



A. HUNTER PROPERTY MANAGEMENT, INC.

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VOL. 13, No. 2 SEPTEMBER 2011

Time Matters

Featuring Information on our Services, News, Views & Tidbits...
KEEPING YOU ON TOP OF YOUR INVESTMENT!

Prepare Now for Your CCR

(From PMHA Perspective May/June)

Every year large and small water systems must provide to their customers a Consumer Confidence Report (CCR) giving the facts and figures regarding the water your customers drink and use. In Pennsylvania the CCR report is due July 1st and is probably one of the least read documents your customer receives. Therefore, now might be the best time to do a little PR.

Your CCR does not have to be fancy but it does need to contain these items of information: water system information, the source of your water, definitions of the terms they will find in the CCR, detected contaminants and required educational material with an explanation of contaminants and their presence in drinking water, a warning for vulnerable populations about cryptosporidium, and informational statements on arsenic, nitrate, and lead as required by the state.

Need help creating your CCR? The Environmental Protection Agency has designed CCRiWriter (<http://water.epa.gov/drink/info/ccr/tools.cfm>) to help you along. This web-based program allows water system operators or designated personnel to enter data and generate a CCR. This program walks you through all the required sections of the CCR, helps you convert lab results, and allows you to insert and edit the EPA'S recommended text into your report.

House Bill 1182 Expands Disclosure Requirements

Representative Kate Harper (R-Montgomery County) who spearheaded the passage of HB 2212 which became Act 80-2010 is at it again and has introduced House Bill 1182. H.B. 1182 would require all land leased manufactured housing communities to provide all new and existing residents with the long term disclosure which was outlined in Section 6 (e) of Act 80.

It is Representative Harper's opinion that land leased manufactured housing communities state-wide are not in compliance with Act 80 and that community owners are converting leases to month-to-month in order to not have to provide the required disclosures.

Several weeks ago, industry members met with Rep. Harper, Rep. Chris Ross (R-Chester), Chairman of the Urban Affairs Committee and their staff to discuss our concerns with making such a change after the majority of the communities have spent 1000's of dollars and 1000's of people hours complying with Act 80. The meeting did not go well. They challenged our claim that a majority of the communities were in compliance and accused community owners of converting yearly leases to month-to-month in order to not have to provide the required disclosures.

Letters have been sent to the Urban Affairs committee opposing the legislation and asking the committee to give Act 80 a chance to work. We will continue to monitor the legislation. For a copy of the letter and/or a copy of the bill please contact PMHA.

You're
in
good
hands
24/7
with
A.
Hunter

A. HUNTER

Metered Utility Billing

We can bill your residents for utilities.

If you have metered utilities, you can send us your readings and we will bill your residents. Bills can also include rent amounts and/or other charges. It may also be possible for us to read your meters and bill your residents!

APPLICATION PROCEDURE

Act 261 amendments have also changed the way we do business when it comes to prospective lessees. We can help you with this... feel free to contact our office.

WE CAN HELP YOU COMPLY WITH ACT 261 AMENDMENTS...

As you can see throughout this quarter's newsletter, the changes to Act 261 are significant and can be overwhelming. **A. Hunter** has been working with this new Act for several months, and is familiar with the changes and how to bring your community into compliance. We've been working with many community owners over the past few months, helping them to bring their communities into compliance and would love to do the same thing for you. You don't have to have our full service management service, we will take on this project for you, even if you are not a management customer.

But, this does show one reason why it is beneficial to have A. Hunter Property Management manage your community... our existing management customers had all of this work done for them for free, it was included in their management fees. This is a large project, and they didn't have to lift a finger.... We do all the work, so our owners don't have to.

FOR A FREE COPY OF THE NEW ACT 261 WITH THE AMENDMENTS, PLEASE FEEL FREE TO EMAIL LISA@AHUNTER.COM AND I WILL BE HAPPY TO SEND YOU ONE ...

Along the same lines, don't forget, Act 261 is one of the documents that must be posted in your office or on your bulletin board, so that it is readily accessible to your residents.

HUD Office of Manufactured Housing Launches Newsletter

The HUD Office of Manufactured Housing Programs has just launched a newsletter which they will periodically issue to "enhance communication with consumers and industry stake-holders by providing information on manufactured housing topics of interest."

The first edition can be accessed here:

<http://www.hud.gov/offices/hsg/rmra/mhs/facts3.pdf>

You can also sign up to receive the newsletter directly by emailing mhs@hud.gov.

Did You Know...

that our management services include attending the DJ hearings, working with contractors on your behalf, screening residents, preparing new lease agreements...and so many other functions. Everything is done at one rate. We don't charge extra for tasks that should be included in full service management

We have updated our website to show available rentals— which is beneficial to owners as our site showcases their properties

www.ahunter.com

LEARN HOW **A. HUNTER PROPERTY MANAGEMENT, INC.** can make your rental property a **NO-HASSLE** Investment

Includes links to other manufactured housing industry related sites providing you with a wealth of information.



Pennsylvania Amended Act 261

Bring Your Property Into Compliance – WE CAN HELP!!

The MOST SIGNIFICANT CHANGES IN 34 YEARS HAS JUST BEEN SIGNED BY THE GOVERNOR AND WILL TAKE EFFECT MARCH 18, 2011.

(From PMHA Pennsylvania Perspective)

HB2212 (Act 80-2010) presents the first changes to Act 261 since 1976. Manufactured housing communities will need to be in compliance with the changes to the Act by March 18, 2011.

Major changes include new and expanded definitions, mandatory written leases, additional postings, as well as additional disclosures, for existing and prospective residents.

If you currently use a month-to-month lease then you will have to provide a new written lease to your current residents that is compliant with changes created under HB2212 by March 18, 2011.

Effective March 18, 2011, you will be required to post the following in “the public portion of the community office or other conspicuous and readily accessible place in your manufactured home community.” This means if you have a community office or community center, the postings can be placed in those areas. If not, then you will need to post these documents on a bulletin board within the community.

- Act 261 of 1976 as amended by Act 80 of 2010
- Copy of your Policy and Guidelines (Rules and Regulations)
- Fee Disclosure Document
- Rent Change Notice

The Rent Change Notice is to be posted 30 or 60 days prior to the change based on the term of the lease and can be removed once in effect. It must also be posted each and every time you have a rent increase in the community (meaning if you have staggered increases based on when the lessee entered the community you must post individual change notices and identify which home spaces are changing).

Effective March 18, 2011 you will also be required to provide the following forms to prospective lessees prior to them signing the lease or taking any fees for rent:

- Disclosure cover sheet (must be word for word from the Act and in the format required in the Act)
- Copy of your Policy and Guidelines
- Fee Disclosure Document

Effective March 18, 2011, you must provide all residents the following:

- Written lease (with a term of at least 30 days, if longer than 60 days additional disclosures and postings are required)
- New Version of “Important Notice Required By Law”
- Policies and Guidelines

These changes will require you to completely re-think your management policies and procedures and will provide you with an opportunity to improve your current methods of working with lessees and other individuals living in your community.

A. Hunter has helped many communities in the following ways:

- We have worked with numerous owners to bring their leases into compliance
- We have met with residents in many communities, on behalf of the owner, to obtain new lease agreements

We would be happy to work with you, and assist you in any manner to help bring you into compliance by March 18, 2011.

NEW REQUIREMENTS FOR LEASES GREATER THAN A 60 DAY PERIOD *(PMHA Pennsylvania Perspective)*

The greatest impact of HB 2212 will be for those communities entering in leases that are longer than 60 days. The industry is highly encouraging you to re-think long term leases in light of the information below. Effective March 18, 2011, if you enter into new leases, extend or renew an existing lease for more than 60 days, you will be required to provide additional disclosures to your residents.

These additional disclosures are:

- The manner in which utility and other services, including but not limited to, sewage and waste disposal, cable television, water supply and storm drainage will be provided, and the entity providing them. The services and the lot rental amount or user fees charged by the manufactured home community owner for the services provided by the manufactured home community owner shall also be disclosed.
- An explanation of the manner in which the manufactured home space rental amount will be increased; including, but not limited to, notification to the manufactured home lessee at least 60 days in advance of the increase.
- Disclosure of any factors that may affect the lot rental amount, including, but not limited to:
 - Water rates
 - Sewer rates
 - Waste disposal rates
 - Maintenance costs, including costs of deferred maintenance
 - Management costs
 - Property taxes
 - Major repairs or improvements
 - Any other fees, costs, assessments or service charges that the manufactured home lessee is required to pay or that the manufactured home owner or operator intends to charge during the terms of the lease or rental agreement
 - Market conditions
- Disclosure of the manner in which the pass-through charges will be assessed

(continued on page 4)

Amended Act 261 *from page 3*

- A report of the utility fees charged for the manufactured home space paid to the community owner by a prior lessee during the previous 12 months
- Disclosure of all service charges currently charged for services offered which the manufactured home lessee may elect to incur and the manner in which the fees will be increased
- Any manufactured home community rules and regulations that have been established and an explanation of the manner in which the rules and regulations will be set, changed or promulgated
- The rent history of the manufactured home space for three full calendar years immediately preceding the prospective initial rental agreement date. This information shall be for basic manufactured home space rental only and does not apply to other fees such as late charges and guest fees. Additionally, the calculation of rent history shall be posted in the public portion of the manufactured community's rental office or other conspicuous and readily accessible place and in the same place as any rules and regulations that have been established for the manufactured home community are posted.
- Citations or other documents from Federal, State or local governmental agencies which require the manufactured home community owner to take corrective action, including citations from the Department of Environmental Protection regarding water and sewer. Such information shall also be posted within the community in the same place as manufactured home community rules and regulations are displayed until the corrective action has been completed.

Consistency is Key to a Profitable Community

We receive many calls from owners of communities whose biggest complaint is either, the residents are not paying rent (the delinquencies are high) or the residents are not in compliance with the Rules and Regulations. In order to have a profitable community, rents must be received by the owner in a timely manner. In order for the community to maintain value, it needs to be well managed, neat and clean. We have found that the solution to both issues is...

CONSISTENCY.

Every single month (not on the same day), we do a **thorough** inspection of every single lot. We have developed an Inspection Report that details each lot, and shows if that lot has prior violations, has received prior letters, etc. After doing a thorough inspection, we take the following steps: 1) we talk to the resident and follow up with a "Friendly Letter," 2) we send a firm violation letter 3) we move to a certified violation letter. If the resident has not complied, we send the final certified violation letter and file in the District Justice office. After the resident pays \$150 for legal fees, to be told to follow a rule, they typically will comply in the future, to avoid having to pay this cost. The result is clean, well maintained communities.

We also have a system for late payments, we send out late letters each month around the 10th of the month, if we still don't have the rent on the 20th we send a certified letter and by the beginning of the next month, we are in court. It is much easier for a resident to get caught up this early in the game, as opposed to letting the resident rack up a significant balance that they have no chance of catching up on. Again, paying a District Justice \$150, is not something a resident wants to do or can afford to do, so they will begin to make paying you a priority. The trick is to remain CONSISTENT.

You certainly have to take the individual tenant into consideration, if they are a resident who never misses a payment, and has a problem one month, then it's great to work with them. If it's the resident who is always late, always has excuses, and never pays as promises, it's time to take action.

If you do nothing else, remain consistent and you will see your community turn around both in residents complying with rules and a much lower delinquency.

A. Hunter Property Management 1-Day Training Service

Now you can put our 25 plus years of experience to work for you. We are available for a one-on-one advisory day for you and your staff. Owners and Managers can have us come in to brainstorm ways to improve your community, we can work with your employees or yourself.

If you are a new owner or manager or if you would like us to review what you are currently doing and help you come up with procedures that are the most efficient for your community, then our experience could prove to be invaluable to you.

For \$1150 per day plus expenses, A. Hunter will come to your location to help you with the following, plus whatever other needs you may have:

- Review operations manual
- Review Leases, Rules and Regulations
- Review applications and make suggestions for obtaining and retaining the best resident
- Create and/or review personnel policy manual
- Review employee orientation programs
- Help community managers begin to enforce Guidelines
- Help design a community newsletter and help write it
- Review in-house training programs and suggest improvements

What does your community or company need? We can help you obtain it!

Choose From A. Hunter's **2 Comprehensive Management Plans**

**OR WE WILL CUSTOMIZE A
PACKAGE TO SUIT YOUR NEEDS**

— **Monthly Responsibilities for Your Community** —

FULL SERVICE

1. Negotiate and complete all new and existing leases, resident information sheets, addendum clauses, etc. If owner wants all residents to have a new lease agreement, owner is responsible for the cost of copying and mailing the agreements.
2. Review all rental prospects through established criteria.
3. Handle all resident communications, including complaints, suggestions, rules notifications, overdue rents, rent increases, rule violations, etc.
4. Resident emergencies will be handled on a 24 hour/7 day basis.
5. Collect all rents and timely deposit of same in a dedicated property checking account.
6. Pursue all delinquent accounts and attend District Justice Hearings.
7. Conduct periodic on-site visits and enforce all community rules and regulations in legal accordance with PA Act 261.
8. Arrange and supervise employees and outside contractors to perform regular maintenance and leasing work for the property.
9. Solicit bids for lawn care, snow removal and maintenance/emergency work as authorized and approved by owner of community. Follow up for on-time satisfactory completion of all contracted services.
10. Pay all bills for the community, subject to owner review, if desired.
11. Provide a computerized monthly accounting of income and expenditures. Owner will be provided with copies of actual bills, and bank statements.
12. Work diligently and make every reasonable effort to maintain occupancy and fill any community vacancies through normal advertising channels, mobile home dealer contacts and other methods of self-promotion. All promotional move-in incentives will be submitted for prior approval by owner.
13. Provide owner with a written, detailed monthly report on the property including but not limited to: move ins/outs, resident notification, unusual activity, etc.
14. Newsletters can be sent to residents on a monthly or quarterly basis. Owner is responsible for the cost of preparation and cost of postage for the newsletters.

FULL SERVICE

WITHOUT BOOKKEEPING

1. Negotiate and complete all new and existing leases, resident information sheets, addendum clauses, etc. If owner wants all residents to have a new lease agreement, owner is responsible for the cost of copying the agreements.
2. Review all rental prospects through established criteria.
3. Handle all resident communications, including complaints, suggestions, rules notifications, overdue rents, rent increases, rule violations, etc. (Owner would give us a report on delinquent accounts.)
4. Resident emergencies will be handled on a 24 hour/7 day basis.
5. Pursue all delinquent accounts and attend District Justice Hearings.
6. Conduct periodic on-site visits and enforce all community rules and regulations in legal accordance with PA Act 261.
7. Arrange and supervise employees and outside contractors to perform regular maintenance and leasing work for the property.
8. Solicit bids for lawn care, snow removal and maintenance/emergency work as authorized and approved by owner of community. Follow up for on-time satisfactory completion of all contracted services.
9. Maintain occupancy and fill any community vacancies through normal advertising channels, mobile home dealer contacts and other methods of self-promotion. All promotional move-in incentives will be submitted for prior approval by owner.
10. Provide owner with a written, detailed monthly report on the property including but not limited to: move ins/outs, resident notification, unusual activity, etc.
11. Newsletters can be sent to residents on a monthly or quarterly basis. Owner is responsible for the cost of preparation and cost of postage for the newsletters.

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PROPERTY MANAGEMENT, INC.

PMHA CALENDAR

District Meeting - Bedford Area
September 8, 2011
Best Western Bedford Inn
Bedford, PA

**Central PA District Meeting –
Williamsport Area**
September 14, 2011
Chamber of Commerce Bldg.
Milton, PA

Card Agent Training Class
September 20, 2011
PMHA, New Cumberland, PA

Board of Directors Meeting
November 16, 2011
PMHA – New Cumberland, PA

Community Symposium
November 17, 2011
Comfort Suites Carlisle–Carlisle, PA



**Card Agent Classes are
expected in Fall 2011
& Spring 2012**

Dates and location to be
announced

**For more information
on any of these listed
events call**
888-343-7642 or
717-774-3440
or email:
general@pmha.org

Manufactured Housing Program Links

Housing Standards Division at PA DCED

www.newPA.com/mh

PA Installation Program, Training Courses, Consumer
Installation Disclosure, Electronic Certificate of Compliance,
Retailer and Installer Responsibilities, Industrialized Housing

US Department of Housing and Urban Development (Manufactured Housing)

<http://www.hud.gov/offices/hsg/sfh/mhs/mhshome.cfm>
Manufactured Home Procedural and Enforcement
Regulations

Manufactured Home Construction and Safety Standards

Federal Manufactured Home Installation Program

<http://www.hud.gov/offices/hsg/rmra/mhs/mhip.cfm>

Federal Manufactured Home Dispute Resolution Program

<http://www.hud.gov/offices/hsg/rmra/mhs/mhdrp.cfm>

RESIDENTIAL SECURITY DEPOSITS UNDER PA LAW

Pennsylvania's Landlord Tenant Act of 1951 contains clear provisions regarding maintaining and returning security deposits for residential leases. Notwithstanding some periodic confusion, it is equally clear that these provisions apply to manufactured housing communities.

Keep in mind that a security deposit is different than rent because it still belongs to the tenant even though a landlord possesses it. A security deposit is insurance against losses from tenant-caused damages and past-due rent. However, a tenant may not use a security deposit as the last month's rent unless the landlord agrees to use it for that purpose.

Amount of Security Deposit

- Total amount cannot be in excess of two months' rent during the first year of occupancy.
- During the second and subsequent years of occupancy the amount cannot exceed the amount of one month of rent. Landlord is responsible for returning amounts that exceed the amount of one month of rent upon the first anniversary of the lease commencement.
- As the landlord increases the rent from year to year, he can also increase the amount of the security deposit. However, once a tenant has occupied the space for five years, an increase in rent cannot include an increase in the security deposit.

Maintenance of Security Deposit

- If the security deposit is in excess of \$100 the landlord is mandated to keep the security deposit in an approved escrow account and provide the tenant with written notice of which bank (name and address) it is in.
- An approved bank is one regulated by federal or state banking authorities.

- Upon the third year of occupancy, the security deposit must be placed in an interest bearing account and each year (at the anniversary date of the lease) the landlord must pay to the tenant the interest earned on the deposit. *Note: Some banks have programs to do the annual reporting for the landlord.*
- The landlord is entitled to retain, out of the interest payable to the tenant, an administrative fee equal to 1 percent of the security deposit.
- In lieu of an escrow account, the landlord has the option of putting up a bond that guarantees the tenant will receive the security deposit with interest when the tenancy ends.

Return of Deposits

- The landlord has 30 days from the time the lease is terminated or the tenant moves out, whichever first occurs, to provide a written list of any damages and return the security deposit, plus accrued unpaid interest, minus any amount that the landlord is allowed to keep for damages and unpaid rent. Note, damages cannot include normal wear and tear.
- Failure of the landlord to do this within such 30-day period could result in (1) a forfeiture of the right to withhold any portion of the deposit, and/or (2) the inability to sue the tenant for damages to the leasehold premises, and/or (3) a claim by the tenant for an amount equal to two times the amount wrongfully withheld. Note that regardless of a violation of the security deposit rules, a landlord can still sue for unpaid rents.
- Tenants' failure to provide the landlord with written notice of their new address will relieve the landlord from any liability, but does not relieve the landlord from returning the unused portion of the deposit and interest.

A. HUNTER

PROPERTY MANAGEMENT, INC.

PROFESSIONAL PROPERTY MANAGEMENT

Over 26 Years Experience in the Industry



WE MANAGE MANUFACTURED HOME COMMUNITIES *Only* *While other companies manage every type of property, condos, apartments, etc., we focus strictly on manufactured home communities.*

A. Hunter Property Management provides the highest standard of professional management services thoroughly and efficiently through the competence and technical knowledge of our staff. Our primary objective is to maximize return on your investment using years of experience and expertise, and a sophisticated approach to property management.

Objectives

- Provide a service to owners which will free them of the work load involved with running an investment property
- Maintain a clean, smooth operating, profitable property
- Ensure a pleasant community residents will appreciate

Advantages for the Owner

- Experienced and Dependable Service
- Well Maintained Property
- Satisfied Residents
- Informed Owners
- Freedom of Owning
- Employees have PHC Designation
- Licensed PA Broker

Services

- Coordinate Property Maintenance Including: utilities, lawn care, snow removal, etc.
- Improvement Projects
- Rent collection, payment of property bills
- Monthly Income and Expense Reports
- Owner/Resident Communications
 - Routine "On-Site" Inspections
 - Rule Violation/Enforcement
 - Represent Owners at Related Hearings
 - Emergency Service Hotline 24/7
 - Maintain Occupancy
 - Keep Owners Informed of Changing Legislation with Proactive Involvement

For More Information Contact...

A. Hunter Property Management

PO Box 224, Annville, PA 17003 • (717) 274-2104

eMail: info@ahunter.com • Website: www.ahunter.com



Member PMHA, Institute of Property Management, SOHO, Lebanon Valley Chamber of Commerce, Manufactured Housing Institute, Small Business Association, NAR, LCRA

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PROPERTY MANAGEMENT, INC.

PO Box 224
Annville, PA 17003

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U.S. POSTAGE
PAID
PERMIT NO. 51
Jonestown, PA 17038

RETURN SERVICE REQUESTED

Important
INFO
for Manufactured Home
Community Owners

A. HUNTER
PROPERTY MANAGEMENT, INC.

**Professional Property
Management**

*The Long
and the Short of It...*

**Professional Property Management
is the smart way to go.**

While a great deal of care has been taken to provide accurate and current information, the ideas, suggestions, general principals and conclusions presented in this letter are subject to local, state and federal laws and regulations, court cases and any revisions of same. The reader is thus urged to consult legal counsel regarding any points of law - this publication should not be used as a substitute for competent legal advice.

Member PMHA, Institute of Property Management, SOHO, Lebanon Valley Chamber of Commerce, Manufactured Housing Institute, Small Business Association, NAR, LCRA