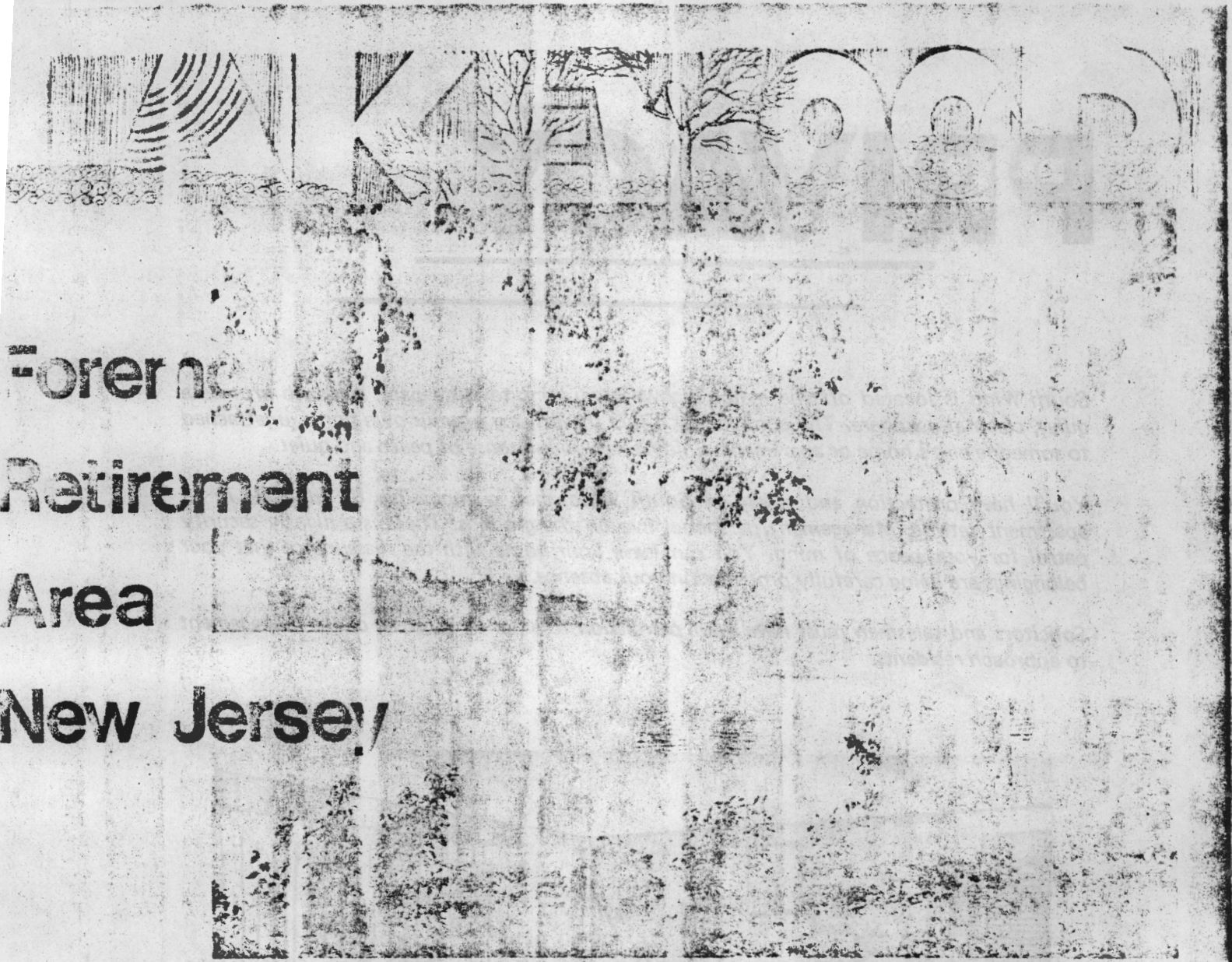
South Wind is located off the major highway, adjacent to state park lands, to provide a quiet, clean atmosphere. The community offers the privacy of your own home, unattached to someone else's home or apartment. Enjoy a new-found sense of peace and quiet.

You'll have protection and safety at South Wind that is impossible to duplicate in an apartment setting. Management personnel live on the grounds. There is a nightly security patrol for your peace of mind. You can leave your home with the reassurance that your belongings are being carefully protected in your absence.

Solicitors and salesmen must have your permission or approval of the management to approach residents.



When you want solitude, it's there for the taking. When you want companionship and something to do, South Wind is at your service.



**Forever New Jersey
Retirement
Area
New Jersey**

South Wind is seven miles from Lakewood which has long been recognized as one of the finest retirement and residential areas in New Jersey. The smog-free climate is perfect — cooler in summer and warmer in winter than other areas in the Northeast.

Shopping, professional and medical services are minutes away. There are churches and synagogues for virtually every denomination in the near-by communities.

Employment opportunities — on a full time or part time basis — abound in the Monmouth-Ocean Counties area. South Wind is within a half hour's drive of most sections of each county.

Lakewood is located between New York City and Philadelphia. It's no more than ninety minutes to centers of either city with excellent bus and train itineraries.

A short drive from South Wind is the famous New Jersey shoreline where you may enjoy boating, fishing, swimming and sunning. Golf is just minutes away.

There are plenty of motel and hotel facilities in Lakewood for guests who come to visit. Many fine restaurants offer a change of pace and there is day-time and night-time entertainment for all ages.

All this can be yours for only

\$86.85

PER MONTH
COMPLETE

Average costs per month *

| | |
|-------------------------|----------------|
| Home site rental | \$60.00 |
| Electricity | 9.00 |
| Fuel | 7.00 |
| Comprehensive insurance | 7.50 |
| Basic telephone usage | 3.35 |
| | <u>\$86.85</u> |

* Mortgage payments (if any) not included in figures above.

South Wind Mobile Home Village
Route 528
Jackson, New Jersey
928-0952

"Park Rules and Regulations"

1. All tenants must register at the South Wind Mobile Home Village park office before they will be allowed to move into the park. Registration forms must be signed by both husband and wife.
2. Upon registration, two months rent must be paid in advance. Of this amount, one months rent represents payment in advance for one months occupancy, and the balance represents a security deposit which will be returned when the premises are vacated. The monthly space rental is \$60.00 and is due and payable on the first of the month in advance.
3. A grace period of five days is given for delinquent payment of rent. A penalty of \$1.00 per day will be charged for all payments of rent received on or after the sixth day of any month.
4. Rents are nonrefundable. No rebate will be given to a tenant who vacates his and/or her lot prior to the last day of the month.
5. All checks should be made payable to Mobile Home Village, Incorporated.
6. No loud parties will be permitted at any time. The playing of radios, television sets, or stereos, is prohibited after 11 P.M., if the sound from such units can be heard by an adjacent home owner.
7. No peddling, soliciting, or commercial enterprise is permitted in the park, without first obtaining the written consent of management.
8. A transfer of mobile home title voids any contract with South Wind Mobile Home Village.
9. Lot numbers must be secured and prominently displayed on the front left side of each home to insure proper identification of all homes within the park.
10. Relatives, friends, or guests staying over 48 hours must be registered with park management.
11. Tenants must park their automobiles in the spaces directly in front of their lot.
12. Tenants are not to wash their automobiles on park property.
13. Major repairs, or blocking up of automobiles for repairs, is not permitted on park property.

14. The speed limit on park property is 15 miles per hour and must be observed at all times.
15. Boats, campers, luggage trailers, or cars not in use, are not permitted in the park at any time except with the written approval of management.
16. Motorcycles, scooters, or mini-bikes, are prohibited in the park.
17. The fencing of individual lots is prohibited.
18. Lots must be kept mowed, trimmed and free of all debris.
19. Annual plants and vegetable gardens may be planted at the discretion of the tenant. Shrubs and trees may be planted by written permission only, and once planted become a part and parcel of the premises and cannot be removed at a later date when the premises are vacated.
20. All additions to, or alterations of, a mobile home once placed on a lot must be approved in writing by management. This includes the addition of all awnings, garden rooms, screened porches, Add-A-Rooms, etc.
21. No permanent improvements can be made on any lot without the written consent of management.
22. Drying of laundered clothes is permitted on umbrella-type drying lines installed at the rear of the home. Extended clotheslines are prohibited.
23. The driving of stakes or digging of holes in the ground, anywhere in the park, is prohibited. (due to the possibility of damaging underground utilities) If a tenant desires to landscape his lot he should check with management so that the underground layout of utilities can be checked and damage to said lines be avoided.
24. All tenants must have two (2) twenty gallon refuse cans with tight fitting covers to accommodate refuse removal.
25. Fires for burning of waste or leaves are prohibited.
26. Tenants are responsible to see that heat tapes are placed on utility lines and are in proper working order. Damage done to such utilities due to the nonplacement or defective nature of said heat tapes will be charged to the tenant.
27. Nonsoluble items such as rags, cloth, hard paper, sanitary napkins, frying oil or fat, or items made of plastic or rubber must not be flushed down any drain or toilet facility. Tenants will be held liable for damage caused by a violation of this rule.
28. Tenants must keep a properly working fire extinguisher in their home at all times and must provide evidence of same when requested by management.
29. Mail will be delivered to the mail boxes as set up at the entrance to the park. Tenants are responsible to place their

name and lot number on said boxes.

30

Solicitors are not permitted in the park at any time and only those business establishments which have approval of the park management are permitted to perform any service work or sell any product in the park.

These rules are in addition to any other rules, covenants, or conditions as specified in each tenants lease and are subject to change and/or modification at any time upon posting said change at the office of South Wind Mobile Home Village. A violation of the above park rules by any tenant is grounds for eviction. These rules have been promulgated in order to maintain proper standards for the benefit, welfare, and protection of all tenants.

Model Homes on Parade

At least ten homes are on display at all times at South Wind Mobilehome Display area. Homes feature interior and exterior designs that are attractive and distinctive. See exclusive model with luxurious bedroom-sitting room custom built for South Wind. There is a choice of floor plans with front kitchen, living room or dining room.

COMPLETE

Home contains living room, dining room, kitchen, bath and one or two bedrooms. Each room is furnished and decorated complete with kitchen appliances, carpeting and drapes.

Think what a saving this can be. You don't have to pay the cost of moving, storing or replacing your old furniture. You buy a home in which everything is completely fresh and new. (Home may be purchased unfurnished, if you prefer.)

Washer and dryer are optional. Other luxurious options include air conditioning, intercom system, enclosed porch, reostat lighting and many more custom touches.

*** * LESS THAN \$8,000 * ***

The home is furnished and accessorized in co-ordinated period decor. A professional decorator plans each room in Early American, Traditional, Mediterranean, Contemporary and many other styles. At South Wind, your dream home can be a reality for much less than you think.

Model homes begin at \$7,900 including foundation skirting, steps and 8 X 5 outdoor storage shed.

NO WORK

Folks over 50 particularly appreciate the ease of maintenance of a mobilehome. Exterior aluminum siding stays beautiful with an annual hosing. Inside, forget wall papering and annual baseboard painting. Easy-care wall coverings and efficient lay-out make cleaning a breeze.

All rooms are spacious and airy. Engineers have eliminated unused floor space in nooks and crannies which take needless cleaning and maintaining. Mobilehomes are streamlined and compact while retaining the warm charm and good taste to which you are accustomed.

Special needs like bath rails, sauna swirl and wheel chair ramp are easily installed when necessary or may be ordered with the home.

CUSTOM ACCESSORIES

Accessories for your home are conveniently available at the South Wind Sales Office. These include aluminum awning, screen room, jalousie room, etc.

THE DEVELOPERS

United Mobile Homes, Inc. are the developers of South Wind in Jackson. This is one of a number of total environment communities being established by the corporation along the eastern seaboard.

The developers have long recognized the advantages of mobilehomes to the retired and pre-retired. Until now, they were not satisfied with the community facilities where mobilehomes were located.

At South Wind, land planning officials set out to create an environment to compliment and enhance the advantages offered by mobilehome living.

Nothing was left to guesswork. Architects, engineers and environmental experts put together a community to answer the needs of those up in years but young in heart.

Environmental research indicated that a community with two hundred sites was most conducive to a small town atmosphere. Therefore, South Wind was designed for a maximum of two hundred families.

The entire environment of South Wind is planned for *people*. To create monumental buildings would have raised the cost of living in the community. Instead, practical aesthetics were put to use. Home sites were made larger than average to provide for a vegetable or flower garden. Club house was fitted with a complete kitchen. Maintenance service was provided in case lawn and landscaping were too much for some residents to handle.

Every contingency was provided for as the community goes through its various stages of development. Facilities were arranged for indoor and outdoor recreation; provisions made for those who prefer privacy and those who crave action.

Throughout the community, and in the many exclusive services, you'll see a sound basis of human consideration built into this total environmental community.

A management team was developed according to a strict policy of interest and concern for residents. Their duty is to create an atmosphere and environment that makes life at South Wind pleasurable and care-free.

South Wind MOBILE HOME VILLAGE INC.

HWY. 528 Jackson, N.J. 08527

PHONE: 201 - 928 - 0952

Agreement

Date _____

It is hereby agreed by Mr./Mrs./Miss _____
that I/we are permitted to have and house this pet _____
description
in our mobile home on Lot _____ as long as I/we walk pet on
leash at all times and clean up after it whenever I/we have to
take it within the boundaries of South Wind and as long as it
causes no unnecessary annoyance to Park tenants; otherwise, we
will have to have you remove it permanently from South Wind
property and no future pets will be permitted.

Park Manager

Witness

"AN ADULT MOBILE HOME COMMUNITY"

COMMENTS

PROPOSED MOBILE HOME LEGISLATION

A-1641, A-1713, A-1715, A-1716, A-1717, A-1718

PREPARED FOR

COMMITTEE ON COMMERCE, INDUSTRY, AND PROFESSIONS

ASSEMBLY OF THE STATE OF NEW JERSEY

PREPARED BY

DIVISION OF HOUSING AND URBAN RENEWAL

DEPARTMENT OF COMMUNITY AFFAIRS

JUNE 20, 1974

A-1715

This bill forms the centerpiece of the group of mobile home bills by creating a special purpose administrative agency, the Bureau of Mobile Homes in the Department of Community Affairs.

The Department strongly supports the intent of the legislation. We do feel, however, that certain powers and responsibilities must be spelled out more clearly if the Bureau is to effectively enforce this and other laws to the benefit of the industry, occupants, and the public generally.

We recommend that the proposed legislation be amended to provide for the following.

1. Required definitions
2. Clearly defined powers of the Commissioner.
3. Promulgation of Regulations governing
 - a) the construction of mobile homes
 - b) the construction of mobile home parks
 - c) Mobile Home Park Rules and Regulations
 - d) Mobile Home Park and Sales Full Disclosure Statements
 - e) Mobile Home Park Fee Statements
 - f) Road Transit Permit Certifications
4. Clearly defined and effective enforcement procedures
5. Administrative penalty provision
6. Annual registration of parks and dealers
7. Regular inspections of all parks on a three year cycle
8. A fee structure which will produce the approximately \$100,000 in revenues which we estimate will be necessary to support the administration and enforcement of the provisions of this and the other proposed legislation.

We have prepared and are furnishing a draft text for A-1715 as we would recommend it be amended.

A-1641 and A-1716

These two bills are closely related as they both amend the same law (PL 1973, c.153)

The Department strongly supports both pieces of legislation but recommends several refinements designed to assist effective enforcement.

A-1641 amends section 2 g. of PL 1973, c 153 (page 2 lines 51 thru 56) should not be enacted. It conflicts with page 3, lines 53 thru 61 of A-1716. We believe that the approach taken by A-1716 is fairer to the industry yet equally effective in dealing with the perceived abuse, unreasonable "entrance fees" unrelated to any incurred cost.

A-1716 requires that park owners fully disclose, in writing, all fees etc. We recommend that these disclosure statements be filed with the Bureau of Mobile Homes in the manner proposed for park rules and regulations. Recommend that page 3, lines 45 thru 52 of A-1716 be amended to read as follows:

"c. A mobile home park owner or operator shall be required to fully disclose, in writing, all fees, charges, assessments, rules and regulations prior to a mobile home dweller assuming occupancy in the park. A copy of such disclosure statements shall be filed with the Bureau of Mobile Homes in the Division of Housing and Urban Renewal, Department of Community Affairs. No fees, charges, assessments so disclosed or rules and regulations may be changed by the park owner or operator without specifying the date of implementation of said fees, charges, assessments or rules and regulations which date shall be not less than 30 days after written notice to all tenants and filing with the Bureau."

We also recommend that page 4 line 7 be changed to require that park owners offer a written lease or agreement prior to the assumption of occupancy by a dweller.

A-1713

We support this bill but feel it would be more enforceable if the Bureau of Mobile Homes had some control over the inducements in order to more readily establish when such bonds might be required.

Recommend that a new section be added giving the Bureau of Mobile Homes authority to require the preparation, review, and dissemination of full disclosure statements covering all inducements to buy or rent and to set standards for same. Such a requirement would provide substantial additional protection for mobile home dwellers, complement the fee and regulation disclosure provisions established by other bills and greatly facilitate the enforcement of the bonding requirements.

Suggested language is as follows:

Section 2. "Every mobile home park owner or operator shall file with the Bureau of Mobile Homes within the Division of Housing and Urban Renewal of the Department of Community Affairs a full disclosure statement incorporating all inducements which are offered to the public. A copy of the filed statement shall be furnished to all prospective renters or lessors at least 3 days prior to the execution of any agreement or lease. Whenever any such statement shall offer as an inducement for entering into a rental or leasing agreement for a mobile home or mobile home site, that capital improvements will be made to the mobile home park. The owner or operator shall deposit with the Bureau of Mobile Homes a performance bond in the amount of such capital improvements. The disclosure statements and the bonds shall be prepared and filed or deposited in a manner required by rules and regulations promulgated by the Department of Community Affairs.

A1717

While the Department of Community Affairs supports the intent of A-1717 we feel it is excessively punitive and possibly unreasonably in restraint of trade. Full disclosure of any connections between mobile home dealers and mobile home park owners should provide adequate consumer protection.

Accordingly we recommend that sections 2 and 3 of A-1717 be revised to read as follows:

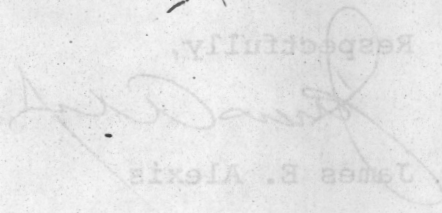
"2. No mobile home park owner or operator shall be engaged in the business of selling or acting as the agent in the sale of mobile homes nor shall any mobile home dealer own or operate a mobile home park unless the fact of such connection is disclosed in writing to each prospective purchaser of a mobile home or each prospective renter or lessor prior to the conclusion of any agreement to buy, rent or lease. A copy of the disclosure statement shall be filed by the owner or operator and dealer with the Bureau of Mobile Homes within 90 days of the effective date of this act and within 30 days of the acquisition of any such joint interest thereafter. Such statements and their filing shall be in a manner prescribed in rules and regulations promulgated by the Department of Community Affairs."

"3. Any person subject to this act who does not comply shall be subject to a penalty of \$25 for each day that the violation continues. The penalty may be recovered in a summary manner as provided in the Penalty Enforcement Law."

A-1718

The Department of Community Affairs supports A-1718 as introduced.

Respectfully,



James E. Alexis



**GARDEN LAKE CORPORATION
MOBILE HOME PARK AND SALES**

R. D. # 2

CAPE MAY COURT HOUSE, N. J. 08210

609 465-7979

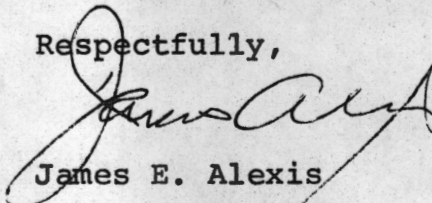
Gentlemen:

I represent the Mobile Home Park Owners of Cape May County, who number approximately twenty plus Mobile Home Parks within this county. We feel that all legislation in reference to Mobile Home Park sales and operations is very premature until the problems have been thoroughly examined by a study commission as proposed in Assembly Concurrent Resolution 148 introduced on May 6, 1974 by Assemblyman Hamilton.

We believe that there are enough state laws, county health department regulations, and local municipal ordinances to combat the problems that are set forth in the proposed legislation if the various departments having control over these laws, regulations, and ordinances properly enforce them. I must say now that I do believe that the majority of Mobile Home Park Operators do try to run their parks with the interest of their residents at heart. In any instance of a major violation by a Mobile Home Park in this county, the Cape May County Health Department and the local municipality involved have been able to resolve the situation. I must say that they do inspect each and every park space very thoroughly each year. We believe that this should be the practice throughout the state, and that the problems as set forth in the proposed legislation must be handled on the local level.

We would, therefore, emphasize again the necessity of tabling all legislation in reference to Mobile Home Parks and the operation of same, and urge that Assembly Concurrent Resolution 148 be implemented in their place.

Respectfully,



James E. Alexis

NEW JERSEY MOBILEHOME ASSOCIATION

653 HAMILTON STREET, SOMERSET, NEW JERSEY 08873 — 201-247-6667
A. E. PETRICK, EXECUTIVE DIRECTOR



June 17, 1974

Hon. Byron M. Baer
Assembly State House
Trenton, N. J.

Re: Additional Testimony to add to the record of Public
Hearing on pending mobilehome legislation

Dear Assemblyman Baer:

I would like to submit this letter stating the official position of the New Jersey Bankers Association as additional testimony to be entered into the record for the public hearing on the pending mobilehome legislation.

Thank you.

Yours truly,

Annette E. Petrick
Executive Director

AEP:jk
Enc.

New Jersey Bankers Association

499 North Harrison Street, Post Office Box 573, Princeton, New Jersey 08540 609/924-5550

RICHARD B. BENEDICT
SECRETARY

June 14, 1974

Ms. Annette E. Petrick
Executive Director
New Jersey Mobilehome Association
653 Hamilton Street
Somerset, New Jersey 08873

Dear Ms. Petrick

The Consumer Credit and Executive Committees of the New Jersey Bankers Association have considered Assembly, Nos. 1713, 1715, 1716, 1717, and 1718 and the Association's position on each is as follows:

- A. 1713 - no action
- A. 1715 - Oppose
- A. 1716 - no action
- A. 1717 - oppose
- A. 1718 - oppose

The Committees have not considered A. 1586 or A. 1614 since they do not appear to affect banking.

Sincerely

Richard B. Benedict

RBB/mb

AUG 14 1985

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