

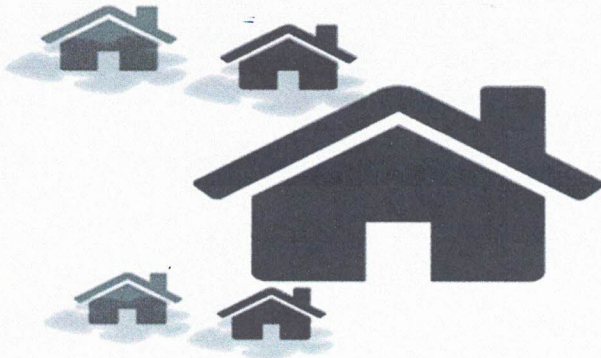
# MHOA(VIC) INC

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Manufactured Home Owners Association  
(Vic) Inc

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## NEWSLETTER

APRIL 2023

It has been a very busy time for the MHOA committee members who have done extremely well and should be congratulated. I am so proud to be associated with such a devoted group. Who would have thought we would have achieved so much in such a short space of time.

I especially want to thank our secretary, who through her ability to obtain the required information and compile the documentation accurately and professionally, has allowed us to achieve a grant of \$10,000 from the Mercy Foundation.



As President of the MHOA, I am proud to announce that these funds will go towards a website, brochures and info pack for residents with no internet technology and for MHOA promotional materials. Again, thank you all.

If there is anything our members would like to see placed on our website? feel free to contact us on [info.mhoa.vic@gmail.com](mailto:info.mhoa.vic@gmail.com)

### The MHOA Committee Members meeting held on 12.04.2023

Invitations were extended to other States' manufactured home associations to attend our meeting.

This was an exercise on asking questions, such as 'how did you get your associations up and running', 'what were the problems', and 'how did you overcome them?'

SA President, Chris Sloper, and secretary, Phil Byrne, both from SARPRA [S.A. Residential Parks Residents' Association] attended as did Rhonda Cooper, previously the President of the AMHO QLD, [Alliance of Manufactured Home Owners] now consulting with MHOA.

They have all agreed to attend our meeting regularly, roughly every three months. It is great to obtain the support of such experienced people who have the same goals as us.

Visit by Residential Tenancies Commissioner to Judy's Village at Kilmore 18.03.23

(See attached report)

Joint Campaign meeting MHOA and HAAG on 03.04.2023

**Fiona York, CEO HAAG** - *The purpose of the meeting is for us to start to work towards a campaign strategy. We will go through what's been done to date, then have Dini, our advocacy lead based in NSW, deliver some of her advocacy training and then hopefully have some agreement on the next steps, including where HAAG and MHOA can work together on shared goals.*

Meeting with Sarah Connolly MP for the western suburbs

**Judy** attended a meeting on 30.03.2023 where Sarah Connolly, MP, was visiting a village in her electorate.

I was impressed, as I found Sarah to be a down to earth politician who actually listened and had empathy for what was being said, which I find very rare these days. See for yourselves with some of her comments below:

**Sarah** explained that her father was a milkman and her mother was an aged care worker, and coming from humble beginnings showed in her responses to question from the residents.

**Sarah** - One of the things I enjoy most is coming out and talking to people, whether they are nine years of age or people at the other spectrum of their lives in retirement and at lifestyle villages such as this one. Everyone has different stories.

**Sarah** - I am hearing more and more stories that I find quite concerning, and I find it is intertwined with the way these villages have been set up and under what legislation. Then how that plays out with the challenges you have to overcome in here, such as affordability and livability.

**Sarah has asked her assistant Sean** - You felt very strongly that there was total abuse of residents and a power imbalance. We were trying to work out what other ministers we are going to talk to; maybe Colin Brooks, the Housing Minister.

**Sarah** - In 'xyz' Village people are afraid to say anything, they just want to get by. There are others that have had the house subsidy. Management refused to do anything and they were left only one option, VCAT.

**Sarah** - There's no excuse for that. It seems to me that looks are deceiving and as I scratch below the surface and look further, some of these villages are set up under caravan park legislation and they are definitely not caravan parks.

I am going camping, and have gone camping, and these are definitely not caravan parks at all.

**Sarah** - Because you are deemed to fall under caravan legislation, you are in that unique area and have fallen between the cracks. It has been raised by MPs, but not for years. **It has only been raised by yourselves but you cannot get anyone to listen.**

**Sarah** - What worries me is if any of you pull the plug here, even if you had money to pay, you would struggle to get accommodation.

**Resident:** *Even if we wanted to leave, we cannot afford to leave once in one of these villages. You are here for life. We could no longer afford to buy outside.*

*I could not get anyone to advocate my case to VCAT. I have to take it myself. They get government grants to advocate on our behalf and they pick and choose which cases they want to take to court. It seems they are being paid to sit on their hands and do nothing.*

*If someone presents you with a case, it means that that person has a problem. They need access to justice. It should be available so all our voices should be heard.*

**Sarah** yes, you're entitled to access justice and you are entitled to get what you pay for. You're also entitled to get dignity and respect whether you're here or in a nursing home.

Meeting- Danny Pearson's Office (Minister Consumer Affairs Victoria) on 20.04.2023

Judy and Carmel met with Danny Pearson's assistant, Alice Wilson-O'Neill

Areas discussed were –

### 1. Registered List of Residential Villages / Parks

RTA 4A is a miss mash of all different legislations put together with no coherence. Residential villages were covered by the caravan act and have evolved from more regular caravan park type legislation and doesn't really cover a lot of the issues that are important, especially when we are talking about a major asset that people have bought outright and own.

**MHOA** wrote to 64 councils in Victoria asking for a list of villages in their municipality. Most responded with **-The planning department doesn't keep a list of residential villages on file.**

Alice showed interest in this area and will look into further.

### 2. VCAT- is not an effective model

If we all had to collectively make sure everyone was wearing their seat belts, it would not work. If you have to enforce every single section of the law and there are no police that can enforce the law, it does not work.

VCAT is the only option for a determination. An elderly resident is usually confronted by the lawyers representing village management, who intimidate and threaten at every level. If a resident or residents' committee take their cases to VCAT they are called "vexatious litigators". Operator's lawyers use this as an option to have cases dropped by VCAT.

So, there is a fundamental problem with how dispute resolution works, in that we are all reliant on VCAT. Once again, a perfect example for an ombudsman.

"If you hear from one person it may be a sad story, but if you hear from 50 or more people it is not just an individual that has got a problem, it's something systemic that needs to be changed "

Each VCAT decision is treated as an individual decision, but without it, things just go on as they are. In the short term, residents need to go to VCAT to address things. In the longer term, we do need to think about a better model for how these things are dealt with.

MHOA believes the RTA 4A legislation should be amended to allow for residential village homeowners to act jointly in relation to a residential village/park dispute, that 91ZK threats and intimidation to homeowners be included to allow for a balance of the RTA 4A towards residents. MHOA (Vic) finds this omission in the Act to be an imbalance in favour of the rental provider.

1. VCAT is our only option for a determination, but if a residents committee member takes their cases to VCAT they are called a "vexatious litigant"
2. That Victorian Legal Aid lawyers be trained in RTA 4A legislation and that they are made available to all MHV residents who need assistance and advice in taking their Operators to VCAT.

RTA 4A in Victoria 206ZU in Part 4A - 'Quiet enjoyment', has a vague reference to quiet enjoyment which does not go far enough in protecting residents.

A dedicated Ombudsman for RTA 4A residents was discussed, and we were advised to put in a submission to the RVA (Retirement Villages Act) Review that closes on 1<sup>st</sup> May 2023. We have made a submission and hope our recommendations flow on to the RTA 4A.

**Consumer Affairs Victoria** - This model is also not working. There should be a really clear process that CAV can act on and ensure that the operator is complying. Feedback is important on compliance or non-compliance for a resident, otherwise how would a resident be expected to know if they should proceed to VCAT, or why make a complaint to CAV in the first place if there are no consequences for bad behaviour.

### 3. Standard leases - Unfair lease agreements

Lease/site agreements are not standardized. Some include unfair, unreasonable and possibly illegal conditions.

The difficulty is that, even though these leases are not lawful, you would need to go to VCAT to obtain a determination.

Because nobody does anything about it, there are a lot of charges, even some of the deferred management fees (DMF) [also known as exit fees], being charged which are not lawful but people unknowingly pay them, and the issue never gets properly addressed.

It is interesting that if you're a renter in Victoria or a rooming house resident there is a prescribed lease with standard terms that you have to be offered but if you move into a residential village/park then the owners or their lawyers come up with the agreement themselves, which are complicated and unfair to the residents.

They're written in ways that are never understood. They are drafted in ways that are designed to be unfavourable to residents

### 4. Fees and Charges are outstripping the pensions of some residents living on pension only

MHOA: The argument put by the industry, that the DMF/exit fees help to keep the site fees at an affordable cost, has been debunked.

I compared two villages that have the same facilities. One has no exit fee, while we pay 3 per cent in exit fees for 12 years, or roughly \$9K per year. They have a \$40 per quarter water fee that we don't have. Working it all out, we pay \$28 more per year than them but with our exit fee it is significantly more.

Alice's direction on this part of the discussion was more on the transparency of fees at the time of buying, and further upfront information in documents.

Until now we have had no representation to MPs, but this is slowly changing. My personal belief is that if MPs grow ears and listen to the people living in our type of villages, improvements would be made.

The MHOA we will continue to be your voice with any MP who will listen.

As the president of the MHOA, I want to thank all our members for their support and interest in assisting us in any way possible. Let's continue to speak up. The louder the voice the better for all manufactured home village residents. You all remember the adage "The squeaky wheel gets the oil".

Encl.



18th March, 2023

**Presented by:** MHOA (Vic) Judy Duff, President)

**Speakers:** Commissioner for Residential Tenancies, Heather Holst

Mark O'Brien, Strategic Advisor to the Commissioner

**Venue:** Kingsgate Village Community Centre, 40 Royal Parade, Kilmore

MHOA invited the Residential Tenancies Commissioner, Heather Holst, to our village to introduce herself to the residents and explain her role as our commissioner. We have provided residents a platform to describe their experience and ideas on village life.

Invitations were sent via post and email to all Kingsgate Village residents and parks within close driving distance of Kilmore it was sent to their residents and Residents' Committees.

What you tell us at these meetings will be used to provide advice to government and help us to advocate to make residential parks better places to live in.

MHOA will be collating the feedback given by the Kingsgate residents and will send a copy of this report to Heather Holst, Commissioner for Residential Tenancies, and all our MHOA members.

### **Thank you to the residents**

The Commissioner, Heather Holst, and MHOA would like to thank the nearly 90 residents who participated in this event. Between the Roundtable of 70 residents in August these two meetings combined have allowed around 160 residents to come forward and tell the Residential Tenancies Commissioner and, in turn, government their experience of living in residential parks.

MHOA acknowledges that there are many challenges faced by residents and committed to being your voice for change.

### **Background**

The MHOA has co-hosted a meeting of residents from Kingsgate Village to hear from these residents in their own words about their experiences of living in a residential park.

### **Residential Villages / Parks**

The basis of the industry is that residents buy the house but lease the land it stands on. They have ownership and, in some instances, where there are exit fees, residents forfeit a large percentage of capital gain when they sell the house. The weekly land rental covers all resort facilities and maintenance.

## Issues and Proposed Solutions

The following provides summarised feedback received from residents at Kingsgate Village, and two residents from another village with some direct quotations, and proposed solutions to issues from residents. Participants have been deidentified.

## SUBJECTS DISCUSSED

### Fees and charges, Rent/Site Fees

The amount of fees in residential parks are a concern for residents. Residents own their homes and feel they are only paying for a small site which their homes sit on. The manufactured home industry includes some of these fees in their lease agreements, however, these fees and hidden costs requires a bottomless pit of money just for having a home on a site.

There is too little accountability by park owners in being transparent in their financial status and operating costs. They do not have to produce their financial records to the homeowners and yet they can increase the site fees under three different components according to the present Act. Why do they need three areas?

These fees include:

- site fees that increase every year without acknowledgement of what these fees are used for.
- exit fees / site fees (site fees continue even after death),
- exit fees are restrictive to residents who would move on if the village life is not to their liking.**
- capital gains that mostly go to management.

### Quotes from residents Fees and charges, Site / Exit Fees

"Why do we have to have such high fees and charges when we have already bought the unit, we pay the maintenance on our homes, put in capital gains which goes to park owners when we sell"

"I understand we don't own the land, but the fees for renting a site seem extreme to me"

"I don't believe these areas were explained properly on buying. I have come from a village with no exit fees and then realized that it wasn't explained fully. Instead, we were told that it was 3 % per annum, but then realized it went for twelve years, which meant that when we move out, we will be paying 40% back to Kingsgate"

**"Why can't the government get standardisation on these types of villages?"**

**"Why can't we get support from the government instead of worrying about train lines?"**

"We put in capital gains so it should be capped at what we paid for our homes, you would find that a lot of people would go along with that, we put thousands into our homes that just go into the pockets of management. Even if you want to remove your home you still need to pay DMF we cannot afford to do this."

"When I came in here, I questioned the exit fees. I was really astonished. We came in from T,,,,,, and we made a profit when we sold our home. I questioned him **on the fees and he flew at me.** I asked to renegotiate and told him it was not fair considering I was coming from and extremely well-run village. I was appalled, after this I thought oh well it doesn't matter, but it does matter, not just to me but to my children, **the government should make laws to restrict the amount of deferred management fees.**"

"I buy the unit, I pay for the upkeep, it's my unit so why are they continually taking money from me. If they want money when I sell that's wrong. It's supposed to be for maintenance of the village, but instead of being used for this purpose, **it goes straight into management's pocket**. There is no maintenance done in our village."

"The new residents coming in here are paying higher fees than what we are, why is that? We use the same facilities. I think it stinks. I compared my fees with a resident friend of mine and she pays \$40 more than me. I think it's wrong that incoming residents' leases are different to ours."

From a resident living at a different village: "I pay half my pension in rent. We have a hall and nothing else. It's hard to buy food, pay bills and 90% of the people where I live stay home as they cannot afford to go out.

If I sell my home for \$220,000 less than the valuation put on it by management of \$285,000, do I pay my exit fees on my valuation or on management's valuation when I sell it? It seems to me we all have a problem with our exit fees. Why is it that in 10 years or 12 years if we have improved our property this should go in our pockets - not managements."

**Judy:** Before you pass on, tell your kids to sell for whatever they can get and get out, otherwise the fees will diminish whatever extra money they would get on the higher price anyway. Unfortunately, they need to know that.

**Heather:** The argument put to me by the industry is the exit fees help to keep the site fees at an affordable cost.

**MHOA** has debunked this argument when Judy compared two villages that have the same facilities: One has no exit fee, while we pay 3 per cent in exit fees for 12 years, or roughly \$9K per year. They have a \$40 per quarter water fee that we don't have. Working it all out, we pay \$28 more per year than them but with our exit fee it is significantly more. We want to know why the people that run these villages say they need the exit fee to maintain things – if you work on these two scenarios it just doesn't add up, the same facilities, and there is only a difference over a year of \$28 more.

**Heather:** The other thing to say is that you are in a for-profit sector. I understand there are a few not-for-profit retirement villages, but I have not heard yet of any not-for-profit residential parks, so the open market is a factor. Incoming people know that house prices and rentals are rising, and the same applies here i.e., it is a matter of what the market is willing to pay.

**MHOA-** Some villages are better than others. We have to have a scenario of middle ground to take to government. The MHOA have always argued that exit fees should be abolished, but if this was not an option, we believe that the exit fees should only be on the price paid for your property, while these fees apply **"People can't afford to stay and can't afford to leave."**

### **Contracts/Lease Agreements**

**Judy:** The MHOA wrote to the Law Institute and asked them if they could look at our leases and tell us if they are valid or not so that we could come back to the residents and advise that the leases should be taken to VCAT or not depending on the outcome. They have 19,000 lawyers and their response was that they have no lawyers with knowledge of RTA 4A legislation. If they don't understand the RTA legislation, how are we supposed to know what we are signing when we signed our leases.

**Mark:** When you think that terms in your contract are not lawful and cannot negotiate a resolution with the property manager, you need to go to VCAT to obtain a determination.

## Quotes from Residents

"I don't believe that areas in the lease agreement were explained properly on buying. Leases are complex, they lack transparency. New residents say more information is obtained from talking to other residents once living in a village and comparing leases. Complex clauses are only then made clear when it is too late. I asked to renegotiate the clauses in my lease and told him it was not fair he flew at me I was appalled. After this I thought 'oh well it doesn't matter', but with time I realized it does matter, not just to me but to my children as well. When buying pressure is placed on making a decision even if you are unsure if you should sign or not, you will anyway and face the consequences later.

From a resident at another village: "**Fire levy** we don't pay rates but they tried to charge us all the fire levy. We went to CAV and they withdrew these fees. We do not believe they were lawful. In principle this should not be charged to residents. CAV believe this to be unlawful and should only be paid by the land owner.

**Judy:** Any other resident being asked to pay Fire Levy should contact CAV. Question from a resident could not be totally heard on tape: "... if we signed in the first place, can we change our agreement?"

This was added by a resident that could not attend the meeting: "We were given the lease on the day we were meant to sign it. You're meant to be given 20 days to look at it. We were sitting at the desk with the owner/manager on the day we moved in and signed the lease."

**MHOA- Standard Leases:** -Village contracts are complex hybrids that are cunningly designed to look cheap – when in fact they are not. All Manufactured Homes Contracts need to be standardised in plain language allowing for prospective residents to understand what they are signing up for.

**Lawyer Training:** Lawyers need to be trained in RTA 4A legislation. If elderly residents are relying on them for advice with their contracts, lawyers require knowledge of the RTA 4A legislation. Importantly, costs need to be kept at an affordable rate for pensioners.

**Heather:** I am sure that a lot of you, when coming in, in the first place would have had someone look at your contract and given you advice on if it was okay - just like you would have with any other house purchase, and they probably said it was okay. But the question is how well informed they are about this branch of the law. So that's a structural problem that we are aware of as well and that circles back to the other problem, that there are a lot of residents and this is a growing area.

**Judy:** That's something we [MHOA] are looking at standard leases. So, what's being said is that if you're not willing to take it to VCAT and challenge the clauses in your leases, you need to accept that you're going to pay these fees. It's up to individuals to go to VCAT for themselves.

Can I ask how many residents signed the amendments to their lease agreements sent out during the covid period? if you did sign, can I just advise that prior to signing amendments to your lease you should obtain advice preferably legal advice. I sent an email to the Kingsgate solicitors, saying that this should not be sent out because without some information being given, most would sign it without talking to anyone before signing, so please do not sign any variations to your lease without first obtaining advice.



**Heather:** Yes, I think that is good advice. Most of you know about Housing for the Aged Action Group [HAAG], that is a great place to go for information.

**MHOA** were advised by the Law Institute of Victoria, with over 19,000 lawyers, that they were unable to support residents due to the lack of expertise on residential tenancies legislation.

### Maintenance Fees for No Service

Our principal concern is the unwillingness to acknowledge requests for maintenance.

Whilst it seems obvious the operator would be responsible for repairing and maintaining the land they own, at times, this responsibility has fallen to the site tenants.

Home owners purchase only the home, shed or carport. Associated structures such as boundary fences, retaining walls are essential to the integrity of the site. Concrete driveways and concrete slabs are all part of the site and the responsibility of the site owner.

Essentially, anything that cannot be taken away by the home owner at the end of the agreement is part of the site. They include driveway and site slab (concrete). It is unacceptable for the Act to enable operators to pass on to home owners the cost of repairing, maintaining or replacing essential infrastructure.

### Quotes from Residents

Some residents commented “what maintenance”?

“The village had no maintenance plan, and never has. We have concrete broken that has been there for years. This was taken to management on numerous occasions by the residents committee and, nothing has been done.” “Trees with protruding roots, gardens in appalling condition.”

“There was no lift to get upstairs until 2021 making the upstairs area inaccessible to many residents, who continued to pay full fees. Residents have never received a reduction in fees.”

“We need 24-hour managers not part time. We were told there would be caravan storage on buying our unit, this has never eventuated a fully equipped men’s shed was also promised “Make it a persons shed.”

**Judy:** There is going to be a men’s shed but we are only getting a half shed and it will not be fully equipped as advertised when buying into the village. Management refuse to consult with the residents who have been paying for these promised facilities for 11 years, and are still not completed.

**Mark:** Asked, what are the outstanding maintenance issues? (**Judy** said she will send a copy of all the outstanding issues from Residents’ Committee Meeting paperwork for 2021 to Mark from when she was on that Committee).

### Dispute Resolution / Ombudsman

The MHOA (Vic) has provided feedback to the regulator regarding the experience of home owners complaining about operators’ non-compliance of the Act. Many home owners have reported breaches of the rules of conduct to the regulator and been disappointed by the outcome. They report that no action was taken and the operator continues with intimidating conduct with apparent impunity.

Many of the disputes that arise in MHV communities do so because the operators will either willfully dismiss their obligations under the Act or do not understand it. An ombudsman is important for the health and wellbeing of residents which would also alleviate the stress of going to VCAT. We deserve a low-cost, external dispute resolution as an alternative to VCAT for residents vs. operators/owners as there is an imbalance of power.

### Quotes from Residents

“He flew at me I was appalled” when presenting issues to management female residents are subjected to intimidation. Some residents are told “if you’re not happy, pack your bags and leave.”

“When you put issues in writing there is no response. When documentation is sent to residents it is not signed or dated.”

“We have no residents’ committee to take collective requests to management. When there was one, this did not resolve anything as the operator/manager is unwilling to address the issue even if this conflicts with the law.”

One resident who has approached management has been threatened with eviction, intimidated and harassed. There is the perception with other residents that if you raise an issue this makes you a ‘troublemaker’ which causes social isolation from the other residents.

### Training of Operators

There is a necessity for training under the law to improve communication skills and on enhanced skills in interacting with older people’s needs. The continued verbal abuse and intimidation of elderly residents, requires professional training on the subject of elderly abuse. Operators/owners and staff need to have compulsory training on how to deal with ageism and their attitudes towards the elderly.

**Judy:** I visited a village in K,,,,, and they have nothing [facilities] compared to us. We all have our issues some are worse than others, but we need to talk with one voice - the louder the better. We need to have middle ground that we can take to **MPs and the politicians need to grow ears and listen to us.** We need to change their attitudes.

### Quotes from Residents

I myself have been subjected to threats, bullying and intimidation tactics by management that has been documented, so I can empathize with the residents that have been subjected to this sort of behaviour.

Comments from a resident unable to attend meeting: “We need more protections from abuse in MHVs. There are many incidents in our village of threatening behaviour by operators/managers against residents who speak up about issues. Threats of eviction are common to deter the raising of issues, threats of bringing in lawyers. Bullying/intimidation are tactics used against residents. Residents need to be dealt with by people who have experience in managing older residents with respect and dignity, not just complaints handling.”

Other residents who were unable to attend the meeting ‘felt exposed and vulnerable.’ Their comments were, “it depressed me that the same was happening across the MHV.” **“We desperately need legislation protections.”**

## Mandatory Registration of Villages

Consumer Affairs Victoria (CAV) could oversee a public register of MHVs as they do for retirement villages (RVAs) with penalties for non-compliance. South Australia has a register and a comprehensive public website to search many aspects of each village.

**This was discussed and agreed but was not a pressing issue at this time for the residents that were present**

## Stand Alone Legislation

Unfortunately, MHVs are poorly regulated. Some fall under legislation covering caravan parks and others under the Residential Tenancies Act Part 4A. Residents of manufactured home villages (MHVs) enjoy few legal protections and mechanisms for recourse which can lead to exploitation by village owners and/or operators.

**Heather:** Stand-alone legislation for MHVs may be a good way to go but I would point out that you do get rights under the Residential Tenancies Act. I don't have a view about which way it should go because I think what you're saying about there being particular things about manufactured home parks that are not covered under the ordinary RT legislation is a good point, and possibly increasingly actually, but there are some fundamental rights in the RTA that you would need in a stand-alone new Act too.

## Sale of Dwellings

**Judy:** Management have told residents who are selling their dwelling that they cannot turn off their electricity and gas. The residents have been paying utility bills [supply portion] continuously while waiting for a sale. This is incorrect. Gas and electricity should be disconnected and reconnected by the buyer after taking possession of the property, the same as any private home.

Residents felt that, as stated above in fees, management will gouge fees at every time in your life including the sale of your property

## Quotes from Residents

"Operators/managers handle the sale process and have a vested interest in selling new units first. By not showing buyers pre-owned homes it extends the time it takes to sell, which in some cases can be 18 months or more before a sale is initiated. This works in favor of management as they still receive site fees."

"Why do our leases not have any clarity on fees after death? How would our estate that inherit these contracts know that rent is paid until the dwelling is sold? If a person passes why can management continue to charge residents that have no family and friends? In the end management reclaim the home. What bothers me is that it takes so long for houses to be sold." "If someone can't sell and they go into care, then the family has to continue to pay site fees."

From a resident at another village: "In our park if when the parents have passed and the family are selling your home and they are struggling to sell it they are paying rent in the time they are waiting to sell it, management will offer them \$70,000 for a house worth \$220,000 and he will do it up and rent it out, yet in our lease we are not allowed to rent our properties. When I moved in three years ago he had three now he has 13 and rents them out at top dollar."

**Heather:** This goes to the point of standard contracts to make sure everything is actually lawful. For example, for an ordinary residential tenancy there's a **standard lease** and there are extra conditions sometimes put into that but it is pretty clear to you where there is an extra condition because it would be in a certain part of the lease. A standard MHV contract that's been checked out to be lawful would be a good starting point.

**Closing remarks from Heather:** I hope you regard me as a friend to your issues and an interested person as to what you have to say. If anything, new happens, please get in touch.

I can also give you an assurance that I am representing your issues to those who have the say on policy and legislation, and that there is interest.

I think that with the fact Judy, Carmel and Kevin and the others that have formed their group [MHOA] and are talking from the ground up basically of who is affected and how they are affected has been very persuasive.

I can't promise you what I have heard today will be translated into changes to legislation but I can promise you that I will represent the issues to the people who need to hear about them.

I would also like to end with a note to keep in touch - you can get the email address through Judy or the website or just google us and you will be able to find us.

Thank you very much for your time and your trouble today.

**Judy:** I have checked out the CPI and hopefully we will be going back to what's in our lease agreements on the 1<sup>st</sup> of January for our increases. As stated before, leases cannot be changed without our approval.

**Heather Holst -Commissioner for Residential Tenancies**

PO Box 24259 111 Bourke Street Melbourne VIC 3001

Phone: 1300 029 783 (External link) (9am to 5pm, Monday to Friday except on public holidays).

Email: [info@rentingcommissioner.vic.gov.au](mailto:info@rentingcommissioner.vic.gov.au)

More information on the Commissioner this can be found here:

<https://www.rentingcommissioner.vic.gov.au/>

**HAAG** is a very good point of call for advice

Housing for the Aged Action Group Inc.

*Working with older people to achieve housing justice*

1<sup>st</sup> Floor, 247-251 Flinders Lane, Naarm (Melbourne) VIC 3000

[www.oldertenants.org.au](http://www.oldertenants.org.au)

# PROPOSED SOLUTIONS

## Fees and Charges - Site Fees

- That rental increases are capped to a percentage of the Aged Pension.
- That the use of Market Rent Review as a mechanism for rental increases, is terminated.
- That home owners who object to the increase in their rental, have access to an advisory body of legal people with a knowledge of the appropriate legislation.

## Fees and Charges - Exit Fees

- Exit fees not be abolished BUT the fees should only be on the price paid for the home, not the sale price.

## Contracts/Leases

- Standard Leases - As stated in the article above, village contracts are complex hybrids that are cunningly designed to look cheap – when in fact they are not. All Manufactured Homes contracts need to be standardized in plain language allowing for prospective residents to understand what they are signing up for, **and that no additional terms can take away residents' basic rights and responsibilities.**
- Lawyer Training - Lawyers need to be trained in RTA 4A legislation. If elderly residents are relying on them for advice with their contracts, lawyers require knowledge of the RTA 4A legislation. Importantly, costs need to be kept at an affordable rate for pensioners.

## Maintenance Fees for No Service

- A licensing system be mandatory for MHVs. This would enable the regulator to more effectively monitor and deliver operator education and engage with operators regarding non-compliant behaviors.
- The Act must clarify that the operator is responsible for maintaining the residential site, that hardscaping such as concrete driveways and slabs and retaining walls, that support the integrity of the site plus boundary fencing being part of the site, and notices of dilapidation can only be issued regarding the home.
- That all maintenance requests be placed on a schedule stating date request was received, commencement date of proposed works, proposed completion date and should be available to all residents. Legislate consequences for non-compliance if completion dates continue to be delayed without consultation or with residents' approval.

## Training of Operators

- Mandatory Management Training/Accreditation that ensures staff and management have the awareness to approach residents with respect and fairness at all times.

Note: A tax deduction is available to any business towards the training of management and staff these benefits to the business would be high and the cost would be minimal.

## Dispute Resolution / Ombudsman

- An ombudsman with the power to intervene in disputes. If this proposal is accepted, the Ombudsman's jurisdiction should be clarified and amended to include all RTA 4A residents. Binding decisions would be in direct contrast to CAV who have no power to make binding decisions. Residents would have confidence that whatever the outcome they are able to then get on with their lives without the disruptions of going to VCAT.
- The Act must be expanded to cover correspondence between the operator and a resident or residents' committee.
- Protections for residents: - Operators be required to comply with the Act. A "Threats and Intimidation" clause should be added to the Act wherein management show respectful behaviours toward tenants, with consequences for non-compliance. [RTA 4A 207Y clause – reversed – tenants toward management & their employees.]
- Adopt Queensland MHV legislation: "104 Park Owner to respect rights of home owners and other residents" and "Part 20 General - 141 **Home owners may act jointly** in relation to residential park dispute."
- The Act should require operators to respond to all written correspondence from a resident or the residents' committee within five working days.
- If an operator appeals a tribunal decision to a higher court, the resident should be afforded legal aid to defend against that appeal. Even a threat of going to a higher court will most likely cause a resident to withdraw from the whole dispute - which, in many cases, is the whole object of such a threat.

## Mandatory Registration for Residential Villages

- A licensing system be mandatory for MHVs. This would enable the regulator to more effectively monitor and deliver operator education and engage with operators regarding non-compliant behavior.

## Stand Alone Legislation

- Taking on the information from Heather this was an issue that everyone agreed. Having heard this and knowing Heather's principles is the wellbeing of residents, the MHOA would accept changes to the RTA 4A if protections for residents and other issues raised by us are included.

## Sale of Dwellings

- Information with all pertinent regulations regarding the bequeathing and inheritance of relocatable dwellings be included in site agreements and must be clearly explained to the purchaser by the park owner prior to the signing of any agreement.
- That the Residential Tenancies Act Part 4A be modified to include a section on the bequest and inheritance of relocatable dwellings.