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PARK WATCH

™ LEGAL DEVELOPMENTS NEWSLETTER

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Resident Bailouts; Management Concessions in a Soft Market

- How Far Do We Go? Identifying Key Factors in the Anatomy of a Fair Bargain to Retain Residents and Homes.

By Terry R. Dowdall, Esq.

UPSHOT

Vacancies, bad debts, worthless judgments and bankruptcies are too common. Park owners can respond with extensions of time to pay, discounting tenant debt, purchasing mobilehomes. In this "Should We Make A Deal" environment, park owners have many alternatives for enabling a longer term cure for a default in lieu of the costly, time-consuming eviction remedy. *The "workout" agreement means the tenant has an opportunity to rectify his default, in return for which management receives some additional tactical advantage if eviction or legal action becomes necessary.* If the workout plan fails, the park owner is then able to pursue eviction (or enforcement of a judgment as discussed below).

THE BUSINESS SENSE BEHIND WORK-OUT AGREEMENTS

Why would the tenant agree to put the park owner in a better position to evict than the law would allow? Because the tenant and management believe that the tenant is capable of complying with the workout agreement, saving the tenancy and providing the tenant a chance to sell or continue residing in the park. Otherwise, there is *no point* in it. If the agreement is doomed to failure, management is merely forestalling inevitable eviction while in the meantime, amplifying its **loss**. A workout *only makes sense* if predicated on a reliable belief that the terms will be fully performed, or the up-front payment on the settlement agreement is sufficient to forestall eviction.

> Do you drive down Main Street throwing hundred dollar bills out the window? You do if you wait to serve eviction notices . . .

THE LAW BEHIND WORK-OUT AGREEMENTS

Ever since *Kaufman v. Goldman*, 195 Cal.App.4th 734 (2011), landlord-tenant attorneys have *enjoyed a new-found confidence* in counseling *settlement agreements* to resolve defaults and litigation, seeking to retain tenants and avoid litigation expense. We enjoy a resurgence of reliability that settlement agreements will be enforced due to this precedent, where a seven year old agreement was specifically enforced, even though it waived rights under city rent control law.

First, the settlement agreement can be enforced by action for specific performance (*"Defendant claims the trial court erred in granting*

Creative Solutions, Efficient, Practical Representation, Profitable Parks

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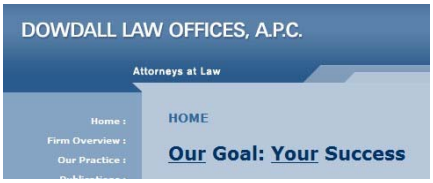
In this Issue:

Proudly Representing Mobilehome Park Owners since 1978

We recommend:
FEDERAL ARBITRATION CLAUSES;
MANDATORY MEDIATION;
BROAD 'FACILITIES RELEASES'



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Courtesy MRL, TITLE 25, TITLE 24

R. Michael Walters, Esq., *In Memoriam.*

Mike Walters recently passed away. Mike was once a leading attorney in mobilehome park law. I recall that he had always wanted to form an exclusive club of attorneys and other professionals who practiced in the mobilehome park field, to be known as something like the "Official Inner Sanctum of Good Guys," to which one would apply and remit a fee. Membership was then to be conditioned on a capricious vote of the founders –"if we don't like you, can't join." It's purpose would be to consume cognac and cigars. Mike enjoyed the notion of fraternity. He enjoyed talking. One could not have a neutral evaluation of Mike Walters, it seemed. He always left a distinct impression behind. He left no one unaffected.

My favorite "*Waltersism*": I am an expert in the field, seen it all in my 30 years of experience. I therefore have all the answers, one of which is — "I don't know."

plaintiff possession of the apartment as the remedy in the action for specific performance. She contends that claims for possession of real property can be litigated only in actions for unlawful detainer, ejectment, quiet title, or trespass. She cites no cases or statutes for this proposition"). For the park owner, this means no jury.

Second, the anti-waiver provisions of rent control laws (an arguably the MRL) do not apply when settling litigation. This gives the owner and resident more power to fashion an agreeable remedy even if not squared with other statutory provisions which ". . . void any waiver by a tenant of rights under the ordinance in the context of an eviction or an owner move-in." The Court said that ". . . the waiver language does not apply to the settlement of a legal claim that was made for valuable consideration in return for termination of litigation."

> *"Parties frequently settle landlord-tenant disputes, and move-out provisions are not uncommon. If SFRRSAO section 37.9, subdivision (e) were deemed to apply to such move-out provisions, this would have a chilling effect on future settlements of unlawful detainer actions as landlords would have little incentive to enter into prelitigation negotiations."*

Despite anti-waiver provisions of a rent control law, the appellate court upheld a settlement agreement, and ordered possession for the management, seven years after the settlement agreement was made. While a pre-litigation agreement is less flexible, policies favoring enforcement are the same.

■ WORK-OUT AGREEMENT VARIABLES

There are several permutations of the workout agreement. The essential ingredients are:

(1) ***Installment payments of debt together with timely payment of accruing rents and charges***. A substantial downpayment is part of the equation. A substantial downpayment at the inception of the agreement tests good faith and intent to perform. Also, in the event of default, management has recovered enough partial payment to make the deal worth it. Else, what security can the park owner seek to have some assurance that the resident will perform? Moreover, the terms of the workout often depend on the amount of the debt and the stage of the default at which the deal is struck (whether before or after eviction suit is filed).

(2) ***Segregation of past due debt into a promissory note secured by title to the mobilehome***. Only advisable if there is no legal owner (lender). It makes no sense to secure as a junior lienholder in almost any instance. If so, payment on the note is separate, and on default, the owner may seek to foreclose, not serve a nonpayment of rent notice.

(3) ***Take a security against other property***. In almost all instances, there is no security available or of interest to the management. Where a debt is secured by the mobilehome, a promissory note for the amount of the debt is also executed. The note is payable under its terms on a payment schedule (or in lump sum on a future due date) satisfactory to the parties. At the same time, a lien is filed with Department of Housing and Community Development. Of course, the tenant is also obligated to continue paying rent and other charges as they accrue or face eviction under the original 3 and 60 day notices. This assumes adequate equity in the mobilehome.

The unencumbered mobilehome can also more simply be signed over or escrowed as security for repayment, with agreement that the home will not be re-registered in management's name unless there is a further default. In this way, the resident is assured that the neutral escrow has control and the park owner cannot take advantage. When the debt is fully paid, the title is returned. Or, again if there is no outstanding lien, the mobilehome title can be signed over to the management in return for a certain, agreed on period of tenancy as a residential tenant no longer under the Mobilehome Residency Law. For very elderly tenants, an occasional life estate has been given in return for clear title to the mobilehome, to alleviate any continuing concerns for rent and other charges.

If the agreement provides that the debt will be secured by a lien, then management's remedy includes the right to pursue the foreclosure of the mobilehome to obtain satisfaction of the debt. In the event that the tenant defaulted in payment on the note as agreed, management could foreclose on its lien. A notice of default and subsequent private sale (similar in procedure to the trustee sale of a residence after default) then occurs. If management prevails in the bidding at the private sale, then the tenant becomes a holdover tenant (after sale) and can be summarily evicted under general landlord tenant law. If the tenant has also defaulted in rent, management may also continue the eviction for nonpayment where provided in the workout agreement.

Whatever the terms contemplated by the parties, be sure to always serve the 3 and 60 day notices promptly–as soon as possible. Some owners delay as a policy, based on long standing patterns of late payments, especially in older persons' parks. This practice may, *de facto*, amend the rental agreement to change due dates for payment. Further, when the resident finally defaults for the last time, delay causes needless loss. *Would you drive down main street throwing hundred dollar bills out the window?* You do if you wait to serve eviction notices for non-payment of rent. The notices are the fundamental basis for eviction and other remedies. If the notice is not served promptly, management is voluntarily and wastefully running up an uncollectible debt.

■ AFTER THE THREE DAY NOTICE TO PAY OR QUIT HAS EXPIRED

Here are a few terms relevant to securing a reasonably reliable settlement:

Again, agree to a monthly payment schedule which requires timely current rents and charges to be paid, and part of the debt to be re-paid on a monthly or semi-monthly basis.

The total amount of the agreed debt may include past rents, and all other charges (such as 14 day notices, late charges, attorney's fees, etc., which may not be included in the 3 and 60 day notices). *Why?* Since management is relinquishing (or "forbearing" from) the acknowledged right to proceed with legal action, a compromise agreement can include whatever valuable consideration is *agreeable* to both parties.

On the other hand, merely deferring the balance to a later date (a "balloon payment") may only invite a later, perhaps inevitable new default -- after all, if the tenant conscientiously policed his finances to meet future obligations, the workout would not have been needed at all. In some cases, the "balloon payment" *is a practical solution* for the management. For example, installment payments may be required *together with* a "balloon" payment due at a time certain or the happening of a particular event, such as upon sale of the mobilehome. Within conservative limits, this is a practical way of securing payment with the elderly and extending their chances for independent living. Many elderly have equity but not cash.

■ A FEW PROCEDURAL ADDITIONAL POINTS Sometimes, the devil lies in the details. Be sure that the full installment payment for the past debt must be paid on the first of each month, *together with* payment in full of all rent and charges currently billed for the month.

The agreement should state that the management is not obligated to receive any current rents and other charges unless the installment for the past debt is given together with it. In other words, all the monies due must be tendered together, in person, on the first of the month, no later than 5:00 p.m. (or by the closing time).

The default in payment of the rent will continue to be evidenced by the acknowledged receipt of 3 and 60 day notices. The tenant also acknowledges that the debt set forth in the notices is accurate and that the amounts stated are due as demanded, and that the tenancy has been properly terminated. If the 65 day period has elapsed, the enforceability of the agreement will be more reliable if an action is filed and the work out agreement is approved by the court. Whether in the form of a judgment subject to later set aside and dismissal, or stipulation for entry of judgment on conditions, the approval by the court and continuing jurisdiction to enforce the agreement ameliorates the prospect of any later action (which carries the risk that a judge may not like the pre-filing settlement agreement for any variety of reasons). On the other hand, the sanctity of the settlement agreement (especially those with a move-out date) seems more secure than ever.

The agreement may anticipate other defenses by for example, stating that the acceptance of rent or other charges under the agreement, and service of any other routine notices (such as rent increases) do not constitute a waiver, release, or cancellation of the notices or right to evict in the event of default. If the tenant defaults on a workout agreement, management will want to pursue eviction, enforce a right of possession or take other action depending at what stage of default the agreement was entered into.

If the workout agreement is reached early on, the 60 day notice will later expire, maturing the right to file the unlawful detainer (eviction) action. The agreement may provide for the filing of the action when permitted, followed by an agreement to a stipulated judgment. As explained below, the security of a stipulated judgment may be the best protection of management, further assures tenant performance, and can be set aside after the agreement is fully completed. The tenant need not fear a judgment "on his credit record."

If someone wants to remove the home (and owner has no secured title), management should simply wave goodbye . . .

As for the repayment of past debt, the beginning date of the payments of the installments can be scheduled immediately or at any future time. Of course, the amount of the past debt can also be discounted. The tenant may desire to remove the mobilehome from the park or abandon in some circumstances. The law also forbids the removal of the mobilehome unless the legal owner of the mobilehome has consented. Thus, the unencumbered mobilehome liened by agreement with management cannot be removed without the park owner's consent. By discounting the debt, the tenant may be persuaded to stay.

Mentor

Nota bene! No agreement can require the mobilehome to remain on site, unless the owner is a legal owner who under the Health and Safety Code has right of approval before change in situs. Failure to allow removal may result in a claim of legal conversion, a right to sue for the full value of the mobilehome and punitive damages. There is no likely insurance for either claim; worse yet, any material interference with removal of the mobilehome may give rise to a claim of conversion. If someone wants to remove the home (and owner has no secured title), management should simply wave goodbye to a lost opportunity to acquire it.

Eliminating other potential defenses by the acknowledgment in a workout agreement may also be important. For example, a recital in the workout agreement may provide that the management and tenant are entering the agreement in the good faith hope that the default can be cured and the tenancy reinstated. The recital may state that if eviction is pursued, the tenant acknowledges that the purpose in so doing is not retaliatory or otherwise improper, and that the management has not itself breached any duties owing to the tenant with appropriate release language (known as the “1542" release), including maintenance of the park.

An agreement reached early on should provide that in the event of a default in the workout agreement, that management will be entitled to pursue eviction under the 3 and 60 day notices and that they remain in effect until all past charges are fully repaid (together with compliance with current payments).

Sale of the mobilehome and Vacation from the Park. Management may also forbear from collecting the past due debt (which may become a lien against the mobilehome) until sale of the mobilehome, so long as current rent is paid and the mobilehome is actively marketed for sale. This assumes diligent effort to sell (by, among other things, listing, offering at a reasonable price, etc.). This option may be desirable for elderly residents with equity in the mobilehome. Management may also discount the rent until the mobilehome is resold within the allowed time period. If the mobilehome is not resold within the allowable time period, and the debt is not repaid, management could proceed with the eviction.

Vacation from the Park by a Certain Date. The tenant can also agree to vacate by a date certain if the mobilehome does not sell, with storage of the home at an agreeable monthly rate until the mobilehome is resold. For example, a mobilehome, properly listed and advertised for sale, at a reasonable offering price, may sell within 90 days. Within the 90 day time period, all the buyers in the market for the

mobilehome will have had the opportunity to see the mobilehome from the leads provided by the local multiple listing service. *If the mobilehome has not sold within 90 days, it is unlikely to sell soon thereafter, because the prospective tenants will only be entering the market for a mobilehome residence, one by one, after this key 90 day period of time.*

Do I Want to be a Junior Lienholder? If a lien against the mobilehome is agreeable as a manner of securing the expectations of management and tenant, beware, however, whether there is any senior lienholder and the value of the mobilehome. It is no secret that mobilehome values have declined. Many loans are larger than the value of the mobilehomes. Management needs to ensure sufficient equity and value in the home and the absence of any undisclosed lienholders senior to management's lien. Private senior lienholders, on the other hand (friends or family members of the tenant) have been known to subordinate their interests to the management's lien. The tenant should be required to insure and properly maintain the mobilehome liened by management, for obvious reasons.

The Long Term Lease: if management is in a rent controlled area, the past rent default can be agreed to remain a personal debt (reflected in a personal note), or provided for in the form of a long term lease, bridge lease, or lease addendum exempt from rent control. The amount of the past rent can then be recovered over time (through future rent increases), or upon sale of the mobilehome (through escrow instructions). The tenant can then defer the balance under the agreed on terms, and the management receives the added advantage of exempting the space from the local rent control law. This method contains one important *caveat*: remember that the rental agreement (yes, even leases) are terminable on 60 days notice under Civ. Code §798.59 (specifying a 60 day notice before vacating tenancy, and thereby requiring the mobilehome to be removed in such case).

Conceivably, the tenant might agree to allow past debts to be reflected as additional rent under an agreed re-payment schedule in a new lease, then terminate tenancy and move from the park. Thus, the portion of the debt to be re-paid through a long term lease agreement must be identified as a pre-existing obligation remaining in effect and accelerated in the event that mobilehome were removed from the park. Again, liening the mobilehome as additional security will protect the debt as well. Additionally, management can also include a right of first refusal for the purchase of the mobilehome in its current location with the debt as an offset, or a right to purchase at a set price, or price established by a third party, or at bluebook value. This provides a fair way to satisfy the debt, keep the mobilehome in place, and give the tenant a fair price.

Splitting the profit as a win-win possibility: At the right price, management may agree to guarantee the purchase of the mobilehome at a wholesale price, pay the tenant, and then seek to resell the mobilehome at retail, splitting the difference of any profit with the tenant. For example, if the mobilehome had an anticipated value of $10,000, the park owner may guarantee the price of $7,000 to the tenant. The tenant receives this amount in return for clear title and vacation from the park. Then, the park owner resells the mobilehome. If the mobilehome sells for more than $7,000, management and the tenants split the profit. If the mobilehome sells for less than $7,000, the park owner solely suffers the loss. This approach also allows the park owner to cash out the tenant so he does not lose the mobilehome, it keeps the mobilehome in the park and provides the new buyer with an agreeable long term lease exempt from rent control. This approach has also been agreeable to some lenders in abandonment situations.

> . . . management can also include a right of first refusal for the purchase of the mobilehome in its current location with the debt as an offset . . .

■ SETTLEMENT AGREEMENTS AFTER THE EVICTION ACTION STARTS

In the event that the eviction actions has already commenced, there is still time for a deal. The agreement can now encompass a final judgment, or agreement that in the event of default, a final judgment can be entered by requested order of the court (known as a "stipulated judgment" or "stipulation for the entry of judgment," respectively, though there are important differences).

The stipulated judgment is preferable. Execution on the judgment is forestalled for so long as the terms of the repayment (or whatever the terms agreed to) are fully satisfied. In the event of default (however defined in the agreement), management may proceed directly to the sheriff for the eviction to be carried out. The stipulation for entry of judgment provides that in the event of default, management must appear in court an seek the entry of the judgment, then pursue the execution on the writ of possession for actual lock-out. Tenants prefer this approach because there is no judgment on file, though this concern is illusory. If the agreement is fully performed, the judgment can always be set aside by further stipulation.

Additional terms include waiver of the right of appeal and all post trial motions (including relief from forfeiture).

Mentor

Nota bene! A recent innovation is to now bring the "relief from forfeiture" motion *before* trial. Where granted, this "pulls the rug out" from the landlord completely–by reinstating tenancy (on conditions) before a judgment or trial occurs. Hence, where a tenant is of long standing and objects to termination of tenancy, or a default is technical and there may be other reasons included in the justification for termination (such as menacing, threatening neighbors, destruction of property, assaulting others, etc.), the facts should be organized and prepared for the possibility of such a tactic against management. There is no excuse for being caught flat-footed and not prepared to fight about all the equitable reasons why tenancy should not be reinstated.

The settlement agreement (after the legal action has been filed) should also address attorney's fees to be paid. Additionally, the time may be right to seek a mutual release of all past claims so the parties begin a fresh start. Additional terms of tenancy (such as a rent control exempt lease) desirable to the management in return for relinquishing the right to termination of the tenancy may also be desired.

The agreement can also suffice as a storage agreement beyond actual vacation of the tenant on potentially generous terms rendering it more advantageous to the tenant and lender to maintain the mobilehome in the park than to remove it.

Management Concessions in a Soft Market

---*How Far Do We Go?*

By Terry R. Dowdall, Esq.

UPSHOT

Legal owners are no longer reluctant to pull mobilehomes and move them to greener pastures. This economy has reflected the burgeoning growth of pull-outs in parks, caused both by lack of demand and tumefaction of regulations. The content of the documentation for the storage of mobilehomes between tenancies is also market sensitive. In this economy, the challenge posed by all parties is to achieve fairness. Fairness is a balance of rights and liabilities. But does management need to relinquish all its rights to placate lenders in this environment?

Let's start with the lease/rental agreement. The eventual remedy for the lender is to reimburse management for the default of the tenant. If the lender is not willing to do so because the mobilehome is dilapidated, the park owner is left to foreclose a warehouse lien. Does your rental agreement maximize your protection to the lien process? The bank will argue that the lien cannot include attorney's fees for the eviction, or for the rents that were due under the rental contract. Indeed, counsel will cite various legislative histories behind the lien statutes to prove the lender should not have liability on the contract or the wrongful conduct of the tenant merely by reason of having extended a loan on personal property. *Does your agreement define the right to include past due rents, which would be included on a 'receipt' in a warehouse storage situation?* The warehouse lien statute is arguably ambiguous. It may not be clear to all just what may be demanded in the lien. It may engender needless litigation. Defining a permissible lien demand can be set forth in the agreements which are reached with the resident, the lender, and other concerned parties on title or to the tenancy. Owners are at needless risk when their documentation fails to cover today's business necessities and other relevant circumstances.

Does your agreement define the right to include past due rents, which would be included on a 'receipt' in a warehouse storage situation?

The warehouse lien process entitles the park owner to eliminate the tenant's, lender's and junior lienholder's interest and involuntarily transfer it after termination of tenancy. In other words, all the security interests (consisting of ownership and the ability to resell the mobilehome in place in the mobilehome park) can be extinguished forever by the park owner. For these reasons, many lender agreements offered to park owners (or thrust upon them) expressly waive the right to enforce warehouse liens. These agreements are not generally advised unless the market requires it.

Nota bene: Such agreements may waive the right of "*distraint*", which is "lawyer speak" for warehouse lien in our context. For example:

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"Landlord hereby waives, relinquishes and releases to (lender), its successors and assigns, all right of levy of distraint for rent, whether now claimed or hereafter arising, against the Collateral, and hereby agrees not to assert against (lender), its successors and assigns, any right, title or interest in or to the Collateral, this Waiver to continue in effect for up to 60 days from the date that (lender) Mortgage declares Borrower to be in default of its Inventory Security Agreement with (lender) and demands repurchase from manufacturer; . . . "

While a waiver of a warehouse lien for unpaid rent may be acceptable for some objective period of time, the rub here, among other things, is that the waiver continues until such time as the lender decides to declare a default. There is no time period for that. If there is such a period it should be stated. The expiration of a 60 day notice to terminate tenancy should be apt time for a lender to respond.

If the bank fails to take certain affirmative steps upon being notified of the homeowner's default on his rental obligations to the Park and of the subsequent lien notice, both interests can be eliminated by the park owner. If there is no "legal owner" (i.e., the tenant owns the mobilehome without encumbrances), and the tenant fails to remove or sell the mobilehome during the 60 day notice period, then after eviction, the normal remedy is to proceed directly to a warehouse lien and sell the mobilehome for pull-out. Of course the management can bid as well, and often ends up the only or high bidder, due to the amounts demanded in the lien.

THE WAREHOUSE LIEN

A warehouse lien is a possessory claim granted to the Park owner for storage, utilities and, reasonable maintenance charges incurred, but not paid for by the homeowner. The Park owner is entitled to the warehouse lien when the legal owner fails to timely exercise certain options described below following the default by the homeowner of his obligations to the Park and after appropriate notice to the legal owner by the Park.

In 1990, the Legislature amended the Mobilehome Residency Law (*Civil Code §§ 798, et seq.*) to provide the warehouse lien remedy. It has imposed obligations on both legal owners and Park owners, and it has created clear statutory authority for the imposition of a warehouse lien in favor of the Park owner. The Park's lien is superior to all other liens except for the State's lien for licensing fees on the mobilehome. The Park may sell the mobilehome by complying with sections 7209 and 7210 of the Commercial Code:

1. ***Obtain HCD registration.*** Or, have your attorney do it. If your attorney does not have an account with HCD, you may want to verify his or her familiarity with this procedure.

2. ***Take care when serving the 60 day notice of termination of tenancy***. Serve the 60 day notice by certified mail, return receipt requested, on the legal owner of record, exactly as the name and address appear on the registration. Include this mailing as part of the proof of service. It is best to do this the same day as service of the 60 day notice. In this way, the 65 day time period for the lender to respond in writing begins as soon as possible.

3. ***Serve the 60 day by certified mail on any other address you may have discovered***: sometimes, the bank address may have changed, or the loan may have been sold to another lender. Also, serve the notice on any servicing agent for the bank you may have learned of. Or,

there may be a private loan with a junior lienholder. I advise serving next of kin or emergency contacts, especially if there is no forwarding address for the tenant after completion of the eviction. This way, no one can complain the procedure was not fully satisfied.

4. ***Complete a written proof of service***. File it carefully. When the green postcards arrive, file them very carefully. I advise stapling them to the file so there is no doubt that the proof of certified notice is preserved. You may need them later if wrangling with the lender ensues as it often does. Many lenders will simply deny receipt of the notice and force you to prove receipt. The green cards or returned postmarked envelopes are the only way to successfully accomplish this service.

5. ***Wait 65 days for the response from the lender***. The lender must respond in 65 days. Once a legal owner has been served with such notice, the legal owner's security interest in the mobilehome (and the mobilehome's value) is put-in-jeopardy. The legal owner must act quickly to preserve its right to sell the mobilehome-in place and to void a warehouse lien.

Under *California Civil Code* §798.56a(a), within SIXTY-FIVE (65) DAYS after the mailing of the notice of termination of tenancy (sixty (60) days if personally served), the legal owner, as a prerequisite to being able to re-sell the mobilehome in place, must choose at least one of the following options:

1. ***The legal owner may submit a written offer to sell the obligation secured by the mobilehome to the Park***. The Park shall have fifteen (15) days following receipt to accept or reject the legal owner's offer in writing, via CERTIFIED MAIL RETURN RECEIPT REQUESTED. If the Park rejects the offer, the legal owner shall have ten (10) days to exercise options 2 or 3, below. This is a binding 15 day period.

Occasionally, the bank makes an offer, then finds a better deal within the 15 day period. The bank may attempt to then ignore the 15 day period the owner has to elect to purchase the mobilehome. The lender violates the law if it does not comply with the right to hold the offer open for 15 days. On the other hand, if the home is undesirable, the park owner should reject early, to accelerate the time the lender must then make an alternate decision as follows:

2. ***The legal owner may elect to foreclose on its interest in the mobilehome*** (and thereafter evict the homeowners and other occupants).

3. ***The legal owner may request that the Park pursue termination of tenancy***. In this case, the legal owner must offer to reimburse the Park for its reasonable attorney's fees and court costs incurred by the Park in pursuing such termination. The parties should try to agree to the amount to be repaid.

I have yet to see this offer be extended. If it ever is made, the payment should not be contingent on success of the action; the payment should be made on presentment of the bill; the lender's rights should be deemed waived if payment of the attorneys fees as billed is tardy. The reasons for the foregoing precautions should be clear.

Under each of the three options, the legal owner must send its notification of election to the Park by CERTIFIED MAIL, RETURN RECEIPT REQUESTED. If the legal owner chooses the first option and the Park declines to purchase the obligation, the Park's written response and the legal owner's notification of election of a second option must also be sent by CERTIFIED MAIL, RETURN RECEIPT REQUESTED.

LEGAL OWNER OBLIGATION FOR RENT AND MAINTENANCE

Rent, Utilities and Maintenance: As a prerequisite for the legal owner to keep the home in the park and sell in place (and thus avoid a warehouse lien), the legal owner must pay the "homeowner's responsibilities and liabilities" for the 90 days immediately preceding the serving of the notice of termination of tenancy and then continue to satisfy the "homeowner's responsibilities and liabilities" as they accrue from the date of the notice of termination of tenancy until the date the mobilehome is resold to a third party. "Homeowner's responsibilities and liabilities" are defined by statute as all rents, utilities, reasonable maintenance charges of the mobilehome and its premises, and reasonable maintenance of the mobilehome and its premises pursuant to existing park rules and regulations.

On some occasions, the Park will serve a notice of termination of tenancy which seeks space rent, utilities, maintenance, and other charges for a period beyond the ninety (90) days immediately preceding the service of the notice of termination of tenancy. Although the homeowner is required to pay these charges, counsel for the bank will rightly advise that the legal owner's liabilities are limited to only those charges defined under the term "homeowner's responsibilities and liabilities" and only for the ninety (90) days immediately preceding the service of the notice of termination of tenancy until the date the mobilehome is resold to a third party. The lender will argue they are not obliged to make any notification if a tenant bankruptcy is pending.

The sums due and owing for the ninety (90) days preceding the service of the notice of termination of tenancy to the present must be paid to the Park within thirty (30) days following the legal owner's written election of one of the options described above (but in no event later than sixty-five (65) days after the notice of termination of tenancy was served on the legal owner). If the 60 day notice has not been sent certified mail to the lender, it will argue that the lien is invalid. This would be correct, but watch for these two possible exceptions.

1. The agent for the bank may state to the manager that the rent for the abandoned mobilehome will be repaid. In this case, the reason for the 60 day notice is satisfied, because the bank is aware of the default and has made an agreement for the payment of rent to keep the home in the park and to avoid a warehouse lien. If there is such an understanding, write a confirming letter which also recognizes that the 60 day notice requirement has been satisfied is important. Employees leave, move on, retire, vanish.

2. The owner may receive a letter from the bank specifying acknowledgment of receipt of the notice; if there is such confirmation, then actual notice may obviate the certified mailing requirement.

Under *Civil Code §798.79*, if the legal owner pays the homeowner's responsibilities and liabilities for the ninety (90) days immediately preceding the service of the notice of termination of tenancy and continues to pay those obligations as they accrue until the mobilehome is resold to a third party, then the legal owner may resell the mobilehome within the Park.

Repairs And Corrective Actions*: Civil Code* §798.56a(b)(2) requires that the legal owner make all repairs and necessary corrective actions so that the mobilehome complies with park rules and regulations in existence at the time of the notice of termination of tenancy plus any

requirements set forth in the California Health and Safety Code regarding the habitability of a mobilehome. These repairs must be commenced within thirty (30) days following the election by the legal owners to foreclose and evict or to allow the Park to evict and must be completed within ninety (90) calendar days of the service of a notice of termination of tenancy, or before the mobilehome is resold, whichever is earlier. If these repairs have not been completed, the Park is entitled to a warehouse lien.

In practice, usually, the homeowner still resides in the mobilehome. With the legal owner in the process of foreclosure and eviction, there is a substantial likelihood that no repairs can be commenced until the eviction is concluded or that the homeowners will destroy those repairs prior-to-their eviction. In a few cases now, the disgruntled tenant disassembled the mobilehome from the inside out, throwing the fixtures, paneling, flooring and interior into the front yard. To avoid these problems, the legal owner may attempt to obtain an agreement from the Park to defer such repairs and corrective action until after the homeowner is removed.

> . . . the disgruntled tenant disassembled the mobilehome from the inside out . . .

Furthermore, in securing expectations with the lender until the home is sold and to prevent the home from being removed, management may wish to relax these duties of payment and maintenance or even assume the care of the space, in return for a promise to keep the home in the park; if this form of arrangement is made, there should be a clear liquidated damages provision encompassing a money amount to be paid in the event of default and removal of the mobilehome in breach of the agreement. Specific performance is also a remedy, but the time and cost of legal action is not generally feasible. Any further obligations of the homeowner for rent, utilities and maintenance obligations must be paid by the legal owner as they accrue and must continue to be paid by the legal owner until the mobilehome is resold to a third party approved by the Park.

The current market has generated a proliferation of lender storage agreements which are very favorable to the lender--as discussed below.

COMMON LENDER DEFAULTS AND STRATEGIES TO PROTECT RIGHTS

The lender often fails to perform as required by the statute and may fail in any of the following respects:

1. *The lender may not give notice within 65 days* after mailing of the 60 day notice by the park owner;

2. *The lender's notice may be deficient*. Often, the lender merely notifies the park that the case has been referred to a recovery unit or similar language. If the writing fails to conform to the content requirements of the statute, it is arguably void altogether.

3. *The lender may not give the full 15 day time for the offer of the mobilehome.*

4. *The lender may not pay initial delinquency within the 30 day period.*

5. *The lender may not continue to pay*. Often, the lender will default, then blame the park owner for not sending a billing or invoice. Then, the lender may try to claim a verbal agreement or release from the requirement of timely payment.

6. *The lender may not make all corrective repairs* as required.

If the lender fails to comply with the statute, the lien process matures, allowing the service of the warehouse lien.

"In the event the legal owner or junior lienholder does not respond to the notice provided by management by notifying management in writing of its election pursuant to subdivision (a), or does not satisfy the requirements of subdivision (b), that person or entity shall have no rights to sell the mobilehome within the park to a third party."

> . . . Punitive damages and emotional distress damages can also be claimed in such a suit against the owner. Thus, proper handling of the lien process is essential. . .

Then, the management may either remove the mobilehome from the premises and place it in storage or store it on its site. As a practical matter, the mobilehome is not removed unless it must be removed no matter who buys it at the sale. If the mobilehome could stay in the park, the park owner would not be commercially reasonable in removing the mobilehome, just to buy it and return it to the space if the public is not interested.

The warehouse lien is not complicated, but it is technical. The costs savings for the park owner may be outdistanced by the attorney's fees charged for defending a marginal compliance by the management. Thus, learn these lessons well. The warehouse lien must be prepared and served. Such notification must include a statement of the amount due, the time and the place of any public sale. The sale need not be conducted at the space, but usually is. Various auction companies can be hired but usually are not. This entails additional cost, but may add to the formality, objectivity, and impartiality of the process. These companies are licensed auctioneers as well. This is additional cost which may be added to the amount of the lien.

The notice of the lien must be mailed to all persons believed to have or claim an interest in or to the mobilehome, even if their interests are un-perfected (not recorded or on the registration). The notification must be delivered in person or sent by registered or certified letter to the last known address of any person to be notified. The notification must include:

1. *A statement of elements of the claim*;
2. *A description of the mobilehome*;
3. *A demand for payment within a specified time not less than 10 days after receipt of the notification;*
4. *A statement that unless the claim is paid within that time the goods will be advertised and sold at the specified time and place.*


Mentor

***Nota Bene*:** The sale must conform to the terms of the notification. It is strongly advised to have a knowledgeable attorney prepare the notices and arrange the sale and advertising due to the many technical aspects of the statutory procedure. If there is any error in the disposition of the mobilehome, it can be argued that the park owner has committed the wrongful conduct known as conversion, which is a liability without fault lawsuit for the value of the mistakenly disposed of mobilehome. Punitive damages and emotional distress damages can also be claimed in such a suit against the owner. Thus, proper handling of the lien process is essential to avoid this risk. The law specifically provides as follows: "The warehouseman is liable for damages caused by failure to comply with the requirements for sale under this section and in case of willful violation is liable for conversion."

5. *The sale must be held at the nearest suitable place to that where the goods are held or stored; this may be the park office or at the mobilehome itself.* The Courthouse steps may be too far. For example, the advertising must be in the judicial district where the mobilehome is located. A sale conducted at the courthouse in a different judicial district may be vulnerable to attack. After the expiration of the time given in the notification, an advertisement of the sale must be published once a week for two weeks consecutively in a newspaper of general circulation published in the judicial district where the sale is to be held.

The advertisement is typically the content of the lien notice printed verbatim.

6. *The sale must take place at least 15 days after the first publication*. For ease of reference, I use a date of about 10 days after last publication. If there is no newspaper of general circulation published in the judicial district where the sale is to be held, the advertisement must be posted at least 10 days before the sale in not less than six conspicuous places in the neighborhood of the proposed sale.

7. *Through to the date of sale, any of the persons claiming a right in the mobilehome may pay the amount necessary to satisfy the lien and the reasonable expenses incurred under this section.* In that event the mobilehome must not be sold, but must be retained so that it can be retrieved and removed by that person. What if more than one interested party claims the mobilehome? Commercial reasonableness is the general standard: the "first in time should be the first in right" seems reasonable.

The park owner may buy the mobilehome at the sale. The park owner bidding at sale must be careful. If management bids more than the amount of the lien, the balance exceeding the lien amount must be paid to the tenant (if there is no legal owner) or to the bank (if there is a legal owner). If management does buy the mobilehome, misrepresentations on re-registration papers may also lead to severe consequences for management. Thus, large bids exceeding the lien demand (intended to scare off other bidders) will come back to haunt the management with a demand for payment of the large surplus bid.

The sale must be recognized by the HCD even if there is a technical noncompliance with the code. Please do not rely on this section as a defense; a routine pattern of noncompliance could be averred to be an unfair business practice.

The park owner may keep the proceeds of the sale up to but not exceeding the amount of the lien. If there is a balance, be prepared to receive a demand for the balance and an accounting of the sale.

■ LENDER –STORAGE AGREEMENTS

Often, it is possible to strike a deal with a lender so to avoid the removal of the mobilehome from the park. The content of the agreement is very important. It is typically best if the park owner offers the agreement before the lender does so to seize the well understood draftsman's advantage. The agreement should account for the three critical periods in the transition phase of ownership of the mobilehome.

1. The past debt and how it will be handled.

2. The ongoing storage charges accruing while the mobilehome is marketed. This period commences at the time of the assent to the agreement.

3. The rent charges or other incentives giving a competitive edge to the lender's buyer.

There are several issues which need to be addressed. The "red flag" issues are:

1. *Whether the agreement applies to a single mobilehome*, a fixed number of mobilehomes, or to all in the park and in other projects.

2. *Whether the agreement will require a waiver*, release, deferral, or modification of the park owner's rights. The target of the lender is to achieve a waiver of the warehouse lien rights.

3. *Whether the lender may repudiate and remove the mobilehome*. If the mobilehome is removed, the damages caused may not warrant an economic decision by the park owner to sue. The lender realizes this. Therefore, the park owner may desire a right of first refusal, a liquidated damages provision, or acknowledged right to injunctive relief.

4. *Whether there is a right to preempt the sale* if the buyer decides to remove the mobilehome at purchase. Often, the park owner desires the buyer to reside in the park. However, the Civil Code guarantees the tenant the right to vacate at any time on 60 days notice. Civil Code section 798.59. This right cannot be waived by agreement. Civil Code section 798.19, 798.77. Thus, the park owner should consider a right of refusal to stop the exit of the home after the purchase.


Mentor

5. *Will the lender finance the mobilehome?* If so, then the lender can be requested to deny any request for the removal of the mobilehome made by the purchaser. The lender must approve the removal of a financed mobilehome. This is one of the advantages of park-financed mobilehomes.

* * *

Resolving rent and other tenant default without final termination of tenancy is a creative and challenging art. Where the agreement is by stipulation, no obstacle presents any genuine impediment to a mutually agreeable resolution between reasonable people.

If the legal owner complies with each of the obligations described above, it will be entitled to sell its mobilehome (recognizing that the value is enhanced by the fact that the mobilehome is installed in a mobilehome park) in place. More importantly, the Park will not have the right to impose a warehouse lien and the legal owner's security interest will not be extinguished by a Park's warehouse lien sale.

More Federal Regulations: HUD Outlaws Neutral Rules and Regulations Effecting a Disparate Impact on Protected Classes.

By: Terry R. Dowdall, Esq.

■ UPSHOT So you have an "all age" community. You *prohibit skateboards* from being used in the street. You think: "this applies to all persons, so it is not discriminating against kids." It is a *neutral* policy. But does it *disproportionately burden* a protected class? (children under 18) It **IS** the kids who predominantly use skateboards, *right*? *How many octogenarians have you seen sailing by on skateboards recently*? Prohibiting skateboards may be a code for discriminating against kids. That is, according to new HUD regulations. The regs codify *existing policy*. There is nothing new here, except *regulations* to support new housing complaints. Effective date: February 15, 2013. So is there another unarticulated motivation for codifying already well-settled policies in the courts?

■ BACKGROUND The Federal Fair Housing Amendments Act of 1988 (and precursors) prohibit discrimination in the sale, rental, or financing of dwellings and in other housing-related activities on the basis of race, color, religion, sex, disability, familial status, or national origin. HUD is charged with the authority to interpret and enforce it. This includes the power to make rules implementing the law.

The FHAA has been interpreted to prohibit practices with an "unjustified discriminatory effect," regardless of whether there was an intent to discriminate. The new regulation "is needed" to formalize HUD's long-held interpretation of the availability of ''discriminatory effects'' liability under the FHAA, and to provide nationwide consistency in the application of that form of liability. One might argue no such codification is needed at all. And why now?

■ WHAT DO THE NEW REGS SAY?[1]

> . . . How many octogenarians have you seen sailing by on skateboards recently?

§ 100.5 Scope.

"(b) * * * The illustrations of unlawful housing discrimination in this part may be established by a practice's *discriminatory effect*, even if *not motivated by discriminatory intent*, consistent with the standards outlined in § 100.500."

§ 100.70 Other prohibited conduct.

" * * * (d) * * * (5) Enacting or implementing *land-use rules*, ordinances, policies, or procedures that restrict or deny housing opportunities or otherwise make *unavailable or deny* dwellings to persons because of race, color, religion, sex, handicap, familial status, or national origin."

§ 100.500 Discriminatory effect prohibited.

"Liability may be established under the Fair Housing Act based on a practice's *discriminatory effect*, as defined in paragraph (a) of this section, *even if the practice was not motivated by a discriminatory intent*. The practice may *still be lawful* if supported by a *legally sufficient justification*, as defined in paragraph (b) of this section. The burdens of proof for establishing a violation under this subpart are set forth in paragraph (c) of this section. (a) Discriminatory effect. A practice has a discriminatory effect where it actually or predictably results in a disparate impact on a group of persons or creates, increases, reinforces, or perpetuates segregated housing patterns because of race, color, religion, sex, handicap, familial status, or national origin."

"(b) *Legally sufficient justification*."

"(1) A legally sufficient justification exists where the challenged practice:"

"(I) Is necessary to achieve one or more *substantial, legitimate, nondiscriminatory interests of the respondent*, with respect to claims brought under 42 U.S.C. 3612, or defendant, with respect to claims brought under 42 U.S.C. 3613 or 3614; and"

"(ii) Those *interests could not be served by another practice that has a less discriminatory effect*. (2) A legally sufficient justification must be supported by evidence and may not be hypothetical or speculative. The burdens of proof for establishing each of the two elements of a legally sufficient justification are set forth in paragraphs (c)(2) and (c)(3) of this section."

(c) Burdens of proof in discriminatory effects cases."

"(1) The charging party, with respect to a claim brought under 42 U.S.C. 3612, or the plaintiff, with respect to a claim brought under 42 U.S.C. 3613 or 3614, has the burden of proving that a challenged practice caused or predictably will cause a discriminatory effect.

"(2) Once the charging party or plaintiff satisfies the burden of proof set forth in paragraph (c)(1) of this section, the respondent or defendant has the burden of proving that the challenged practice is necessary to achieve one or more substantial, legitimate, nondiscriminatory interests of the respondent or defendant."

"(3) If the respondent or defendant satisfies the burden of proof set forth in paragraph (c)(2) of this section, the charging party or plaintiff may still prevail upon proving that the substantial, legitimate, nondiscriminatory interests supporting the challenged practice could be served by another practice that has a less discriminatory effect."

"(d) Relationship to discriminatory intent. A demonstration that a practice is supported by a legally sufficient justification, as defined in paragraph (b) of this section, may not be used as a defense against a claim of intentional discrimination."

■ A CODIFICATION OF EXISTING POLICY AND ANALYSIS

The codification is puzzling. The policy to attack discriminatory effect (with and without intent) has been official HUD policy since 1993.

[1] 11460 Federal Register / Vol. 78, No. 32 / Friday, February 15, 2013 / Rules and Regulations

On December 17, 1993, a memo to All Regional Directors of the Office of Fair Housing and Equal Opportunity from Roberta Achtenberg, then Assistant Secretary for Fair Housing and Equal Opportunity, directed that all cases be evaluated for disparate impact. The memorandum was based on litigation legitimizing such a claim.

She said therein that "[C]ases which have been brought under the Fair Housing Act should now be analyzed using a disparate impact analysis, to the extent that this theory is applicable to a particular case. ¶Under a disparate impact analysis, a policy, standard, practice or procedure which, in operation, disproportionately adversely affects persons protected by the Fair Housing Act coverages may violate the Act."

She cited *HUD v. Mountain Side Mobile Estates (*July 19, 1993), as authority for the *prima facie* case of disparate impact by *statistical evidence*, including national statistics (where there is no evidence of a large variation from local statistics), establishing that a *facially neutral policy has a disparate impact on persons who are protected against discrimination*. This theory only applies where there is a policy which is, on its face, *neutral,* but which operates to *disproportionately disadvantage* persons because of race, color, national origin, religion, handicap, sex or familial status.

For purposes of investigation, a *prima facie* case should "be buttressed" by an analysis of the evidence supporting the belief that a particular policy, practice, standard or procedure disadvantages a group or a portion of a group protected against discrimination. In some instances, this will be by analysis of:

waiting lists,
applicant flow,
occupancy data.

In other cases, this will be done by an analysis of the *effect of a policy* on potential applicants or the *population at a community* in a particular income bracket.

In a second HUD decision in the same case, dated October 20, 1993, the Secretary confirmed that a respondent may rebut a *prima facie* case by evidence that the policy is justified by a *business necessity* which is sufficiently compelling to *overcome the discriminatory effect*. The business necessity justification may not be hypothetical or speculative.

The final rule contains a three part "burden shifting test" for determining if a housing practice with a "discriminatory effect" violates the FHAA. The rules provide that a facially neutral practice has a "discriminatory effect" where "it actually or predictably results in a disparate impact on a group of persons or creates, increases, reinforces, or perpetuates segregated housing patterns because of race, color, religion, sex, handicap, familial status, or national origin."

To be sure, a housing practice found to have a discriminatory effect can still be legal if management proves it has a "legally sufficient justification" for it. What this means is that a defendant (*ah hem*, you) will need to show that a "substantial, legitimate, nondiscriminatory" interest could not be served by another practice that has a less discriminatory effect. To even be involved in such a case is to lose in a real sense. If you prove your defense and prevail, the spoils for a victorious defendant consist of a warm feeling and sense of vindication. A prevailing defendant is not entitled to attorney's fees in a civil rights case (in almost all cases). So, where a policy is deemed questionable by your legal advisor, change it. If challenged as disproportionately impacting a protected class, change it. If sued, change it. And the sooner the better.

Sometimes, case authority may support a policy previously challenged. In these cases, it is not so bad to assert the rights already established by another owner. However, it is also possible that nuances in a later case may result in a different result. There is almost no percentage in fighting a case of this nature.

If HUD has adopted a policy affecting the regulation, there may be added basis for defeating a claim, *i.e.*, preventing it from going forward during the conciliation process. For example, HUD has stated that prohibitions of various breeds of dogs will be permissible where an insurance company refuses to insure without a prohibition of the offensive breed. If, per chance, an insurance company were to threaten cancellation of insurance due to an activity more prevalent among children than adults, a rule proscribing it may prove to be an arguable defense, by analogy. Once again, it all depends on the facts of each case.

The disparate impact analysis may be applicable in a variety of situations, ranging from cases in which a local residency preference disproportionately excludes minorities from housing residency, to policies refusing to count alimony as income for purposes of housing eligibility, to occupancy cases in which a facially neutral policy disproportionately excludes or disadvantages families with children.

■ IS THERE A SUB AGENDA?

According to attorney Scott M. Badami, Esq.,[2] of Fox Rothschild LLP, HUD is moving forward with this rule now for a specific reason. According to Scott, "HUD's new rule could well be tested later this year by the U.S. Supreme Court in a case which involves a claim that a local redevelopment plan violated the FHAA because of a disparate impact on minorities. The potential Supreme Court review focuses on the threshold legal question of whether such claims are even permitted by the FHA."

So, if the Court decides the case, HUD will certainly argue that its new final rule is entitled to administrative deference accorded to federal agencies. This point is important because the Court *did not accord deference* in *Freeman v. Quicken Loans, Inc*. Instead, the Court rejected HUD's policy statement and ruled, looking at the plain language of the statute, that it "unambiguously covers a settlement-service provider's splitting a fee with one or more other persons; it cannot be understood to reach a single provider's retention of an unearned fee." The Court declined to defer to HUD's policy statement because HUD's interpretation was inconsistent with the plain language of the statute.

Accordingly, as HUD is correctly concerned that the Court would similarly reject HUD's interpretation of the FHAA because "disparate impact" is not in the text of the statute, the government hopes that its new rules will be viewed favorably by the justices. Arguably, HUD as an agency not elected by you or I, cannot amend the FHAA to simply add "disparate impact" to violations of the law. HUD may only implement

[2] Blue Bell, PA. 610.397.7974

the law with subsidiary and conforming regulations. And so it is believed that HUD thinks promulgating regulations will be viewed with favor by the Court."

■ CONCLUSION Any neutral policy is subject to challenge under the "disparate impact" theory of liability. Most often, the claims have been seen in "all age" communities respecting rules and regulations which may predominantly impact children, despite being written in neutral language. A growing area of liability concerns use of criminal background checks for qualification for tenancy. The claim may be that use of criminal background checks impacts on persons previously involved in the penal or correctional systems. Such persons are predominantly minorities. To disqualify an applicant due to a criminal record is to therefore disqualify a minority. Since *Civil Code* §798.74 specifies the basis for declining a tenancy offer, the extent to which a criminal background check, if used at all, is possible or prudent should be decided with legal counsel.

Mobilehome Tenants Can Stay Free! (While the PTO is Suspended, Anyway)[3]

■ UPSHOT

The suspension of the Permit to Operate a mobilehome park results in a parade of potential horribles. The park operator cannot collect any rents. Suspension of the PTO is a calling card for the tenant lawyers to circle and move-in. The attention and risk of prosecution from many agencies is heightened. So it is with some surprise that a park operator, given all the time and cooperation emblematic of the approach taken by HCD in such matters, allows itself to be so precipitously positioned.

■ PTO SUSPENDED

According to the Desert Dispatch, HCD suspended the PTO for Hacienda Mobilehome Park, and further stated that the homeowners could continue to live there. "*HCD (Department of Housing and Community Development) suspended the owners' ability to conduct business, such as collecting rent,*" HCD spokesperson Alicia Murillo said. "*The tenants can stay*."

In accordance with everyone's knowledge and experience in this business, Chief of Field Operations for HCD Chris Anderson said the park operator is ultimately responsible for the code infractions. The park has an [allegedly] failing septic system and was also [allegedly] out of [alleged] code compliance for [alleged] faulty electrical panels.[4]

"Our action is against the park owner for not taking care of the health and safety violations at the park," Anderson said. Despite pulling a permit, no work has commenced, here a week later in regard to the sewer system. "But as far as I know of today they haven't begun any of the work," he said. "The main thing that we got to do is get a safe environment in the park. They've got to get on that and start making those repairs."

Thankfully an honest resident stated that she and her family "haven't been affected directly by the electrical issues or overflowing sewage." Narratives such as this should be carefully documented and preserved!

Please feel free to contact Terry R. Dowdall, Esq., for further information and questions.

Terry

If you have any questions regarding the materials on our Website or any of the information contained therein, we encourage you to contact one of our lawyers in order to assist you in interpreting or clarifying any statement that you read in our PARKWATCH™. Thank you!

[3] BROOKE SELF, STAFF WRITER. http://www.desertdispatch.com/news/stay-14102-tenants-barstow.html

[4] "Allegedly," because as we all know, you cannot believe everything you read about mobilehome park owners.