

**HEARINGS, MEETINGS, LICENSES**

**11-4-13**



A hearing will be held in the Selectmen's Meeting Room at the Town Hall, 10 Nickerson Avenue, Middleborough, MA on Monday, November 4, 2013 at 7:30 PM. The Board of Selectmen of the Town of Middleborough, acting as a Rent Board, is proposing to adopt rules and regulations pursuant to Chapter 703 of the Acts of 1985 pertaining to mobile home park accommodations, rents and evictions, by amendment of its current rules and regulations. Any interested persons may obtain a copy of the proposed rules & regulations from the office of the Board of Selectmen, Town Hall, 10 Nickerson Ave., Middleborough, MA 02346. Anyone desiring to be heard on this matter should appear at the time and place designated.

Stephen J. McKinnon  
Allin Frawley  
Ben Quelle  
Leilani Dalpe  
John M. Knowlton  
BOARD OF SELECTMEN

October 10, 2013

**K. Tenant:** A tenant, lessee, or other person entitled under the terms of a rental housing agreement with the Owner for the use and occupancy of any mobile home park accommodation; excepting for this definition, however, any person who occupies a mobile home park accommodation pursuant to a proprietary lease as defined in General Laws Chapter 157B at Section 4, as a shareholder of a Chapter 157B Cooperative Housing Corporation.

**L. Fair Market Value:** Fair Market Value of property shall mean the current assessed valuation of the property or other valuation that the Board on basis of evidence presented before it considers more appropriate to the circumstances of the case before it. The Board shall evaluate all evidence presented by any party regarding the fair market value.

**M. Fair Net Operating Income:** Fair net operating income shall be that income which will yield, in the discretion of the Board, a reasonable return to the Owner of a Mobile Home Park, after all reasonable operating expenses. In consideration of whether the return is reasonable, the Board may consider any relevant evidence and standards, including, but not limited to: average returns for other similarly situated Parks, any operating expenses or debt service, any projected capital improvements, or any other factor that may be presented. The Board shall evaluate all evidence presented by any party regarding the fair net operating income.

**Section 2 – Maximum Rent:**

- A.** The maximum rent for mobile home park accommodations which a park owner may charge a tenant shall be as follows:
1. For mobile homes which are in existence, occupied by a tenant or occupant and subject to a rental housing agreement on the date these Rules and Regulations are adopted, the maximum rent shall be the rent set forth in Addendum A.
  2. For new mobile homes which have not been previously sold by the park owner and are not occupied by a tenant or occupant under a rental housing agreement on the dates these Rules and Regulations are adopted, the maximum rent shall be the rent set by a rental housing agreement between the park owner and the tenant or occupant of the home. The maximum rent may be higher or lower than the maximum rent for other mobile homes in the park when the rental housing agreement is made.
  3. For mobile homes which were previously sold by the park owner and/or occupied by a tenant or occupant under a rental housing agreement which is no longer in effect, the maximum rent shall be the rent set by a new rental housing agreement between the park owner and the new tenant or

**TOWN OF MIDDLEBOROUGH RULES AND REGULATIONS FOR MOBILE HOME  
PARK  
ACCOMMODATIONS, RENTS, AND EVICTIONS**

*(With Proposed Amendments to Section 1 – Definitions: Letter M and Letter N)*

In accordance with Chapter 703 of the Acts of 1985, after hearing in accordance with Mass. Gen. Laws, Chapter 30A, Sec. 2, the Rent Board hereby adopts the following rules and regulations for the purpose of regulating rents, minimum standards for the use or occupancy of mobile home park accommodations, and evictions with respect to mobile home park accommodations in mobile home parks within the Town of Middleborough.

**Section 1 – Definitions:**

- A. Board:** The Rent Board is the Town of Middleborough Board of Selectmen established by a vote under Article 5 of the warrant for the Middleborough Town Meeting of March 10, 1986.
- B. Capital Improvements:** Any substantial rehabilitation, addition or improvements which appreciably add to the value of the property or prolongs its life or both, but not including ordinary repairs and maintenance, provided such rehabilitation, addition or improvements shall cost at least \$5,000 and have a useful life of at least five (5) years.
- C. Mobile Home:** A structure, built in conformance to the National Manufactured Home Construction and Safety Standards which is transportable in one or more sections, which in the traveling mode, is eight body feet or more in width or forty body feet or more in length, or, when erected on site, is three hundred twenty (320) or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling unit with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. A mobile home is also known as a “manufactured home” as defined in General Laws Chapter 140, Section 32Q.
- D. Mobile Home Park:** A lot or tract of land used for the site of three or more mobile homes occupied for dwelling purpose and licensed pursuant to General Laws Chapter 140, Section 32B. A mobile home park is also known as a manufactured housing community as defined in General Laws Chapter 140, Section 32F.
- E. Mobile Home Park Accommodations:**
1. The lot or space in a Mobile Home Park upon which is located a Mobile Home not owned by the holder of the license of said park and used and

occupied as a one family dwelling unit or available for such use and occupancy.

2. A Mobile Home in a Mobile Home Park owned by the licensee of a mobile home park and used and occupied by a Tenant as a one family dwelling unit or available for such use and occupancy.

**F. Housing Services:** Services or facilities provided by an Owner or required by law or by the terms of a rental housing agreement to be provided by an Owner to a Tenant in connection with the use and occupancy of any mobile home park accommodation, which may include without limitation: Services, furniture, furnishings and equipment, repairs, decorating and maintenance, provisions of light, heat, hot water, cold water, telephone, kitchen, bath and laundry facilities and privileges, use of yard and other common areas, janitor service, refuse removal, parking facilities, lawn water sprinkler services, vehicle or equipment storage, and any other benefit, privileges or facility connected with the use or occupancy of any mobile home park accommodations.

**G. Owner:** The individual who holds a license, or any party who is required to hold a license for a mobile home park (manufactured housing community) under Sections 32A and 32B of Chapter 140 granted pursuant to Mass. Gen. Laws, Chapter 140, Section 32B, to conduct, control, manage or operate directly or indirectly a mobile home park in any manner including, but not limited to, a partnership, corporation or trust.

**H. Operating and maintenance expenses:** The reasonable expenses of operating and maintaining a mobile home park including, but not limited to, maintenance, repair, management fee, real estate broker's commission to someone other than the Owner, insurance, utilities not included within the rent, but not including mortgage interest and amortization or an allowance for obsolescence or depreciation.

**I. Rent:** The consideration, including any bonus, benefit, gratuity or charge contingent or otherwise, demanded or received for or in connection with the use or occupancy of a mobile home park accommodation or for housing services or for the transfer of a lease of a mobile home park accommodation, inclusive of the license fee collected by the Owner and paid to the Town under General Laws Chapter 140, Section 32G; excluding therefrom, however, the consideration paid by a shareholder of a Cooperative Housing Corporation organized pursuant to General Laws Chapter 157B for a share of said corporation, a propriety lease, and any maintenance fees associated therewith. Rent shall include fees and charges for services assessed by the owner to a Tenant by an Owner, but not fees charged for discretionary or optional activities and/or services which may be offered for recreational activities, conveniences, etc.

**J. Rental Housing Agreement:** An agreement between an Owner and a Tenant for use and occupancy of a mobile home park accommodation and/or housing services, specifically excluding, however, any agreement for occupancy of a mobile home park

accommodation between a Cooperative Housing Corporation as a defined in Massachusetts General Laws Chapter 157B and a shareholder of said corporation.

**K. Tenant:** A tenant, lessee, or other person entitled under the terms of a rental housing agreement with the Owner for the use and occupancy of any mobile home park accommodation; excepting for this definition, however, any person who occupies a mobile home park accommodation pursuant to a proprietary lease as defined in General Laws Chapter 157B at Section 4, as a shareholder of a Chapter 157B Cooperative Housing Corporation.

**L. Fair Market Value:** Fair Market Value of property shall mean the current assessed valuation of the property or other valuation that the Board on basis of evidence presented before it considers more appropriate to the circumstances of the case before it. The Board shall evaluate all evidence presented by any party regarding the fair market value.



**M. Fair Net Operating Income:** (1) Fair net operating income for a Mobile Home Park shall be that income which will yield, in the discretion of the Board, a reasonable return to the Owner of a Mobile Home Park, after all reasonable operating expenses. In consideration of whether the return is reasonable, the Board may consider any relevant evidence and standards, including, but not limited to: average returns for other similarly situated Parks, any operating expenses or debt service, any projected capital improvements, or any other factor that may be presented. The Board shall evaluate all evidence presented by any party regarding the fair net operating income.

(2) Fair net operating income for a Resident Owned Park shall be that income which will enable the Owner of the Park to pay or provide with respect to the Park for all operating expenses, capital expenses, contractual debt service and contractually mandated or shareholder/member approved reserves for capital expenses and operating expenses.



**N. Resident Owned Park:** A Mobile Home Park that is owned by a corporation or association where the (a) shareholders or members are individuals owning homes in the park and (b) over 51% of the owner of homes are shareholders or member of the park Owner.

**Section 2 – Maximum Rent:**

**A.** The maximum rent for mobile home park accommodations which a park owner may charge a tenant shall be as follows:

1. For mobile homes which are in existence, occupied by a tenant or occupant and subject to a rental housing agreement on the date these Rules and Regulations are adopted, the maximum rent shall be the rent set forth in Addendum A.

2. For new mobile homes which have not been previously sold by the park owner and are not occupied by a tenant or occupant under a rental housing agreement on the dates these Rules and Regulations are adopted, the maximum rent shall be the rent set by a rental housing agreement between the park owner and the tenant or occupant of the home. The maximum rent may be higher or lower than the maximum rent for other mobile homes in the park when the rental housing agreement is made.
  3. For mobile homes which were previously sold by the park owner and/or occupied by a tenant or occupant under a rental housing agreement which is no longer in effect, the maximum rent shall be the rent set by a new rental housing agreement between the park owner and the new tenant or occupant of the home. The maximum rent shall not exceed the following:
    - a) If the park owner is offering new mobile homes for sale at the time the new rental housing agreement is made, the maximum rent shall not exceed the rent then being offered to purchasers of new mobile homes.
    - b) If the park owner is not offering new mobile homes for sale at the time the new rental housing agreement is made, the rent shall not exceed the highest rent then being paid by other tenants/occupants in the park.
  4. Maximum rent for mobile home park accommodations may be adjusted from time to time by the Board pursuant to Section 4 and Section 5 of these Rules and Regulations. Maximum rent for mobile home park accommodations may also be adjusted under a rental housing agreement which provides for a rent adjustment based on application of a yearly consumer price index factor as described in Section 4-D.
- B.** No increase in maximum rent for a mobile home accommodation shall be effective unless:
1. The increase is approved by the Board pursuant to Section 4 and Section 5.
  2. The increase is based on a yearly consumer price index factor approved by the Board; or
  3. The increase is provided for by a yearly consumer price index factor under a rental housing agreement.

### **Section 3 – Registration:**

The Board shall require registration of all mobile home park accommodations on forms approved by it within ninety (90) days of the approval of these regulations and annually on June 30<sup>th</sup>. A copy of registration shall be provided to tenants of the mobile home park upon their written request. Any new or additional accommodation must be registered prior to occupancy thereof. No petition for an upward adjustment of maximum rent shall be accepted by the Board until all statements and information required to be filed under this Section 3 have been filed and any such petition prior to such filing shall not be entertained by the Board. The Board shall require the following:

1. The legal name, address and business telephone of the owner;
2. The identification of each unit of mobile home park accommodations;
3. The legal name, address and business telephone of the manager;
4. The identification of each Tenant in the mobile home park, including the date the Rental Housing Agreement began, the date on which it terminates, or whether it is a tenancy at will, and the amount of rent due each month;
5. The lot type, if necessary, to distinguish different types of lots for which the owner charges different rents, including the description of the basis(es) for charging the rent differential;
6. A copy of all Rental Housing Agreements (or a copy of a representative Rental Housing Agreement which is substantially the same for all mobile home park accommodations involved in the registration) and any rules and regulations applicable to each Rental Housing Agreement. The owner shall update the registration annually by June 30<sup>th</sup> of each year.

The registration forms shall be signed by the Owner under the penalties of perjury.

**Section 4 – Adjustment of maximum rent:**

- A. The Board shall, by order or regulation as provided in Section 5, make such individual or general adjustments, either upward or downward, of the maximum rent established by Section 2 for any mobile home park accommodations as may be necessary to remove hardships or correct inequities for both Owner and Tenant, and make adjustments for capital improvements / equipment and in so doing shall observe the principle of maintaining rents at levels which will yield to Owners a fair net operating income for such mobile home park accommodations.
- B. The Board by regulation may establish further standards and rules consistent with the foregoing. The Board may promulgate a schedule of standard rental increases or decreases for improvement or deterioration in specific services and facilities.
- C. Notwithstanding any other provision of this section, the Board may refuse to grant an upward adjustment of maximum rent if it determines that the affected mobile home park accommodation does not comply with the State Sanitary Code or the Town of Middleborough codes or by-laws or any other applicable code, ordinance or state law regulating the conditions of housing accommodations, and if it determines that such lack of compliance is due to the failure of the Owner to provide normal and adequate

repairs and maintenance. The Board may refuse to make a downward adjustment of maximum rent if it determines that the Tenant is more than thirty (30) days in arrears in payment of rent unless such arrearage is due to a withholding of rent under the provisions of Section 8A of Chapter 239 of the General Laws or if the Tenant is in substantial violation of any enforceable rule of the mobile home park or if the Tenant is in violation of any laws or ordinances which protect the health and safety of other mobile home park residents.

- D. In setting or adjusting rent for mobile home park accommodations under Section 4 and Section 5, the Board may approve yearly adjustments of the rent based on application of a consumer price index factor as described in this subsection. A rental housing agreement may provide for yearly adjustments of the rent based on application of a consumer price index factor as described in this subsection. The yearly consumer price index factor authorized by these Rules and Regulations shall be based on the Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average, All Items (unadjusted) (1982-84=100) published by the Bureau of Labor Statistics, U.S. Department of Labor, or if such index is no longer published, such other or successor index which is approved by the Board. Yearly adjustments in rent based on a consumer price index factor shall be calculated by determining the increase or decrease in the index by comparing the current monthly index ("current CPI") to the monthly index for the same month one (1) year prior to the month when the yearly adjustment is being determined ("prior CPI"). The difference between the current CPI and the prior CPI shall be divided by the prior CPI to derive a percentage increase or decrease. The percentage increase or decrease shall then be multiplied by the existing rent to determine the amount of the rent increase or decrease. For example, if the current CPI is 3% more than the prior CPI, the existing rent will increase by 3%.
- E. The Board in adjusting maximum rent for a mobile home park may equalize rent for all substantially similar or comparable mobile home park accommodations in those cases where the maximum rent which is to be adjusted is not equalized before adjustment.

#### **Section 5 – Rent Adjustment Proceedings:**

- A. **Individual Adjustment of Maximum Rent.** The Board shall consider an adjustment of rent for an individual mobile home park accommodation upon receipt of a petition for adjustment filed by the Owner or Tenant of such mobile home park accommodation or upon its own initiative. Such petition shall be made on a form approved by the Board. The Board shall notify the Owner, if the petition was filed by the Tenant, or the Tenant, if the petition was filed by the Owner, of the receipt of such petition and of the right of either party to request a hearing in writing within thirty (30) calendar days of receipt of such notice or the Board may schedule a hearing on its own initiative. If a hearing is timely requested by either party or if the action is undertaken on the initiative of the Board, notice of the time and place of the hearing

shall be furnished to the Owner and Tenant and the hearing shall be conducted before the Board. The Board may consolidate petitions and actions relating to mobile home park accommodations in the same mobile home park, and all such petitions and actions may be considered in a single hearing.

- B. General Adjustment of Maximum Rent by Regulation.** Upon application or petition by an Owner or Tenant, or upon its own initiative, the Board may make a general adjustment by percentage or otherwise of the rental levels for mobile home park accommodations subject to such conditions, if any, as the Board shall determine. Prior to making such adjustment, a public hearing shall be held before the Board. Notice of the time, place, and purpose of such hearings shall be published at least once in a newspaper having a general circulation in the Town, and posted in the Town Hall, both not less than seven (7) days prior to such hearings.
- C. Limitation of Petition for Individual Adjustment.** Notwithstanding any other provision of this section, the Board may, without holding a hearing, refuse to adjust the maximum rent for an individual mobile home park accommodation and may dismiss any petition for adjustment if a decision has been made with regard to the maximum rent for such mobile home park accommodation within twelve (12) months or if the Board finds that the petition for adjustment is filed for purposes of harassment or for other purpose not intended herein.
- D.** Hearing, conducted pursuant to Section 5 above shall be conducted as adjudicatory hearings in accordance with the provision of Massachusetts General Laws Chapter 30A, Sections 10, 11 and 12. Rules and procedures for the conduct of said hearings shall be those rules and regulations outlined in 801 CMR 1.00 et seq. for the conduct of adjudicatory hearings before State administrative agencies, which the Board hereby adopts and shall implement as its own rules and regulations for the conduct of adjudicatory proceedings. Within thirty (30) days of the filing of a petition, the Board shall meet and determine whether to proceed on such petition pursuant to the formal or informal rules as outlined in 801 CMR 1.00 et seq. or under other procedures and shall indicate its determination as to which rules and procedures shall be followed in its notice of agency action to affected parties, and in the public notice of said hearing.
- E.** All decisions made by the Board under this Section shall be rendered in writing within 30 (thirty) days from the date the Board closes the public hearing on the petition.
- F.** The Board shall levy a filing fee upon any and all parties that make application to request a rent adjustment for a mobile home accommodation. The filing fee for any individual rent adjustment requested pursuant to Section 5 of these rules and regulations shall be \$50.00. The filing fee for a general rent adjustment pursuant to Section 5B of these regulations shall be \$300.00 for which a general adjustment is requested. The applicant for a general rent adjustment shall also pay the sum of \$100.00 to cover advertising costs. Filing fees and advertising costs shall be paid by check payable to the Town of Middleborough at the time of the filing of a petition.

## **Section 6 – Incorporation of Administrative Procedure Act and 801 CMR 1.00**

The provisions of Massachusetts General Law Chapter 30A including those provisions giving agencies the power to issue, vacate, modify, and enforce subpoenas shall be applicable to the Board as if said Board were an agency of the Commonwealth, as well as, those provisions relating to judicial review of an agency order. The rules and regulations at 801 CMR 1.00 et seq. as adopted by the Secretary of Administration for Massachusetts for application and use by state agencies for the conduct of both formal and informal adjudicator hearings shall be the rules and regulations and procedures adopted for use before The Board for the hearing of all petitions for rent adjustment, and for eviction, unless at the time of the filing of the petitions and before the notice of agency action shall be published, the Board shall by vote determine to use an alternative procedure which nonetheless shall be consistent with the provisions of Massachusetts General Laws Chapter 30A, Section 10, 11, and 12.

## **Section 7 – Capital Improvements and Capital Equipment Rent Adjustment**

### **A. Pre-Approval**

A park owner or management may file a petition for the purpose of obtaining pre-approval from the Board for an increase in maximum rent to offset the cost of a substantial and necessary capital improvement or purchase of capital equipment. The procedures set forth in Section 5 above for rent adjustment petitions shall be used for capital improvement or capital equipment petitions. The park Owner or Management shall file with the petition for pre-approval any and all information relating to the cost of and need for financing the capital improvement or capital equipment purchase. Any pre-approval given by the Board shall also be deemed an approval of such financing. The Board shall consider whether the improvement is necessary and the reasonableness of the cost of the improvement in considering a rent increase to support the cost of the improvement. The rent increase shall be conditioned upon satisfactory and final approval of the improvement.

### **B. Final – Approval**

Upon completion of capital improvement or purchase of capital equipment for which a park owner or management has received pre-approval, the Board may give final approval of the increase in maximum rent(s). Final approval shall only be given by the Board upon submission of satisfactory evidence by the park owner or management that the capital improvement has been satisfactorily completed or the capital equipment has been purchased and that the costs incurred for such improvement are equal to or exceed the cost upon which pre-approval was given. In the event that such costs are less than the original estimated costs, the maximum rent shall be increased only to the extent that it reflects such costs. The Board shall hold a public hearing upon submission by the park owner or management of evidence of completion of the capital improvement or purchase of equipment. A capital improvement/capital equipment rent increase approved by the Board shall be identified and separated from the remainder of the rent charge and eliminated from the rent charge when the approved rent increase has produced income equal to the

cost of the improvement or equipment including the cost of debt service incurred in connection with such improvement or equipment.

### **Section 8 – Conference of Jurisdiction**

The Wareham Division of the District Court Department shall have original jurisdiction concurrently with the Superior Court, of all petitions for review brought pursuant to Section 14 of Chapter 30A of the General Laws. The Superior Court shall have jurisdiction to enforce Chapter 703 of the Acts of 1985 and may restrain violations thereof.

### **Section 9 – Information to be supplied in Connection with Petitions for Adjustment:**

Upon receipt by the Board of a petition for adjustment of maximum rent by an Owner, the Board may request documents, which information may include but not be limited to:

- A. Reviewed Financial statements certified by a CPA for the three (3) years preceding the year of the filing of the petition; such statements should clearly set forth income, sources of income, and a detailed breakdown of operating expenses.
- B. An interim updated financial statement showing income and operating expenses for the current year.
- C. A complete and current balance sheet.
- D. A statement of the number of employees, job titles and job descriptions of any employee whose employment relates to the affected mobile home park.
- E. Current capital improvements and dates of completion.
- F. Proposed capital improvements and proposed dates of completion.
- G. Proposed budget for the year in which the increase is to be effective.
- H. A statement of the rate of return sought and the assessed valuation of the property.

In any case where the Owner seeking an upward adjustment in rent owns and operates more than one mobile home park, all financial documentation submitted shall pertain solely to the operation of the mobile home park for which the upward adjustment is sought.

Upon receipt by the Board of a petition for a downward adjustment of maximum rent, the Board may request documents which information may include but not be limited to:

- A. Written reason for such downward adjustment; and
- B. Any evidence financial or otherwise, supporting such downward adjustment.

### **Section 10 – Evictions:**

- A. Pursuant to the provisions of General Laws, Chapter 140, Section 32J, as amended, no Owner shall terminate any lease or tenancy and/or bring an action to recover possession of a mobile home park accommodation unless;

1. the Tenant has failed to pay the rent to which the Owner is entitled;  
or
  2. the Tenant is in substantial violation of an enforceable rule of the mobile home park; or
  3. the Tenant is in violation of a law or ordinance which protects the health or safety of other mobile home park residents; or
  4. there is a discontinuance in good faith by the Owner of the use of part or all of the land owned and licensed as a mobile home park subject to any existing contractual right between the Owner and the Tenant located in the mobile home park. No such discontinuance shall be valid for any mobile home sold by the licensee and for which a mobile home site was made available at the time of the said sale by the licensee for a period of five (5) years from the date of said sale.
- B. The Owner must provide the Board with satisfactory evidence that all notice requirements as to any alleged violation have been provided to the Tenant in a timely manner and the Tenant has failed to cure the alleged violation in a timely manner, all as set forth in General Laws, Chapter 140, Section 32J as amended.
- C. 1. An Owner shall file an application in duplicate for obtaining a certificate of eviction with a filing fee of \$50.00 for each unit for which eviction is sought. The fee shall be paid by check or money order made payable to the Town of Middleborough and presented at the time of filing the application for a certificate of eviction.
2. An application for certificate of eviction shall be signed by the Owner under the pains and penalties of perjury and shall describe in complete detail the proposed basis (or bases) for eviction and the facts in support of such basis (or bases). A copy of the lease and the rules and regulations of the mobile home park Owner shall be submitted with the application where the Tenant is claimed to have violated either the lease or the park regulations.
3. An application for certificate of eviction which fails to comply with the foregoing provisions of this paragraph "C" shall not be processed until such defects have been corrected or removed.
4. The Board shall, by certified mail, return receipted requested and by first class U.S. Mail, forward to the Tenant or Tenants listed on the application for a certificate of eviction and to the park Owner a copy of the application for a certification of eviction as received, together with a notice of the date, time and place of the hearing.
5. The Board shall send a notice of hearing by mail with respect to an application for a Certificate of Eviction within twenty-one (21) days of receipt of an application. An application or an amended application for eviction shall be scheduled for a hearing not less than ten (10) days or more than twenty-one (21) days from the date on which the notice of hearing is mailed as aforesaid by the Board to the parties. Hearings shall

be conducted by the Board and shall be adjudicatory hearings following the procedures set forth in Massachusetts General Laws, Chapter 30A.

6. A request for postponement of the hearing will be granted for good cause shown.

7. At the hearing the Owner shall have the burden of establishing the facts and basis for the eviction. Testimony shall be taken under oath and any party shall have the right to cross-examine witnesses of the other party and to introduce evidence in support of its position.

8. A written order granting or denying a certificate of eviction shall be issued by the Board within thirty (30) days of the date of the final hearing and its order denying a certificate of eviction shall be a defense in any summary process action commenced by the Owner against the Tenant or Tenants named on the application for a certificate of eviction.

D. No Owner shall seek recovery of possession of a mobile home park accommodation in a summary process-eviction case unless the Board issues a certificate of eviction therefor.

E. The provisions of this section shall be construed as additional restrictions on the right to recover possession of a mobile home park accommodation. No provision of this section shall entitle any person to recover possession of such a mobile home park accommodation. Upon a decision of said Board concerning the granting or withholding of a certificate of eviction, either party concerned may appeal to the Wareham Division of the District Court Department or the Plymouth Division of the Superior Court Department.

### **Section 11 – Owners Shall Provide Rules and Regulations to Prospective Tenants:**

Mobile Home Park Owners shall provide prospective tenants with a copy of the Town of Middleborough Rules and Regulations for Mobile Home Park Accommodations, Rents, and Evictions at least 72 hours in advance of the signing of a rental housing agreement.

### **Section 12 – Severability:**

If any provision of these rules and regulation or the application of such provision to any person or circumstance shall be held invalid by a final judgment of a court of competent jurisdiction, the validity of other provisions or the application of such provision to other persons or circumstances shall not be thereby affected.

### **Section 13 – Forms:**

Any forms adopted pursuant to the provisions of these rules and regulations shall be submitted to the Board under the pains and penalties of perjury.



## NOTICE OF HEARING

Please take notice that the Town of Middleborough Rent Board, (“Rent Board”) will hold a hearing on **Monday, November 4, 2013 at 7:30 PM** in the Selectmen’s Meeting Room at the Middleborough Town Hall in Middleborough, MA. The hearing will be conducted pursuant to the authority under the Rent Board’s “Rules and Regulations For Mobile Home Park Accommodations, Rents And Evictions” and Chapter 703 of the Acts of 1985 to consider a petition filed by Hillcrest Mobile Home Tenants Association, Inc. for an increase in rents to be paid by tenants of Hillcrest Mobile Home Park (the “Park”). Hearing procedures will be governed by the Informal/Fair Hearing Rules pursuant to 801 CMR 1.02. The Park Owner and the tenants shall each have the right to participate in the hearing and have the right to be represented at the hearing by an authorized representative or attorney. They, or their representative/attorneys, shall have the right to prepare and present relevant evidence and argument at the hearing. Information relating to anticipated expenses to be incurred, by the Park owner, is on file with the Rent Board at the office of the Board of Selectmen in the Town Hall, 10 Nickerson Ave. This material is available for review by the general public Monday through Friday from 9 a.m. to 5 p.m.

The issues involved in the hearing include:

- Whether the rents paid by tenants in the Park will be increased.

TOWN OF MIDDLEBOROUGH RENT BOARD

Stephen J. McKinnon

Allin Frawley

Ben Quelle

Leilani Dalpe

John M. Knowlton

Publish: October 24, 2013

Please bill the Town of Middleborough Board of Selectmen’s office.

# **Rent Board Exhibit #1**

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HILLCREST MOBILE HOME TENANTS ASSOCIATION, INC  
C/o 20 Lisa Drive  
Middleborough, MA 02346

Town of Middleborough  
Rent Board  
11 Nickerson Avenue  
Middleborough, Ma 024346

October 2, 2013

Re: Application for Rent Adjustment

Honorable Board Members,

Along with this letter, we have completed and filed an Owner Petition for Rent Adjustment. While this form may not fully fit the needs of the first filing of a Resident Owned Park, it was what we were asked to use. Therefore, we include this commentary along with that form as a request for increase effective one month after we have ownership, only when we have ownership.

As you may know, the Hillcrest Mobile Home Tenants Association, Inc., executed a Purchase and Sale Agreement with Morgan MHP Mass, LLC, has received approval for lender funding from ROC USA Capital, and is now moving toward closing on the purchase. The Association is a Massachusetts non-profit corporation with the exclusive calling to serve its resident-members, and with 70 members of 93 homes (over 75% membership), qualified as a "Resident Owned Park" once it assumes ownership of the Community.

As a part of that process, on September 17, 2013, we held a meeting of all members of the association and approved the initial rent and 3 year plan, as a part of approving the entire purchase and operating plan. The meeting was properly noticed to all homeowners, members and non-members, and in keeping with our open enrolment policy, new members joined at the door and absentee ballots were allowed. Of 70 member homes, 62 voted, with purchase approved 46 to 16, or 76% in favor. The purchase of the community, at this rent and under the terms discussed here, is clearly the will of the residents.

The three year plan developed by the residents allows a phased increase in the rents in the community from \$281 in the first year (*ALL* figures include \$ 12 town license fee), to \$ 298 in the second and to \$310 in the third, all inflation adjusted. The three year phase-in was worked up so to ease the increase from the current rent to a full cost rate. While we approved a multi-year plan, we seek a single initial rent increase to \$ 281 for the first year of ownership.

The \$281 is what we must establish as "Fair Net Operating Income" (FNOI) for this "Resident Owned Community" under the rules.

*The rent increase is a condition of our financing, and therefore, the purchase of the community.* A copy of the first year budget and initial capital budget is attached. Please note the following in regard to the attached:

Middleborough Rent Board  
10 Nickerson Avenue  
Middleborough, MA 02346

OWNER PETITION FOR RENT ADJUSTMENT

In the Matter of:  
(Address of Property)

Hillcrest  
Name of Mobile Home Park

79 East Grove Middleborough 02346  
No. Street City ZIP

I HEREBY PETITION FOR ADJUSTMENT OF RENTS  
AT THE ABOVE NAMED PROPERTY.

THIS PETITION, INCLUDING THE ACCOMPANYING  
SCHEDULES AND ATTACHMENTS, SIGNED UNDER  
THE PAINS AND PENALTIES OF PERJURY.

[Signature] 10/2/13  
Signature of Owner Directors Date

NAME OF OWNER: Hillcrest Mobile Home Tenants Assoc. Inc  
(Potential) FIRST LAST

ADDRESS OF OWNER: 90 20 LISA Dr  
NO. STREET

Middleborough MA 02346  
CITY STATE ZIP

TELEPHONE NO.

Received 10.3.13

Mobile Home Park:

Hillcrest

Please answer all of these Questions:

1. Have there been any Increases or Decreases since last petition?

Services: Yes  No

Operating Expenses: Yes  No

Maintenance Expenses: Yes  No

If YES, describe in detail; attach additional sheets if necessary:

CHANGES DUE TO BECOMING Resident  
OWNED PARK. See Letter attached

2. Has there been substantial deterioration of the mobile home accommodations, other than as the result of ordinary wear and tear since \_\_\_\_\_? Yes  No

If YES, describe in detail; attach additional sheets if necessary:

3. Is there any ordinary Repair, Replacement and Maintenance presently necessary?

Yes  No  If YES, please describe in detail; attach additional sheets as required):

please see Letter attached.

4. Do the affected mobile home accommodations comply with the State Sanitary Code, the Middleborough Building Code, Fire Code and Zoning Code? Yes  No ?

If NO, explain and attach additional sheets as required):

5. State all arguments and reasons for seeking a Rent Increase; state any additional information that you think should be considered by the Middleborough Rent Board in setting the Rent.

Attach additional sheets if necessary.

See Attached letter

## OWNER PETITION FOR RENT ADJUSTMENT RENT SCHEDULE

Mobile Home Park: W. P. CLODA

Please read instructions on previous page

TENANT'S NAME:	DATE LEASE EXPIRES (MO/DAY/YR)	DATE(S) RENT LAST SET (MO/DAY/YR)	CURRENT MONTHLY RENT	PROPOSED MONTHLY INCREASE	PROPOSED TOTAL MONTHLY RENT	CURRENT MONTHLY TOWN TAX
(1)	(2)	(3)	(4)	(5)	(4+5=6)	(7)
BERBERON JAMES	11-30-13	11-1-12	192.00	77.00	269.00	12.00
BEYELLE, ROLAND	11-30-13	11-1-12	192.00	77.00	269.00	12.00
HARRISMAN TAMI	11-30-13	11-1-12	192.00	77.00	269.00	12.00
DICKINSON BEV	11-30-13	11-1-12	192.00	77.00	269.00	12.00
BANDER, THERESA	11-30-13	11-1-12	192.00	77.00	269.00	12.00
WADSWORTH BETTY	11-30-13	11-1-12	192.00	77.00	269.00	12.00
SPARROW PETER	11-30-13	11-1-12	192.00	77.00	269.00	12.00
FUGARTY WILLIAM	7-29-16	11-1-12	192.00	77.00	269.00	12.00
HARRISON, MABLE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
ROWNS, BETTY	11-30-13	11-1-12	192.00	77.00	269.00	12.00
SACOSIA, MILDRED	11-30-13	11-1-12	192.00	77.00	269.00	12.00
HARRISMAN TAMI	11-30-13	11-1-12	192.00	77.00	269.00	12.00
CHADWICK NANCY	11-30-13	11-1-12	192.00	77.00	269.00	12.00
<del>REYNOLDS, CECILE</del>	<del>11-30-13</del>					
LETENDRE CECILE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
CONNIE WILSON	11-30-13	11-1-12	192.00	77.00	269.00	12.00
CHESTER, GARLAND	11-30-13	11-1-12	192.00	77.00	269.00	12.00
ALFRED, BERNARD	1-11-17	11-1-12	192.00	77.00	269.00	12.00
ROYAL, ROBERT	11-30-13	11-1-12	192.00	77.00	269.00	12.00
J.E.E. FRANCIS	11-30-13	11-1-12	192.00	77.00	269.00	12.00
STODDARD PAT	11-30-13	11-1-12	192.00	77.00	269.00	12.00
FREITAS, YVENE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
PETTY, BRAD	11-30-13	11-1-12	192.00	77.00	269.00	12.00
WILMOTH DAVIS	11-30-13	11-1-12	192.00	77.00	269.00	12.00
DI COSTANZO M	11-30-13	11-1-12	192.00	77.00	269.00	12.00
VACANT	-	-				
WARE ALAN	11-30-13	11-1-12	192.00	77.00	269.00	12.00
BRIDGEMAN DAVID	2-28-17	11-1-12	192.00	77.00	269.00	12.00
STEWART EVELYN	11-30-13	11-1-12	192.00	77.00	269.00	12.00
VACANT	-	-				
CRAWLEY DINA	11-30-13	11-1-12	192.00	77.00	269.00	12.00
CAMERON, ALAN	11-30-13	11-1-12	192.00	77.00	269.00	12.00
MONTHLY TOTAL:			\$	\$	\$	\$
YEARLY TOTAL:			\$	\$	\$	\$

Please List ALL mobile home accommodations whether requesting an Increase or not, for a particular Unit.

2

## OWNER PETITION FOR RENT ADJUSTMENT RENT SCHEDULE

Mobile Home Park: Hillcrest  
Please read instructions on previous page

TENANT'S NAME:	DATE LEASE EXPIRES (MO/DAY/YR)	DATE(S) RENT LAST SET (MO/DAY/YR)	CURRENT MONTHLY RENT	PROPOSED MONTHLY INCREASE	PROPOSED TOTAL MONTHLY RENT	CURRENT MONTHLY TOWN TAX
(1)	(2)	(3)	(4)	(5)	(4+5=6)	(7)
BAKER JANET	11-30-13	11-1-12	192.00	77.00	269.00	12.00
CAPEAU BOB	11-30-13	11-1-12	192.00	77.00	269.00	12.00
DASILVA MARY	11-30-13	11-1-12	192.00	77.00	269.00	12.00
FUNKERMAN DORIS	11-30-13	11-1-12	192.00	77.00	269.00	12.00
JANSON PAT	11-30-13	11-1-12	192.00	77.00	269.00	12.00
MC CARTHY GARY	11-30-13	11-1-12	192.00	77.00	269.00	12.00
EATON CHARLES	11-30-13	11-1-12	192.00	77.00	269.00	12.00
SEARS HERBERT	11-30-13	11-1-12	192.00	77.00	269.00	12.00
FERGUSON ANGUS	11-30-13	11-1-12	192.00	77.00	269.00	12.00
WIEBER IRENE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
BAKER STEPHEN	7-31-14	11-1-12	192.00	77.00	269.00	12.00
COLSON BEVERLY	11-30-13	11-1-12	192.00	77.00	269.00	12.00
GRAVELIN TETER	7-16-14	11-1-12	192.00	77.00	269.00	12.00
BOOKER GARY	1-13-14	11-1-12	192.00	77.00	269.00	12.00
GARLAND VINCENT	11-30-13	11-1-12	192.00	77.00	269.00	12.00
VACANT						
LABOURE N	11-30-13	11-1-12	192.00	77.00	269.00	12.00
SHEALY MARILYN	11-30-13	11-1-12	192.00	77.00	269.00	12.00
DEWALT PETER	12-4-14	11-1-12	192.00	77.00	269.00	12.00
CHAPMAN PAT	11-30-13	11-1-12	192.00	77.00	269.00	12.00
PILLA CECILIA	11-30-13	11-1-12	192.00	77.00	269.00	12.00
WALSH TERESA	11-30-13	11-1-12	192.00	77.00	269.00	12.00
RUSSELL ROSE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
SKIMMAD MARGARET	11-30-13	11-1-12	192.00	77.00	269.00	12.00
ALDEN DONALD	8-27-15	11-1-12	192.00	77.00	269.00	12.00
ROMA BETTY	11-30-13	11-1-12	192.00	77.00	269.00	12.00
DAEPARD NELSON	11-30-13	11-1-12	192.00	77.00	269.00	12.00
DACEY IVANNE	11-28-15	11-1-12	192.00	77.00	269.00	12.00
KERR GARY	1-29-14	11-1-12	192.00	77.00	269.00	12.00
MC COMBES JOHN	11-30-13	11-1-12	192.00	77.00	269.00	12.00
ROBBINS JANE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
PHILLIP DANA	11-30-13	11-1-12	192.00	77.00	269.00	12.00
MONTHLY TOTAL:			\$	\$	\$	\$
YEARLY TOTAL:			\$	\$	\$	\$

Please List ALL mobile home accommodations whether requesting an Increase or not, for a particular Unit.

## OWNER PETITION FOR RENT ADJUSTMENT RENT SCHEDULE

Mobile Home Park: Hullcross  
Please read instructions on previous page

TENANT'S NAME:	DATE LEASE EXPIRES (MO/DAY/YR)	DATE(S) RENT LAST SET (MO/DAY/YR)	CURRENT MONTHLY RENT	PROPOSED MONTHLY INCREASE	PROPOSED TOTAL MONTHLY RENT	CURRENT MONTHLY TOWN TAX
(1)	(2)	(3)	(4)	(5)	(4+5=6)	(7)
ZEROWSKY, W	11-30-18	11-1-12	192.00	77.00	269.00	12.00
CIDDY, FRANCIS	11-30-13	11-1-12	192.00	77.00	269.00	12.00
STEELE, ROSE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
JORDAN, T	11-30-13	11-1-12	192.00	77.00	269.00	12.00
SHAYER, RICH	10-17-14	11-1-12	192.00	77.00	269.00	12.00
COSMO, JOYCE	10-30-13	11-1-12	192.00	77.00	269.00	12.00
SEARS, LAVIA	11-30-13	11-1-12	192.00	77.00	269.00	12.00
EATON, C	6-30-14	11-1-12	192.00	77.00	269.00	12.00
BLACK DEN W	11-30-13	11-1-12	192.00	77.00	269.00	12.00
BANKS, ALBERT	8-16-15	11-1-12	192.00	77.00	269.00	12.00
CORMIER, JOHN	11-30-13	11-1-12	192.00	77.00	269.00	12.00
BROWN, RON	11-30-13	11-1-12	192.00	77.00	269.00	12.00
MRIANELL, J	11-30-13	11-1-12	192.00	77.00	269.00	12.00
BORGES, D	11-30-13	11-1-12	192.00	77.00	269.00	12.00
RICHARD, J	10-7-15	11-1-12	192.00	77.00	269.00	12.00
RICHARD, JOE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
RAYON, DIANE	11-30-13	11-1-12	192.00	77.00	269.00	12.00
DUCE, J	11-30-13	11-1-12	192.00	77.00	269.00	12.00
HAYWARD, R	11-30-13	11-1-12	192.00	77.00	269.00	12.00
KUNDFORS, B	11-30-13	11-1-12	192.00	77.00	269.00	12.00
MEDADE, M	11-30-18	11-1-12	192.00	77.00	269.00	12.00
FRAZIA, R	3-25-16	11-1-12	192.00	77.00	269.00	12.00
GAYES, RALPH	7-31-14	11-1-12	192.00	77.00	269.00	12.00
KAPCHIN, W	11-30-13	11-1-12	192.00	77.00	269.00	12.00
TJADMAN, K	6-30-16	11-1-12	192.00	77.00	269.00	12.00
LABITSON, R	11-30-13	11-1-12	192.00	77.00	269.00	12.00
CHIODI, V	11-30-13	11-1-12	192.00	77.00	269.00	12.00
GALANTE, R	12-8-16	11-1-12	192.00	77.00	269.00	12.00
SULLWOLD, S	11-30-17	11-1-12	192.00	77.00	269.00	12.00
* BEAUDREAU, R	11-30-17	11-1-12	192.00	77.00	269.00	12.00
MCCABE, F	11-30-13	11-1-12	192.00	77.00	269.00	12.00
FEARREIRA, E	11-30-13	11-1-12	192.00	77.00	269.00	12.00
MONTHLY TOTAL:			\$	\$	\$	\$
YEARLY TOTAL:			\$	\$	\$	\$

Please List ALL mobile home accommodations whether requesting an Increase or not, for a particular Unit.



**First Year Budget:**

<b>Revenue:</b>		<b>comments</b>
Lease Fee per month	\$ 281	Includes \$ 12 town fee
Number Of Sites	93	current number
Gross Monthly Income	\$ 26,133	
other income (house)	\$ 281	land rent house
<b>Gross Monthly Income</b>	<b>\$ 26,414</b>	
Less: Vacancy/Rent Loss (2%)	(523)	Mandated Reserve Per lender
<b>Gross Effective Monthly Income:</b>	<b>\$ 25,891</b>	
<b>1st year subsidy</b>	<b>\$ 25,000</b>	25 k first year, 9k second year
<b>=Gross Effective Annual Income</b>	<b>\$ 335,696</b>	
 <b>Operating Expenses:</b>		
RE Taxes	25,127	current less home
Utilities	2,200	Current level
Legal/Financial Review	4,000	Estinated Lawyer/CPA
Insurance	5,832	Broker Quote
Maintenance, Landscaping	12,000	landscaping/plowing/Repair
Office Supplies & Expenses	1,000	Estimate
Bookkeeping/collections/ Property Mgmt	19,740	Geren and First choice
water/sewer	39,000	Metered Water+ sewer calculatio
Trash	9,480	Hauler bid
State taxes+ town taxes	13,993	\$ 12 town fee+state tax min
<b>Total Annual Operating Expenses / Per Home:</b>	<b>\$ 132,372</b>	
 <b>Annual Totals</b>		
Income, Net of Loss Reserve	\$ 335,696	
Less: Operating Expenses	132,372	
Less: Debt Service (mortgage p&l)	178,804	
Less: replacment reserves	7,000	Contractually mandated Reserve
<b>Contingency/Surplus</b>	<b>\$ 17,520</b>	Contractually mandated Reserve

## Initial Capital Reserves and Budget

### Immediate - Yr. 1 Capitalized Account

Septic connection	20,000
Sewer Cleaning	3,500
Water repairs	3,000
Large Leaching Storm	22,500
2 catch basins	13,500
Drainage Berm	2,500
Paving	118,000
Speed Bump Removal	3,000
Signage	750
Meter panel	6,000
Oil Tank	1,500
Tree removal and trimming	25,000
rip rap	4,500
clubhouse/garages	25,000
Mail shelter	3,000
Total Expenditures	251,750
Unbudgeted	18,250
Total Funded	270,000

#### On Income:

1. The Association is not purchasing the single family home in the community, but leasing the land for it to Morgan Management for the equivalent of lot rent plus taxes and other costs associated with the community. (This assists the park, but is not income subject to rent control)
2. Pursuant to the instruction of its lender, and sound management practices a 2% rent loss reserve (a "mandated contractual reserve" per the rules) was established in the budget to cover rent not paid. In our accounting, this is netted from operating income.
3. A subsidy of \$25,000 in the first year (and \$9,000 in the second year) will be established at closing to allow the stepped rent in year 2 and 3.

#### Operating Expenses:

1. Real estate taxes- current, net of those assessed on the house.
2. Utilities- current level of expense for street lights and gas for the small common building
3. Legal and accounting- Estimation based upon similar communities
4. Insurance- Quote for annual insurance from commercial broker covering \$ 2mm liability, as well as insuring buildings, loss of income, fidelity and directors coverage.
5. Maintenance- covers plowing, landscaping and expected repairs based upon quotes and engineers review
6. Bookkeeping/ Management- The Association has contracted First Choice Property Management as their fiscal agent, covering finances, collections and resident qualification, and hired Julie Geren as a consultant to assist the board in onsite management. First Choice services 7 other cooperative parks in 4 states; Ms. Geren has 30 years experience and serves the 280 unit Cranberry Village Association in Carver.
7. Water and Sewer were recalculated based upon the last full year it had a working meter; the park has been on estimated billing for several years since the meter broke. The meter is going to be repaired before closing, it is a condition of the purchase.
8. Trash- based upon lowest bid received
9. This is town \$ 12 per unit fee plus Massachusetts minimum corporate excise tax (\$ 456)

#### Contractually Mandated Reserves:

1. Replacement reserves: An amount, paid monthly into escrow, toward long term replacement expenses. Such was determined upon recommendation of the Association's consulting engineer and ROC USA.
2. Contingency/Surplus Per ROC USA; The Association must budget and run a surplus in an amount equal to 10% of its mortgage payment, a "1.1 debt coverage ratio". This serves as a contingency against unexpected costs. Annually, members vote on the use of their surplus, which can be placed in reserve, rebated to members or used for a project in the community, or any mix of those uses.

Between the Surplus and Replacement reserves, we budget over \$ 24,000 of savings. It should be noted that with the structure of the association, we are not unable to "assess" our residents or raise outside funds in the manner of for-profit owners. All of it is for the benefit of current and future homeowners.

Debt Service-

1. The sum of annual mortgage payment, principal and interest, on our committed mortgage.

Initial Capital Reserves (not an element of FNOI)

1. Per our loan commitment, \$270,000 shall be funded and escrowed to start our Replacement reserve account, of which approx \$252,000 is pledged toward a number of improvements, most notably paving, connecting to sewer of a remaining septic system, tree issues, drainage, and assessing or removing several structures on the property. This plan is the result of a report by our consulting engineer, Joe Hogan of Hogan Associates.

On our Association:

1. Membership is continuously open to all current owners, and all expected buying owners for a one-time \$ 100 cost. The members buy and sell their homes without association involvement other than qualification of residents.
2. We govern thru a Board of Directors elected annually, and through a number of operating committees. The Cooperative Development Institute will serve as our Technical Consultant for the life of our mortgage per three way contract.
3. Our Board and committees serve without compensation, and opening under established policies, for the mutual benefit of all members.
4. We are required to utilize a licensed, bonded Property Manger for accounting, collections, reporting, and assisting in resident approval.
5. We have an experienced Property Management consultant to assist us in vendor selection and day to day management.

As previously stated, the purchase of the Park is contingent upon the establishment of this rent, by this board. We ask that the will of the residents to control their land and services be upheld through this petition.

Respectfully Submitted

By the Board:

*John J. Carr Jr. President*  
*Gene Robbins, Treasurer*  
*Naughten Secretary*

# **Rent Board Exhibit #2**

HILLCREST MOBILE HOME TENANTS ASSOCIATION, INC  
C/o 20 Lisa Drive  
Middleborough, MA 02346

Town of Middleborough  
Rent Board  
11 Nickerson Avenue  
Middleborough, Ma 024346

October 15, 2013 Corrected and Updated  
Re: Application for Rent Adjustment

Honorable Board Members,

This letter and application corrects and replaces in full a similar letter and application dated October 2, 2013.

Previously, we have completed and filed an Owner Petition for Rent Adjustment; as requested please find a separate letter from the current owner stating that they are co-applicant for the purposes of this increase, for completion of the sale. However, such increases are only for the benefit of the Association if and when they close on the community and would not inure to the current owner.

Therefore, we include this commentary along with that form as a request for increase effective upon ownership, only when we have ownership. We will close immediately upon approval by the board- our purchase agreement expires 11/11/2013.

As you may know, the Hillcrest Mobile Home Tenants Association, Inc executed a Purchase and Sale Agreement with Hillcrest MHP LLC (formerly Morgan MHP Mass, LLC) has received approval for lender funding from ROC USA Capital (letter attached as to terms), and is moving toward closing on the purchase. The Association is a Massachusetts non-profit corporation with the exclusive calling to serve its resident-members, and with 70 members of 93 homes (over 75% membership), qualified as a "Resident Owned Park" once it assumes ownership of the Community.

As a part of that process, on September 17, 2013, we held a meeting of all members of the association and approved the initial rent and 3 year plan, as a part of approving the entire purchase and operating plan. The meeting was properly noticed to all homeowners, members and non-members, and in keeping with our open enrolment policy, new members joined at the door and absentee ballots were allowed. Of 70 member homes, 62 voted, with purchase approved 46 to 16, or 76% in favor. The purchase of the community, at this rent and under the terms discussed here, is clearly the will of the residents.

The three year plan developed by the residents allows a phased increase in the rents in the community from \$ 281 in the first year (ALL figures include \$ 12 town license fee), to \$ 298 in the second and to \$ 310 in the third, all inflation adjusted. The three year phase in was worked up so to ease the increase from the current rent to a full-cost rate. Since we approved a multi-year plan, we seek approval for that multi-year plan, subject to petition if we need rates higher than requested.

Received 10.17.13 

The \$ 281, \$ 298 and \$ 310 are what we must establish as "Fair Net Operating Income" (FNOI) for years 1-3 respectively, for this "Resident Owned Community" under the Rules.

**The rent increase is a condition of our financing, and therefore, the purchase of the community.** A copy of the three year operating budget and initial capital budget is attached. Please note the following in regard to the attached:

On Income:

1. The Association is not purchasing the single family home in the community, but leasing the land for it to Morgan Management for the equivalent of lot rent plus taxes and other costs associated with the community. (This assists the park, but is not income subject to rent control)
2. Pursuant to the instruction of its lender, and sound management practices a 2% rent loss reserve (a "mandated contractual reserve" per the rules) was established in the budget to cover rent not paid. In our accounting, this is netted from operating income.
3. A subsidy of \$ 25,000 in the first year, and \$ 9,000 in the second year will be established in cash at closing to allow the stepped rent in year 2 and 3.

Operating Expenses:

1. Year 2 & 3 include inflation at the rate 2.2%, compounded annually, applied to all costs
2. Real estate taxes- current, net of those assessed on the house.
3. Utilities- current level of expense for street lights and gas for the small common building
4. Legal and accounting- Estimation based upon similar communities
5. Insurance- Quote for annual insurance from commercial broker covering \$ 2mm liability, as well as insuring buildings, loss of income, fidelity and directors coverage.
6. Maintenance- covers plowing, landscaping and expected repairs based upon quotes and engineers review
7. Bookkeeping/ Management- The Association has contracted First Choice Property Management as their fiscal agent, covering finances, collections and resident qualification, and hired Julie Geren as a consultant to assist the board in onsite management. First Choice services 7 other cooperative parks in 4 states; Ms. Geren has 30 years experience and serves the 280 unit Cranberry Village Association in Carver.
8. Water and Sewer were recalculated based upon the last full year it had a working meter; the park has been on estimated billing for several years since the meter broke. The meter is going to be repaired before closing, it is a condition of the purchase.
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10. This is town \$ 12 per unit fee plus Massachusetts minimum corporate excise tax (\$ 456)

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#### Debt Service-

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5. We have an experienced Property Management consultant to assist us in vendor selection and day to day management.

As previously stated, the purchase of the Park is contingent upon the establishment of this rent, by this board. We ask that the will of the residents to control their land and services be upheld through this petition.

Respectfully Submitted

By the Board:

Mary L Kerr, Secretary  
 MARY L KERR, SECRETARY  
 Francis X. Chuddy, Director  
 Francis X. Chuddy

Hillcrest MHP LLC (n/k/a Morgan MHP Mass LLC)  
1170 Pittsford Victor Road  
Pittsford, NY 14534

Rent Board, Town of Middleborough  
10 Nickerson Avenue  
Middleborough, MA 02346

October 11, 2013

To whom it may concern,

This letter confirms that Hillcrest MHP LLC n/k/a Morgan MHP Mass LLC, as owner of Hillcrest Mobile Home Park, wishes to join the application of the Hillcrest Mobile Home Tenant Association for a rent increase for the park. Please consider us a co-applicant.

It is understood that the rent increase is subject to the acquisition of the park by the Association and for no other purpose. The application was created and filed by the Association and Hillcrest MHP LLC n/k/a Morgan MHP Mass LLC is not responsible for its content.

Sincerely,



Robert Morgan  
Manager, Hillcrest MHP LLC n/k/a Morgan MHP Mass LLC



October 14, 2013.

Board of Selectmen  
Town of Middleborough  
10 Nickerson Avenue  
Middleborough, MA 02346

RE: Hillcrest Manufactured Home Community  
Acquisition/Permanent Loan of up to \$2,436,500

Dear Board Members:

On August 20, 2013, ROC USA Capital's Loan Review Committee approved a community acquisition/permanent loan to Hillcrest Mobile Home Tenants Association, Inc. for the acquisition of the Association's 93-site manufactured home community in Middleborough. You have requested this letter as evidence of the key terms of ROC USA Capital's financing in advance of considering the Association's petition under Middleborough's Rent Control Ordinance to increase lot rent per site to approximately \$281 per month. ROC USA Capital's approval of the loan was based on this increase in monthly lot rent as of the time the Association takes title to the community. The other key terms of the approved financing are as follows:

**Lender:** Resident Ownership Capital, LLC, d/b/a ROC USA Capital.

**Borrower:** Hillcrest Mobile Home Tenants Association, a legally incorporated non-profit corporation pursuant to the laws of the Commonwealth of Massachusetts.

**Loan Amount:** up to \$2,436,500.

**Loan Term and Amortization Period:** 10-year term, 30-year amortization period.

**Interest Rate:** 6.25% fixed for the term.

**Loan Payments:** Monthly amortizing payments of principal and interest in the amount of up to \$15,001.95, commencing Dec. 15, 2013 (up to \$180,023.40 per year).

**Loan Origination Fee:** up to \$18,273.75 payable at Closing of the Loan (.75 percent of the loan amount).

**Collateral:** First mortgage recorded against the land and commonly owned improvements, assignment of leases and rents, pledge of accounts.



**Escrows:** Borrower will deposit with ROC USA Capital on a monthly basis, at the same time loan payments are made, sufficient funds to pay real estate taxes and insurance as such payments become due. ROC USA Capital will disburse such real estate tax payments to the City of Middleborough in accordance with the City's payment schedule.

**Reserve for Replacement Account:** Borrower will also deposit with ROC USA Capital on a monthly basis, at the same time loan payments are made, sufficient funds to meet the Community's future capital improvement needs. At Closing, Borrower shall deposit \$270,000 to this account to address immediate capital improvement needs. On a monthly basis, thereafter, Borrower will deposit at least \$500 per month (\$6,000 annually) to this account to address future needs.

**Debt Service Coverage Ratio:** At all times during the term of the Loan, Borrower shall operate the Community such that the ratio of annual Net Operating Income to annual principal and interest payments on the Loan is at least 1.10 to 1.00. For this purpose, "Net Operating Income" is defined as the difference between normal operating revenues from lot rents and other fees and the cost of normal operations. Normal operations shall include an allowance for uncollected lot rent (bad debt), routine operating expenses and the annual contribution to the Replacement Reserve Account. Borrower shall present to Lender at least 30 days prior to the beginning of each of Borrower's fiscal years an Operating Budget for Lender's review and approval meeting or exceeding this debt service coverage ratio. At the end of each fiscal year, Borrower shall have its books and financial records reviewed by an independent Certified Public Accountant and within 120 days of the end of Borrower's fiscal year such reviewed financial statements shall be provided to Lender.

Should you require any additional information about this community acquisition/permanent loan to Hillcrest Mobile Home Tenants Association, Inc., please contact me at (603) 724-8370, or by e-mail at: [msloss@rocusa.org](mailto:msloss@rocusa.org). ROC USA Capital looks forward to meeting the financing needs of the homeowners at Hillcrest MHC and to working with the City of Middleborough as needed to ensure the successful long-term operation of this community.

Sincerely,

A handwritten signature in cursive script that reads "Michael Sloss".

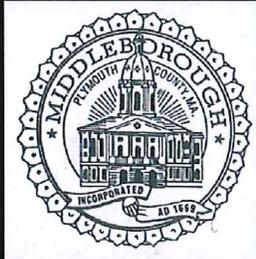
Michael Sloss  
Managing Director, ROC USA Capital

**Three Year Budget:**

	Year 1	Year 2	Year 3	Notes
<b>Revenue:</b>				
Lease Fee per month	\$ 281	298	310	
Number Of Sites	93	93	93	
Gross Monthly Income	\$ 26,133	\$ 27,714	\$ 28,830	
other income (house)	281	298	310	
Gross Monthly Income	\$ 26,414	\$ 28,012	\$ 29,140	
Less: Vacancy/Rent Loss (2%)	(528)	(560)	(583)	
Gross Effective Monthly Income:	\$ 25,886	\$ 27,452	\$ 28,557	
Subsidy	\$ 25,000	\$ 9,000	\$ -	
=Gross Effective Annual Income	\$ 335,629	\$ 338,421	\$ 342,686	
<b>Operating Expenses:</b>				
RE Taxes	25,127	25,680	26,245	current, less house
Utilities	2,200	2,248	2,298	current
Legal/Financial Review	4,000	4,088	4,178	estimate on size
Insurance	5,832	5,960	6,091	quote
Maintenance, Landscaping	12,000	12,264	12,534	landscaping/plowing/repairs
Office Supplies & Expenses	1,000	1,022	1,044	
Bookkeeping/collections/ Property Mgmt	19,740	20,174	20,618	First Choice and Geren
water/sewer	39,000	39,858	40,735	Calculated off last metered use
Trash	9,480	9,689	9,902	Bid
State taxes+ town taxes	13,993	14,301	14,615	\$ 12 town fee, State
Replacement Reserve	7,000	7,000	7,000	
Total Annual Operating Expenses / Per Home:	\$ 139,372	\$ 142,284	\$ 145,260	
<b>Annual Totals</b>				
Income	\$ 335,629	\$ 338,421	\$ 342,686	
Less: Operating Expenses	139,372	142,284	145,260	
Less: Debt Service	178,804	178,804	178,804	
<b>Surplus</b>	\$ 17,452	\$ 17,333	\$ 18,622	

**Initial Capital Reserves and Budget:**

	<b>Immediate - Yr. 1 Capitalized Account</b>
Septic connection	20,000
Sewer Cleaning	3,500
Water repairs	3,000
Large Leaching Storm	22,500
2 catch basins	13,500
Drainage Berm	2,500
Paving	118,000
Speed Bump Removal	3,000
Signage	750
Meter panel	6,000
Oil Tank	1,500
Tree removal and trimming	25,000
rip rap	4,500
clubhouse/garages	25,000
Mail shelter	3,000
<b>Total Expenditures</b>	<b>251,750</b>
Unbudgeted	18,250
<b>Total Funded</b>	<b>270,000</b>



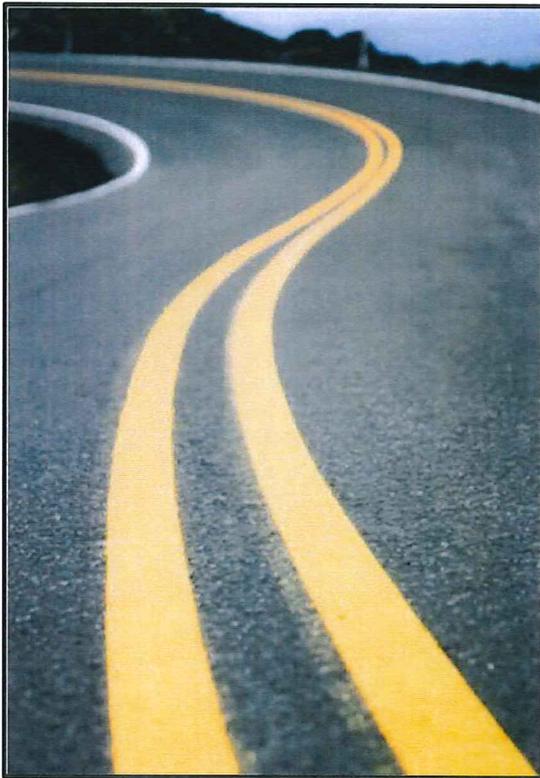
# Town of Middleborough Department of Public Works

## MUNICIPAL ASSET MANAGEMENT PROGRAM *Pavement & Sign Management System Overview*



October 28, 2013

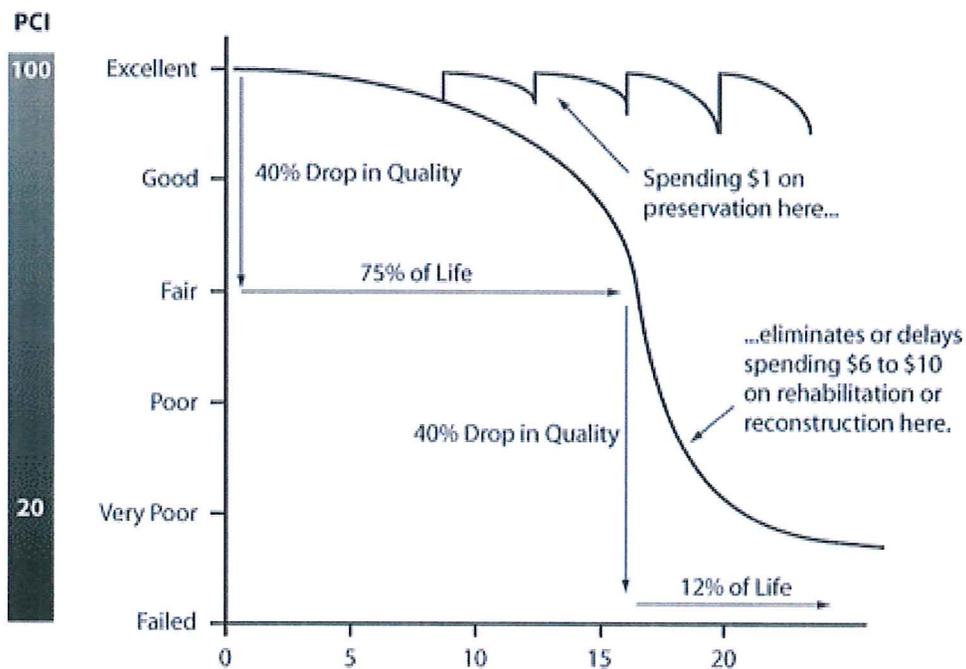
# Pavement Management...



- The practice of planning for pavement maintenance and rehabilitation with the goal of maximizing the value and life of a pavement network
- ***The right repair at the right time!***



# Pavement Management...



Source: Federal Highway Administration

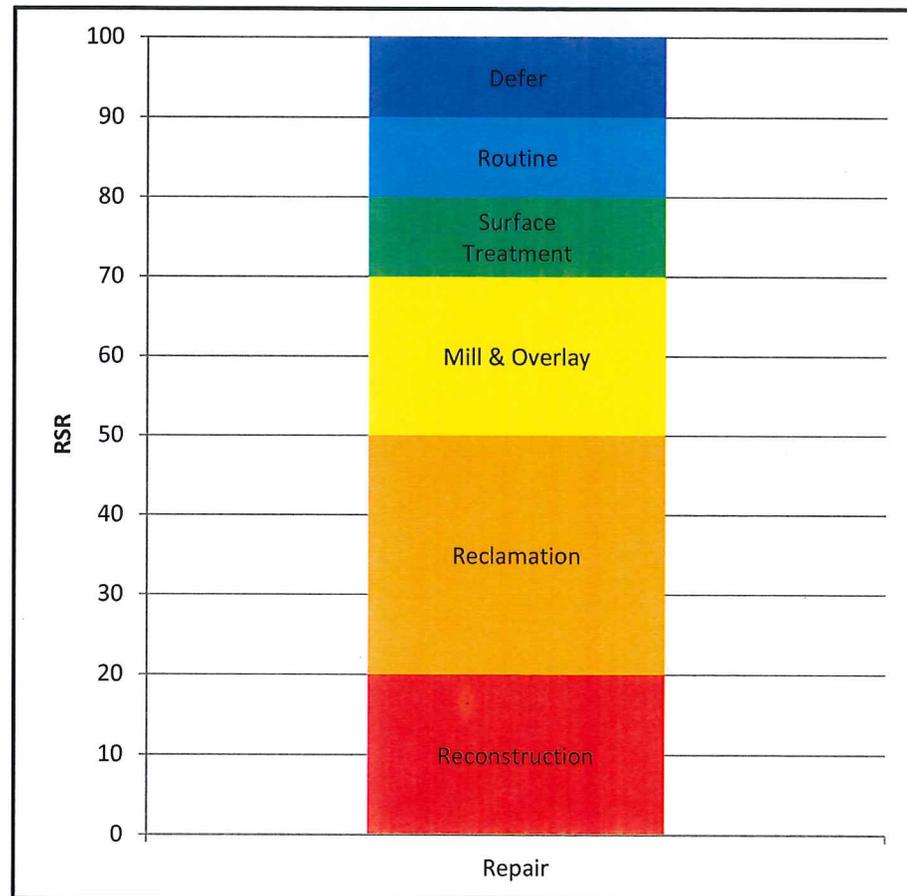
- Asset management tool
- It is more cost effective to keep good roads in good condition



# Typical Pavement Repair Methods

- Defer Maintenance - \$0 SY
- Routine Maintenance - \$0.50 SY
  - Crack Sealing
  - Patching
- Surface Treatment - \$8.00 SY
- Mill & Overlay - \$16.00 SY
- Reclamation - \$24.00 SY
- Reconstruction - \$38.00 SY

\* Please note that unit prices reflect curb to curb improvements only



# Typical Scope of Work

Roadway Inventory & GIS

Field Data Collection Program

Existing Conditions Summary

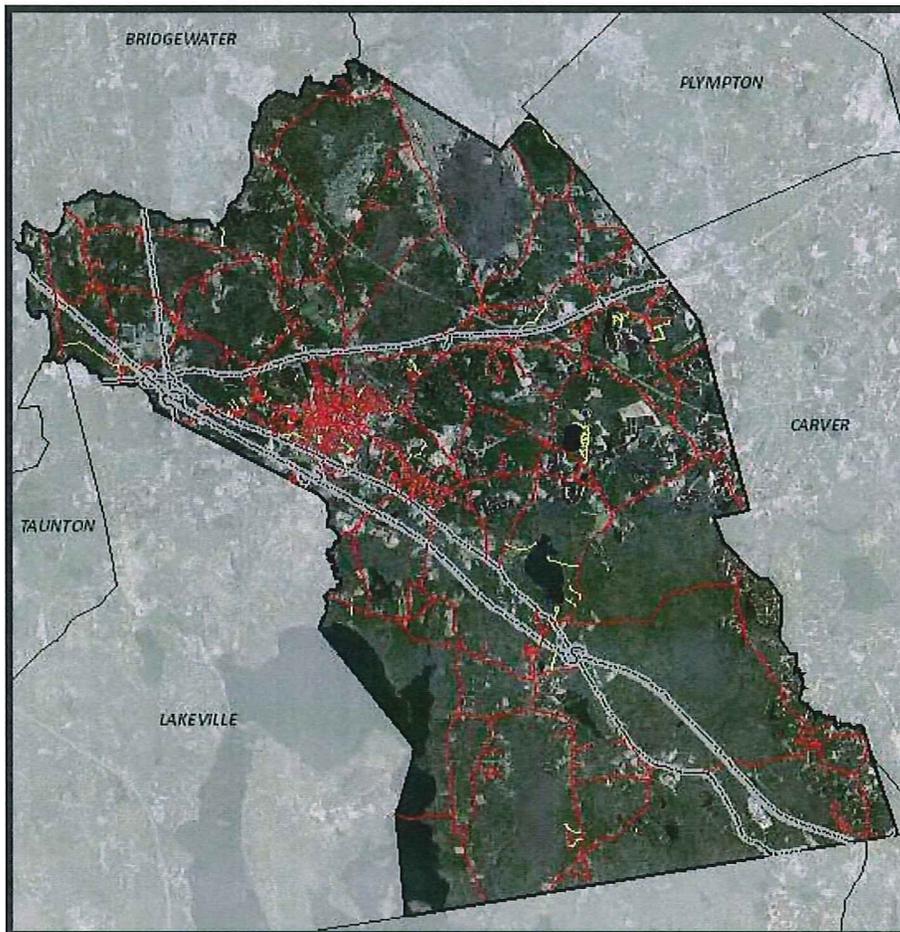
Capital Improvement Planning

System Deployment & Training



# Roadway Inventory and GIS

## Middleborough Roadway Profile



Type	Miles
Town Accepted	157.78
Town Unaccepted	12.98
<b>Subtotal</b>	<b>170.76</b>
State Roads	63.00
<b>Total</b>	<b>233.76</b>



# Establish Road Surface Rating

## Pavement Inspection Form

**Inventory and Inspection Form**

**Street Name**  
GIS ID: 2025  
Street: DOVE AVENUE  
Segment Name: DOVE AVE-01  
From Street: LAKE SHORE DR  
To Street: BLACKBIRD AVE

**Ownership**  
Town Owner: Town  
Town Owner: Accepted  
MassDOT Owner:  
MassDOT Accepted:  
Inspection Area:

**Existing Data**  
Linear Joint: N/A  
Existing Crack Seal: N/A

**Inspection Data**  
Inspector: BETA  
Inspection Date: 8/19/2008  
Pavement Material: BC  
Length Feet: 315.69  
Length Miles: 0.06  
Width: 24.00  
RSR: 55  
Refresh RSR

**Distress Data**

Distress Type	Severity	Extent (%)	Notes
Edge Cracking	High	40	
Alligator Cracking	Moderate	30	
Linear Cracking	Moderate	40	
Potholes		0	
Patching		0	
Rutting		0	
Depressions	High	30	
Drainage		0	

**Curb Data**  
Odd Curb Type: None  
Even Curb Type: None  
Avg. Reveal: 0

**Sidewalk Data**  
Sidewalk Odd: No  
Sidewalk Even: No  
Sidewalk Material Odd: N/A  
Sidewalk Material Even: N/A

**Striping Data**  
Center Line: N/A  
Edge Line Odd: N/A  
Edge Line Even: N/A

**Functional Class**  
Class Number: 4  
Class Short: LO  
Class Long: Local  
Adjusted ADT: 500

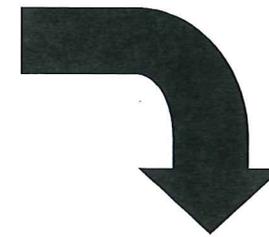
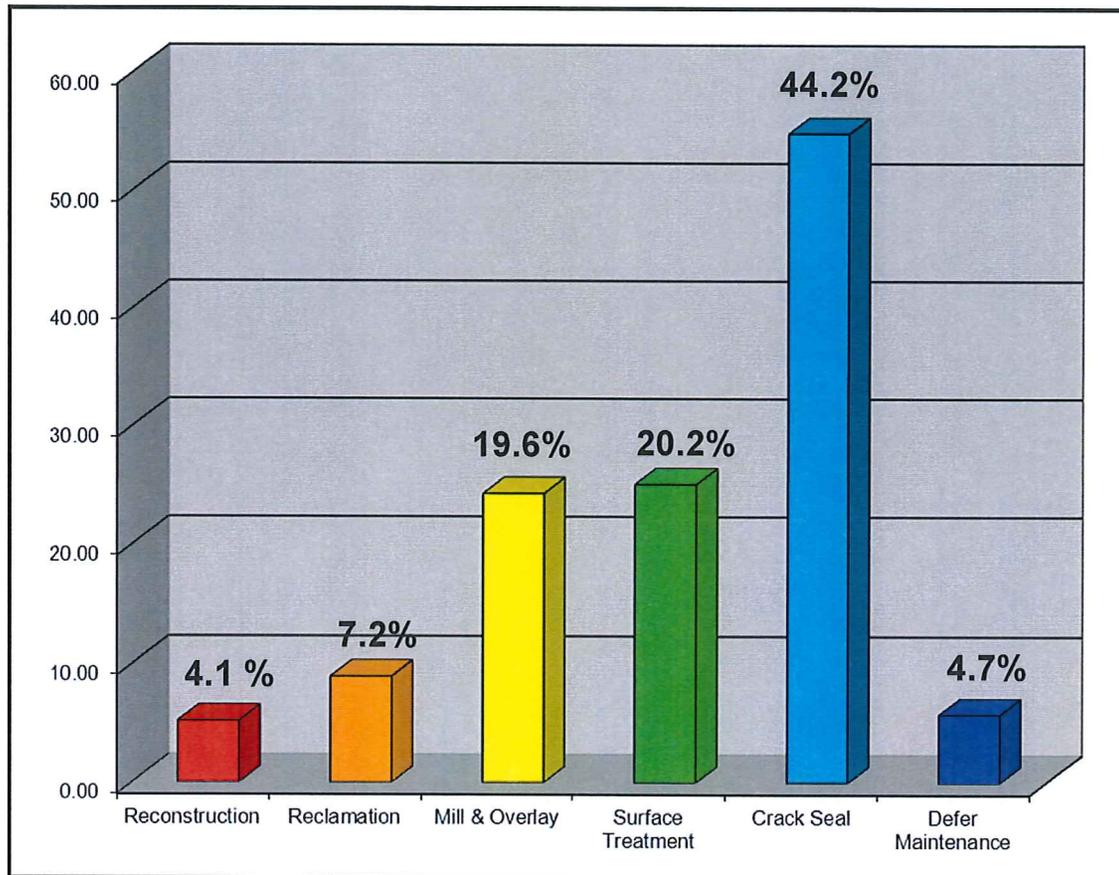
Record: 678 of 2514

- Calculate Road Surface Rating (RSR) based on existing distresses
- Ratings are 0 to 100 (Worst to Best)
- Add newly accepted streets accordingly



# Existing Conditions Summary

## General Rating by Mile



**Approx. 124  
Road Miles  
RSR = 76**

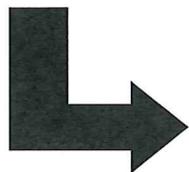
**Town of Wareham Example**



# Existing Conditions Summary

## Breakdown by Repair Method

Repair Method	Length (Miles)	Est. Cost	% By Repair
Reconstruction	5.22	\$2,102,486	4.2%
Reclamation	8.96	\$2,695,809	7.2%
Mill and Overlay	24.30	\$4,885,214	19.6%
Surface Treatment	25.09	\$4,546,654	20.2%
Crack Seal	54.87	\$359,978	44.2%
Defer Maintenance	5.79	\$0	4.7%
<b>TOTAL:</b>	<b>124.23</b>	<b>\$14,590,141</b>	<b>100.0%</b>



**Backlog = Approx. \$14.6 Million**

Town of Wareham Example



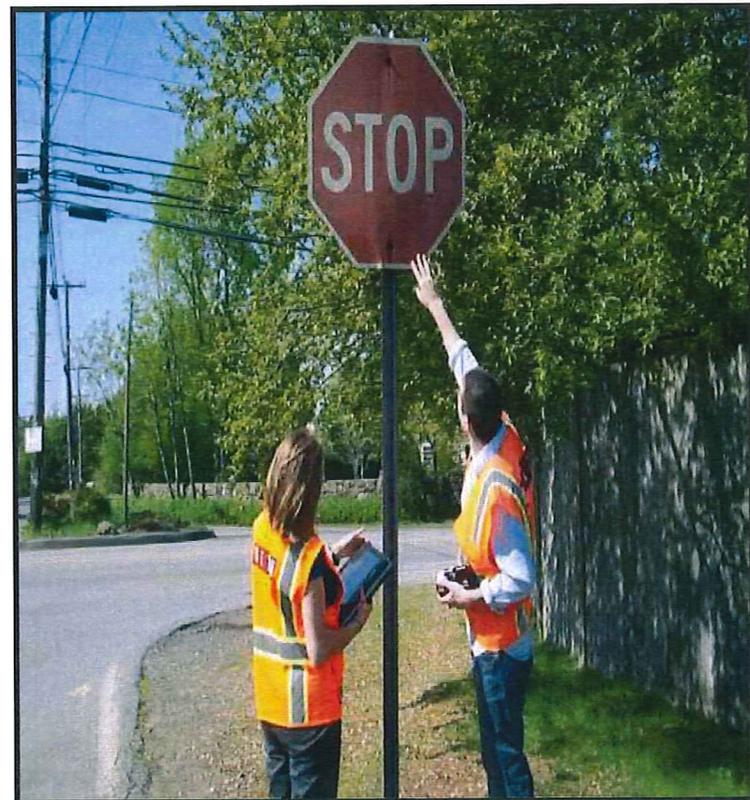
# MUTCD Compliance Program

- All communities must establish a sign asset management and maintenance program to address new minimum retroreflectivity requirements by June 13, 2014



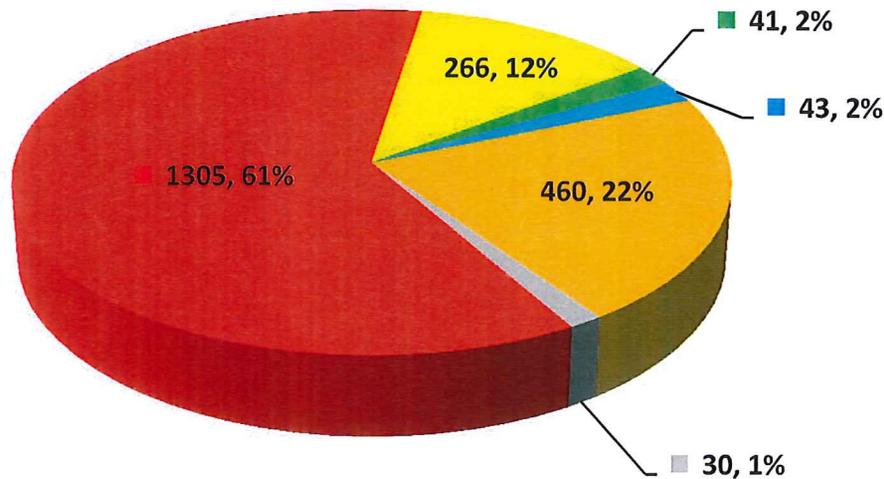
# Establish Inventory of Signs

- GIS-Based Approach
- Tablet Field Laptop
- Inventory Attributes
  - Sign Type
  - Sign Size
  - Sign Material
  - Sign Height
  - Sign Condition
  - Post Type and Condition
  - Retroreflectivity Rating
  - Stop Line Presence



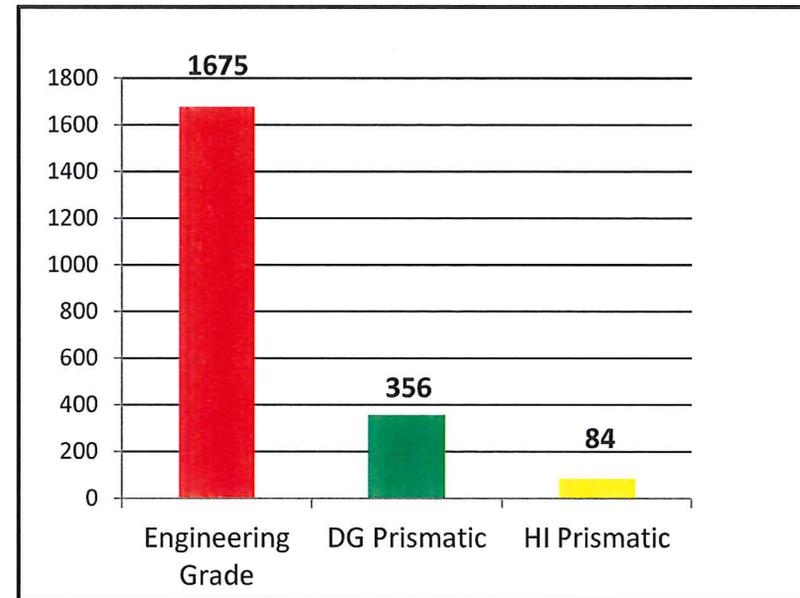
# Existing Conditions Summary

## Sign Type



- Regulatory Sign
- Warning Sign
- School Sign
- Guide Sign
- Unlisted Sign
- No Sign

## Sign Material

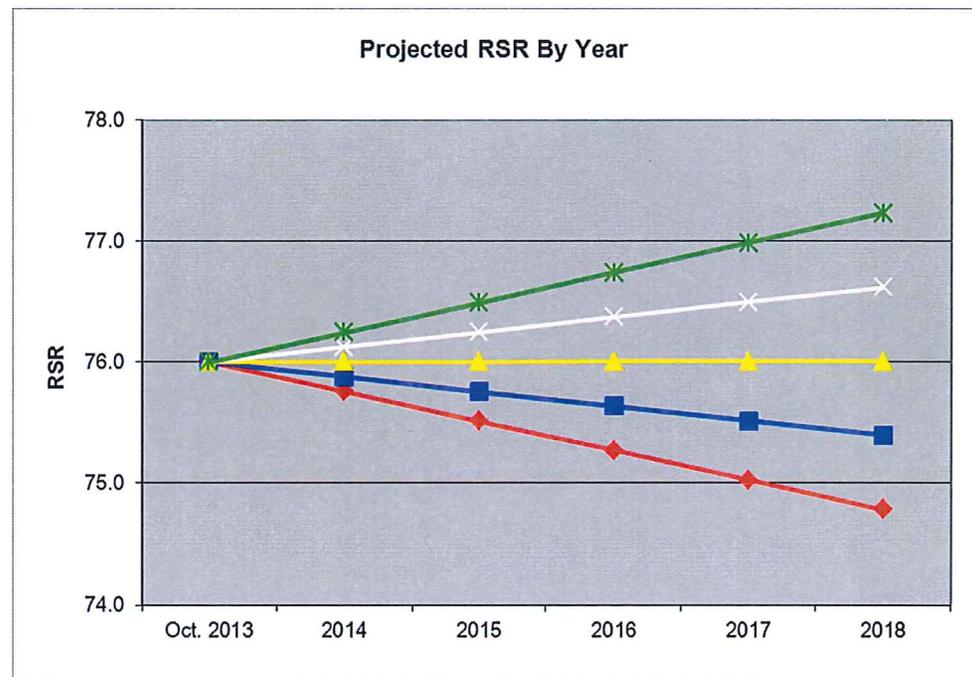


**Total Number of Signs  
Collected = 2,145**



# CIP Development Pavement & Signs

- Determine funding sources & target levels
- Refine Unit Costs Annually
- Prioritization Strategies
- Utility Coordination
- Deterioration Rates
- Compliance Deadlines



**Develop Multi-year Plan**



# System Deployment & Training

- Update data as repairs are completed
- Monitor and update actual repair costs
- Re-inspect roadways periodically
- Add new roads and newly accepted roads



# System Deployment & Training

Wareham Asset Management Program

File Edit View Insert Format Records Tools Window Help

**Town of Wareham**

Pavement Management System

Pavement Management

Capital Planning

Pavement System Settings

GIS Mapping

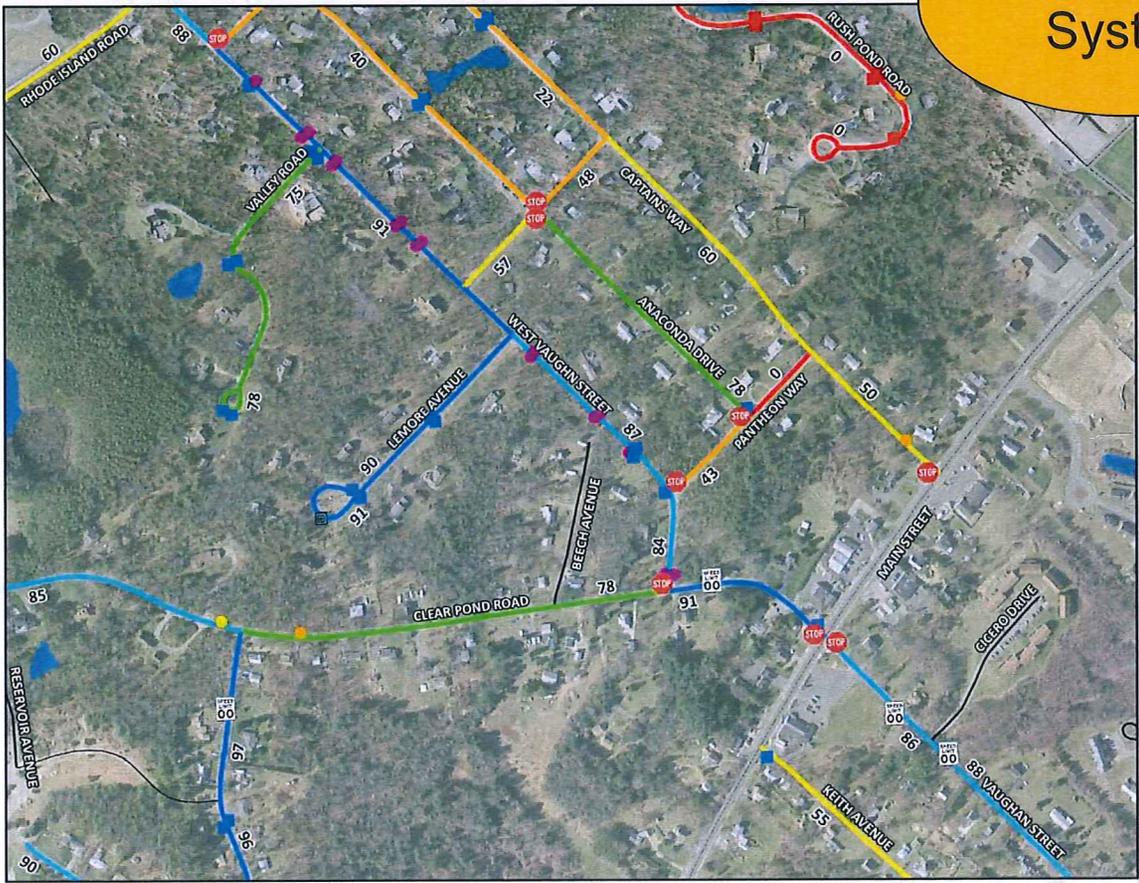
Exit Pavement Management System

**BETA**

Version 7.0

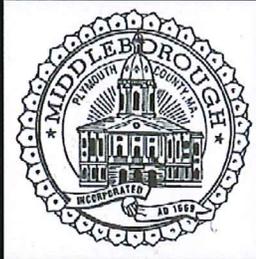
2013

BETA Group, Inc



Non-Proprietary System





# Town of Middleborough Department of Public Works

## MUNICIPAL ASSET MANAGEMENT PROGRAM *Pavement & Sign Management System Overview*

Thank You

October 28, 2013



## Jacqueline Shanley

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**From:** Jane Kudcey  
**Sent:** Wednesday, October 30, 2013 11:35 AM  
**To:** Jacqueline Shanley  
**Subject:** BOS Meeting  
**Attachments:** 2014 MDI Tech Assistance Grant Cover Sheet.pdf

Jackie,

I am requesting a Public Hearing to be held during the BOS to discuss the FY2014 Mass Downtown Initiative grant application for technical assistance for the creation of a Downtown Cultural District. I am also requesting that the Board approve this application and authorize the Chair to sign the Application Cover Sheet (attached).

Let me know if you have any questions,

Thanks,

Jane



# 2014 Downtown Technical Assistance Application Cover Sheet

## Massachusetts Downtown Initiative Program

Community Name:	Town of Middleborough
Date of Application:	11/15/2013
Title of Project:	Downtown Middleborough Cultural District Designation

**Principal Contact:** Please print clearly.

Name:	Jane Kudcey	Address :	<u>Middleborough Office of Economic and Community Development</u>  <u>20 Center St.</u>  <u>Middleborough, MA 02346</u>  _____
Title:	Director		
Phone:	508-946-2402		
Email:	jkudcey@middleborough.com		

**Name & Signature of the Chief Executive Officer or Chief Elected Official (Required):**

Name & Title:	
Signature:	

**(REQUIRED FOR SUBMISSION)** Check one box for the type of assistance being requested:

- |  |   |
|--|---|
| <input type="checkbox"/> Business Improvement District | <input type="checkbox"/> Housing              |
| X Creative Economy                                     | <input type="checkbox"/> Parking              |
| <input type="checkbox"/> Design                        | <input type="checkbox"/> Way finding/Branding |
| <input type="checkbox"/> Economics of Downtown         |   |

See attached program description for more information relating to the designated topics.

**Summary Statement:** Please describe your request in 25 words or less:  
**The Town of Middleborough is requesting technical assistance in order to attain a Downtown Cultural District Designation from Mass Cultural Council for economic development.**

**Application Deadline: 5:00 p.m. on November 15, 2013**