

# HART | KING

## ATTORNEYS AT LAW

### News and Views for Manufactured Housing Communities

We recently received a gracious note from Bill Schweinfurth, Director of Operations, of Vedder Communities. With Bill's permission, we are pleased to share it with you:

*"Vedder Community Management has worked with the law firm of Hart King for more than ten years. We value our long-standing relationship with this excellent firm and its attorneys, and in particular, would like to give special kudos to partner, Boyd Hill. Boyd and I met when I was negotiating a citywide agreement between the City of Thousand Oaks and the City's park owners and residents. It was a very tough negotiation, and Boyd helped us to reach a solution that all parties could respect. It was a huge breakthrough in Thousand Oaks and received a lot of press coverage.*

*When we were approached with an offer to buy the Vedder Communities, I turned to Hart King to help with the legal side of that transaction. Believe me when I say that when you sell eighteen communities, four of which are on ground leases, there are a LOT of legal issues to resolve. We had tons of title issues, negotiations with defunct corporations which owned orphan parcels in our way, negotiation and coordination with multiple ground lessors with differing viewpoints, and the typical 100+ item checklist of important things to do in a sequential and timely manner.*

*Boyd and I worked closely together and handled all of the negotiations and legal work for the sellers in this transaction. We developed a great and friendly "in the trenches" relationship. Boyd and I would often be matched up with six to eight attorneys and negotiators on the other side. But it seemed like we always came out well, if not ahead.*

*The sale went off without a hitch. All properties closed on the same day. And the best part? The legal bills we paid ended up being far less than we had estimated for our legal costs for the transaction.*

*It isn't often attorneys are mentioned in the same sentence when using words like "fun," "inexpensive" and "successful" however, that is exactly what I experienced in working with Boyd Hill and Hart King, and I am happy to share these comments."*

# 2014

## THE YEAR IN REVIEW

- 2014 started off a bit on the painful side with the California Supreme Court's denial of a petition in the Colony Cove Properties, LLC v. City of Carson matter—not a surprise, but nonetheless unfortunate.
- We saw that keeping meticulous records and enforcing reasonable park rules go a long way in helping to ensure positive results when a park owner must appear before a judge over a residency issue. Just ask Hart King attorney, Robert Williamson, who obtained a unanimous jury verdict in favor of a property owner against a racial discrimination claim involving a 55 and older community.
- You spoke, your voices were heard and AB 2026, Mobilehome Park Denial of Tenancy, failed. This bill, had it passed, would have put numerous limitations and restrictions on the ability of park owners and managers to evaluate and approve a prospective resident's tenancy in a park or community.
- HR 1779, Preserving Access to Manufactured Housing Act, was passed. This bill amends the loan amount thresholds under Dodd-Frank that set criteria for manufactured home loans classifying them as "higher cost." It also clarifies that under Dodd-Frank, manufactured home retailers and salespersons would not be considered loan originators unless they receive compensation from a lender, mortgage broker or loan originator. Another positive development in reviving the manufactured home financing market.
- August gave the folks in Northern California a bit of a jolt with a 6.0 earthquake. Just another reminder not only for those of us on the West Coast, but that everyone should BE PREPARED for disasters the forces of nature can bring. As park owners and managers, requiring your homeowners and residents to carry adequate fire and earthquake insurance is extremely beneficial. In California, it is permissible for a park owner to require evidence of fire/casualty insurance.
- The State of California adopted legislation, AB 1522, that will mandate sick pay for ALL employees, effective July 1, 2015. In a nutshell, this bill guarantees employees the right to earn one hour of paid sick leave for every 30 hours worked, up to 24 hours annually. So, basically a minimum of three days or 24 hours of paid sick leave for every employee. You should review your company policies and handbooks to reflect these new changes as violations of this new legislation can result in penalties.
- You heard from us a few times about the California Public Utilities Commission (CPUC) Utility Conversion and what it means for park owners in 2015. The goal of this three-year pilot program, which runs from January 1, 2015 through December 31, 2017, is to fully convert 10 percent of all spaces in master-metered communities to direct natural gas and electric service. In order to apply for conversion, a "Form of Intent" must be prepared and submitted to the CPUC during the first ninety days of the program (between January 1 to March 31, 2015). If you are unable to locate a form on the California government website, just give us a call, and we'll get one to you.
- Finally, on the bright side, we are happy to report that there were NO substantive changes to the MRL for 2015. No news is good news!



Keith Casenhiser, Chad Casenhiser,  
Dick Bessire, Bill Schweinfurth

# 2014 Carefree Communities Vendor Classic

Hart King partners, Bill Hart and Boyd Hill, were pleased to receive an invitation to participate and support the Carefree Communities (formerly Vedder Community Management) Vendor Classic putting tournament this past November. Bessire and Casenhiser now manages all of the Carefree Communities in California, and they joined us at the tournament, which raised money for financial aid and rent assistance to Carefree's needy residents. It was a great day with perfect Southern California weather. Kudos to Bill Schweinfurth, the team at Bessire and Casenhiser and the team at Carefree for this successful outing!



## Save The Date

**Hart King Spring Legal Briefing  
Thursday, April 2, 2015**

**8:30 am - 11:00 am**

Doubletree Club  
7 Hutton Centre Drive  
Santa Ana, CA



## QUESTIONS?

Please contact Barbara Ericson  
(657) 622-4714 or  
bericson@hartkinglaw.com.

### CalARVC's RV Park Winter Getaway

Tuesday, January 27, 2015

Bakersfield RV Resort  
Bakersfield, CA

*Hart King partner, John Pentecost, is a featured presenter.*

### MHET 2015 Breakfast Forums

(4th Wednesday of the month at 7:30 am)

Wednesday, January 28, 2015

Avenue of the Arts Wyndham  
3350 Avenue of the Arts  
Costa Mesa, CA

### CMHI Annual Convention

Wednesday-Friday, February 25-27, 2015

Renaissance Esmeralda Resort & Spa  
Indian Wells, CA

### MHI 2015 National Congress & Expo

Tuesday-Thursday, April 14-16, 2015

Paris Hotel, Las Vegas, NV

*Please stop by Hart King Booth No. 409.  
We'd love to chat with you!*

### WMA 2015 Convention & Expo

Monday-Thursday, October 12 - 15, 2015

Peppermill Resort Spa and Casino  
Reno, NV

### WMA 2014 Annual Convention & Expo Planet Hollywood, Las Vegas, NV



### Enjoying dinner the evening before!

*From Left: Bill Hart, Chad Casenhiser,  
Chris Schweighart, Sarah Davis and Mindy Parish*

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Hart King proudly supports the following trade organizations and publications:



*The attorneys and staff at Hart King thank you for your continued loyalty and confidence in our firm. Our very best to you and yours for a happy, healthy and prosperous 2015!*

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