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## Response to the Issues Paper for Stakeholder Discussion

**Note:** *This is the current draft of ARPQ's proposed response to the Issues Paper.* It is far from completed; there is still work to be done in refining some of the content and editing the way things are worded, grammar, spelling, and punctuation etc. However, we do think that we it is a good representation of what the man points we will make in the final version will look like.

Our purposes in sharing this version at this time are:

- i. To give homeowners an insight into the way ARPQ is going to respond to the Issues paper and of the reforms we are aiming to achieve in order to address the problems we focus upon in our response. We think that Home Owners Committees and individuals intending to submit response of their own might find this useful.
- ii. To provide homeowners with an opportunity to give us feedback and have some input into the final form of our response to the Issues paper on behalf of home owners through the state. **Please use the contact details above to send any feedback to us.** Try to do this by the end of July so that we have time to consider it and finalise our submission before the deadline date for submitting responses to the Department on 15th August 2022.

## Part 1: Issues Related to Site Rent Increases

ARPQ acknowledges the veracity of just about all of the issues and concerns related to site rents and site rent increases which are articulated in the issues paper. However, we believe that for the most part the problems are discussed at the surface, presenting level and do not capture the scale or the depth of home owner's concerns.

The great majority of home owners believe themselves to be victims of systemic injustice by current practice in relation to site rent increases. ARPQ believe that the issues paper fails to recognise and fully articulate the deeper features of that practice which many home owners see as the cause of the injustices perpetrated against them.

Our responses below to the section of the paper dealing with site rent increases aims to articulate the concerns of home owners about features of current practice more fully. We submit our response with a view to making it easier to identify ways to mitigate and address these concerns.

### Market Valuation and Market valuation Reviews

It is noted that three of the problem areas identified in the issues paper (sections 1.10, 1.11 and 1.12) refer to aspects of carrying out a market valuation review in order to determine a market valuation price.

While ARPQ acknowledges the veracity of problems highlighted, what is extremely disappointing to us is that the paper fails to recognise the core problem that home owners see with market valuation reviews. That is, that **in the context of the manufactured homes, residential parks market, market valuation determined by a market valuation review is not fit for purpose as the key metric for determining increases in site rents.**

As is pointed out in the introduction to the paper under the heading of 'Context', one of the objectives of the Manufactured Home (Residential Parks) Act, 2003 (the Act) is supporting the growth and viability of the residential parks industry. In alluding to this objective section 1.2 of the paper highlights the fact that the key factor in assuring the financial viability of a park is ensuring that increases in site rent are sufficient to cover increases in the costs of maintaining and operating the park.

ARPQ believe that home owners accept and are comfortable with this proposition. They see site rent as being a payment to the park owners to cover the costs of use of the land on which their homes are located, the use of the facilities that are provided in the park and the services the parks owners provide to them. They recognise that an important element in those costs is ensuring a dividend to the owners or their shareholders on the investment they have made in the park which is reasonable and fair when compared to other investments with similar risks and levels of security.

Home owners believe that one of the main factors that should be taken into account in determining increases (or decreases) in site rents is increases (or decreases) in the actual costs of maintaining the land on which their home is located, the communal facilities of the park and the services provided to them by the park owner. **What home owners are not**

**comfortable with, and do not accept, is that market valuations determined by market valuation reviews are an accurate and reliable way of determining increases (or decreases) in those actual costs.**

Residents have good reason to refute market price as the basis for changes in site rent. Basing increases in site rents on increases on estimates of “market valuation” is grounded in the assumption that market forces are the best way of setting a fair and equitable price for the product that the rent is paying for. Essentially, this assumption is grounded in the idea that a fair and equitable rent is that which the renter is prepared to pay and that in a free market home owners will refuse to pay rents they consider to be too high and move on to find an alternative provider of the same or similar products (sites in parks for homes) elsewhere at a price they think is appropriate.

Section 1.5 of the issues paper points out the obvious problem with accepting this market rationale in relation to site rents in residential parks. The market for sites in residential parks does not in practice operate as a free market. The main constraint on it doing so is that demand for sites is extremely inelastic. That is, demand by home owners for the land on which the manufactured home is to be sited plus the use of the facilities and services provided in the park remains unchanged even when the site rent changes.

Home owners faced with a demand to pay a higher rent have few options for seeking an alternative to paying the increase as envisaged in a free market scenario. An aging resident who has been in his or her home in a park for a number of years and who has diminishing financial resources is not well placed to move to another park in search of a lower rent. Their options are also restricted by the substantial emotional, physical and financial burdens associated with buying and selling a house and moving one’s home. When asked to pay increases in site rent which they believe are higher than they should be, and are aware in their hearts do not reflect changes in the costs to the park owners operating the park are left with little option to accepting them on the grounds that they feel powerless to resist.

Home owners’ distrust of market price and market valuation reviews as an accurate and reliable metric for determining increases (or decreases) in the actual costs of operating a park is exacerbated considerably by the lack of tangible evidence of a direct relationship between them. Home owners accepting the argument sited in section 1.2 of the issues paper that site rents have to keep increasing in order to maintain the viability of a park without verifiable evidence to support the assertion would be naive and unwise. The most obvious way that park owners could satisfy home owners that proposed increases in rent as indicated by a change in the market valuation would be to share verifiable details of what the actual changes in costs have been. However, it is the universal practice to refuse to do this on the grounds that it is commercially sensitive information. ARPQ is not aware of any instances of park owners being prepared to share data on actual costs with home owners on a “commercial in confidence” basis. Lack of transparency always leads to distrust. Sadly distrust of market valuations and market valuation reviews is a prominent feature in conversations between home owners. In a great many instances it has led to a souring of relationships between them and their park owners.

ARPQ believes that it is the view of a majority of home owners that park owners are taking advantage of the problematic features of the market valuation review processes referred to in sections 1.10, 1.11 & 1.12 of the issues paper to maximise their profits. It is common for

home owners to see park owners as profiteers, taking advantage of the site rent regime featuring market valuation reviews and the failure of the Act to control it.

A major indicator of the distrust home owners have for market price and market valuation reviews is the fact that a high proportion of the disputes referred to QCAT are about site rents. ARPQ note that this situation contrasts greatly with that in NSW where market valuation reviews are no longer a key metric in determining site rent increases.

It is clear to us that the fact that market valuation determined by a market valuation review is not suitable to be used as the key metric for determining increases in site rents is the core problem that needs to be addressed rather than just the aspects of the market review process referred to in the issues paper.

### **Increasing Unaffordability of Site Rents**

ARPQ recognises the veracity of the points made in section 1.1 of the issues paper about the concerns home owners have over the affordability for them of living in a residential park given the trend for site rents to keep increasing.

As the paper points out the core of the problem is that there is a history of site rents increasing at a greater rate than the incomes of home owners. The paper also points out that the latest data available on the demographics of residential parks from the 2013 home owner survey showed that 90% of home owners relied upon the full or part aged pension for their income.

Increase in the aged pension are made twice each year by the greater of the average increase in CPI across Australia's eight capital cities or the Pensioner and Beneficiary Living Cost Index (PBLCI) which are then benchmarked against the Male Total Average Weekly Earnings (MTAWE) . The combined couple pension rate is benchmarked to 41.76% of MTAWE and the single rate to around 27.7% of MTAWE. Benchmarking means that if for example the combined couple pension rate calculated as the greater of CPI and PBLCI is less than 41.76% of MTAWE then it is increased to that amount.

ARPQ does not have data comparing increases in site rents over time against the actual increases in pensions. However, in research done by ARPQ in 2020 a survey of members found that in the six years from 2014 to 2020 increases in site rents, calculated using a combination of the CPI for Brisbane and market valuation reviews, had been almost double those in CPI which was taken to be an approximation of increases in pensions.

The compounding effect over time of this disparity between increases in home owners' incomes and the increases in their site rents means that an increasing proportion of their income is being taken up by paying their rent. The widely accepted criteria set by ACOSS (Australian Council of Social Services) for people living in housing stress is that they need to devote 30% or more of their income to cover their housing costs.

Research undertaken by ARPQ shows that home owners solely reliant upon the single aged pension are likely to have crossed this threshold already in many Queensland parks based just on the site rent they are paying. The situation is likely to be much more widespread, if other housing costs for home owners in residential parks such as insurance and maintenance are taken into consideration.

A factor exacerbating the disparity between the incomes of pensioners and their housing costs is that the rental rebate assistance they receive from the Federal Government is capped and in many instances their site rents are at or approach the level of the cap. This means that they are already receiving the maximum rebate based on their existing rents. Thus, when their rent is increased they will get no increase in the rebate to help mitigate the impact upon them.

ARPQ is very concerned that if the disparity between pensioner incomes and site rent increases in residential parks continues in the future increasing numbers of home owners will be forced into deeper housing stress. That is, more and more of them will find themselves having to make choices to reduce their spending on essentials like food, medications and other health costs and heating and cooling their homes in order to be able to afford to keep their home.

### **“CPI Plus a % or a Fixed Amount” as the Metric for Determining Site Rent Increase**

ARPQ submits that a major concern of many home owners that is not articulated in the issues paper is about the impact that the use of CPI plus a percentage or CPI plus a fixed amount has on the affordability of their site rent.

As is explained above CPI is not likely to be an accurate indication of any rise home owners are likely to have in their income. It is however likely that any increases will be close to CPI. Clearly the use of a metric which automatically adds a percentage or fixed amount above CPI to site rent will widen the gap between increases a home owners' rent and income. The effect of this will be compounded year by year. As argued above, the impact will be increasing numbers of home owners moving into housing stress with consequent negative effects on their financial and overall wellbeing.

### **Brisbane All Groups CPI as the metric for determining Site Rent Increases**

ARPQ acknowledges the validity of the mention in section 1.4 of the issues paper of home owner concerns about unpredictability and scale of CPI based increases. However, we believe that home owners have deeper concerns about the way in which CPI is adopted as a metric for determining Site Rent Increases which are not fully articulated.

It has long been assumed that increases in CPI are a reasonable metric to use on the grounds that it is a measure of inflation and thus likely to be an approximate guide to both increases in the costs of running a park and any increases in the aged pension and the income of most home owners. However, many home owners are questioning this assumption on a number of fronts.

As Australia moves from a 20 year period of low inflation into what is expected to be times of higher annual increases in the rate over the next few years it is clear that there are grounds for challenging the notion that the All Groups CPI in Brisbane is a fair indication of increases in the costs of operating a residential parks.

A key problem is that CPI is a measure of increases in cost for five categories of household and many of the contributors to increases in cost to households do not impact upon the costs of operating a residential park.

In its analysis of the annual CPI increase of 5.1% nationally and 6.0% in Brisbane in the year to 31st March 2022, the Australian Bureau of Statistics identified that the largest contributors to the rises were:

- Food and non-alcoholic beverages and Transport
- Supply chain disruptions, high transport, fertiliser, packaging and ingredient costs, and floods affected several Food series, notably Fruit and vegetables and Meat and seafood.
- The Automotive fuel series reached record levels in the March 2022 quarter, due to higher global oil prices amid economic recovery and Russia's invasion of Ukraine.
- Health was the next largest contributor to rises
- Pharmaceutical products and Medical and hospital services rose due to the cyclical decline in the proportion of consumers qualifying for subsidies under the Pharmaceutical Benefits Scheme (PBS) and Medicare safety net.

ARPQ submits that three of these factors (food, health costs and pharmaceutical costs) are likely to have had very little impact on the cost of operating a residential park and a fourth (automotive fuel) would have had only a marginal effect. The relevance of them and of a measure based upon them as a metric used to determine site rents is therefore questionable to say the least.

The assumption that the Brisbane All Groups CPI is good guide to increases in the aged pension and thus to the affordability of site rent increases for home owners is also very much open to being challenged by and of concern to home owners.

As is explained above, increases in aged pensions are in fact not directly linked to increases in CPI but to calculations made taking into account the CPI, PBLCI and MTWAE. Furthermore the CPI used in these calculations is not the Brisbane All Groups one, but the Weighted Average of Eight Capital Cities version. In the year to March 31st 2022 the Brisbane CPI increase was 6.0% with the one used in calculating pension increases was only 5.1%. The use of the actual rate of increase in aged pension as a metric for increasing site rents would overcome any concerns home owners have about the use of the Brisbane All Groups CPI.

### **Diminishing Levels of Service and Standards of Maintenance of Communal Facilities**

A concern expressed by many home owners to the ARPQ which is not articulated in the Issues Paper is that they believe that they getting less value for the money they pay in site rents because over time the levels of service being provided and the standard of the maintenance work being done in their parks is falling even though they are paying higher site rents.

Home owners with concerns about these matters do not see the current provisions of the Act in section 72 as offering them sufficient protection from park owners seeking to cut back on

costs by not maintaining standards. A key problem often cited is that the burden of proof lies with the home owner and the difficulty of assembling evidence of substantial decrease in the standard of communal facilities when there are no agreed criteria for what the standards should or what a substantial decrease in them would look like . It should also be noted that in relation to services, action can only be taken if they are withdrawn rather than the standard of them reduced.

Concerns frequently voiced by home owners are:

- That there is no Code of Best Practice for the Management of a Residential Park, (similar to the Property Council's Retirement Living Code of Conduct), which park owners can be expected or required to adhere to.
- The absence in the residential parks industry of minimum qualifications for persons appointed to the role of park manager.
- The refusal of park owners to share with home owners any details of: the budgets allocated; operational plans for maintenance of services and facilities; the steps they will take to assure quality control in relation to service delivery and the maintenance of facilities.

### **Increasing Site Rents - Summary**

ARPQ believes that the three core problems that need to be taken into account and addressed when designing legislation that sets out to ensure a fair and equitable approach to determining site rent increases and thus address the concerns of home owners are:

- The failure in the past of increases in site rents which are calculated using market valuation reviews, CPI and CPI plus a percentage or a fixed amount as key metrics to reflect increases in the actual costs of operating parks;
- The lack of parity in the past between site rent increases and increases in aged pensions
- Diminishing levels of service and standards of maintenance of communal facilities in parks whilst rents are increasing

### **Reforms ARPQ Would Like to See**

#### **Site Rent Increases**

*A mandated two level regime for increases to site rents under which:*

- There be no more than one site rent increase per year and that be equal to the latest annual percentage increase in aged pensions prior to the increase date for the park.*
- If a park owner wishes to increase site rents on any general increase day by more than the annual percentage increase in the CPI for Brisbane they may apply to do so by providing verifiable evidence that the increase is justified by an increase in the costs of operating the park in a similar way now prescribed in Division 3 s 71 of the current Act*

### **Assurance of Value for Money for Site Rents**

- a. *That it be mandated in the Act that there be Maintenance Reserve and Capital Replacement Funds for each park which operate in a similar way to those in Retirement Villages in Queensland. The maintenance reserve fund to be used to ensure the maintenance and repair of the park's capital items; and the capital replacement fund for the replacement of capital items if and when it is necessary. For each fund a 10 year budget forecast would be maintained and updated annually and residents would have access to details of the budgets in a similar manner to the procedures adopted in retirement villages.  
The core of this proposition is so that the expenditure on maintenance and repair is clear and transparent.*
- b. *That it be mandated in the Act that the park owner must each year adopt a day to day maintenance budget for each park that residents are given full access to and an opportunity to have input into.*
- c. *That it be mandated in the Act that parks owners provide guarantees of the standards they intend to adhere to in fulfilling their responsibilities under s17 of the current Act. That is "to maintain the common areas and communal facilities in a reasonable state of cleanliness and repair, and fit for use by the home owner or the home owner's tenant"  
  
And that penalties be prescribed in the Act for park owners not maintaining the standards they guarantee in a reasonable manner.*
- d. *That a licensing regime, with minimum criteria for registration, be established for persons appointed as park/community managers.*
- e. *That a Code of Best Practice for the Management of a Residential Park be established, (similar to the Property Council's Retirement Living Code of Conduct), which park owners can be expected or required to adhere to.*

### **Pre-Contractual Advice**

We note and concur with the points made in section 1.3 of the paper. We would add that there are no guidelines for either prospective home owners or for that matter for solicitors on what any advice given should cover. We acknowledge that normally it could be assumed that this would be reliant on the professional knowledge and expertise of the solicitor. However, in our experience this assumption is often not valid. ARPQ suggests that some sort of check-list guidelines outlined in the Act or by regulation be considered.

### **Reforms ARPQ Would Like to See**

*That it be made mandatory under the Act that in order to purchase a home in a residential park the buyer must obtain a certificate signed by a qualified lawyer and themselves the*

*contents of which outline the financial and legal check-list of advice they the buyer has received from the lawyer.*

*The details of the content of such as form to be outlined in the Act or by regulation.*

### **Site Rents for Homes Unoccupied Due to Death of Home owner or Them Going into Care.**

Under the current legislation it is the practice that home owners or in many cases the estates of deceased home owners must continue to pay indefinitely the full rent for an unoccupied home including the parts of that rent that cover access to and use of facilities, amenities and services they are not using. ARPQ considers this to be a clearly unfair and unjust arrangement.

We note that this situation contrasts greatly with that faced by the landlord of commercial or residential property on losing a tenant. They forgo collecting rent on an ongoing basis, even though they are required to maintain the property, pay rates, insurance etc. Why are park owners quarantined from this business risk by legislation?

We would point out that whilst this situation persists park owners may have minimal interest in pursuing the sale of pre-loved homes particularly in those parks where they have new homes for sale returning far greater returns than sale commissions. Thus it contributes to the causes of the problems identified in sections 2.4 and 2.6 of the Issues paper.

### ***Reforms ARPQ Would Like To See***

*That the site rent be reduced so that it covers only the cost of the home occupying the land it is situated on (e.g. Council Rates) but not the provision of any services or access to and use of facilities.*

### **Objectives of the Act**

A problem identified by ARPQ which we see as related to the matter of site rent increases that is not discussed at all in the Issues paper is the way the interests of home owners and park owners are treated in the objectives and subsequently throughout the Act.

ARPQ concurs with the widely held view that a major and problematic feature of the Residential Manufactured Home Park industry is the imbalance in power between the individual home owner and corporate well-resourced park owners. It is also a widely held view that the Act is designed to help mitigate problems arising from this imbalance. However ARPQ notes a significant difference in the way the interests of home owners and park owners are viewed in the objectives of the Act.

Section 4(1) of the Act focuses upon protecting home owners from unfair business practices by park owners and ensuring they are aware of their rights and responsibilities. However there is a lack of any focus in the objectives, and indeed throughout the Act, on either the

financial viability and wellbeing of home owners or upon assisting residential parks to be well-functioning harmonious communities for them to live in.

Sections 4(3) (a) & (b) of the Act focus upon the financial viability of the park owners. They state the objectives to include:

- encouraging the continued growth and viability of the residential park industry in the State;
- providing a clear regulatory framework to ensure certainty for the residential park industry in planning for future expansion.

The proliferation of residential parks in recent years point to the success of these aims as evidenced by the following chart: Further evidence is provided by the incursion into the industry of large and often multi-national corporations obviously attracted to invest in residential parks given the very high returns provided coupled with the legislative protections afforded by the Act. These protections include no loss of income due to un-occupancy, guaranteed increased income year on year and a legislative framework that provides them with a dominant position over home owners.

On the other hand the Act articulates no such objective in relation to the protection of the financial viability of home owners. Furthermore the objectives of the Act make no direct reference at all to ensuring that by entering into a business partnership agreement with a park owner, home owners will be assured of living in a well-functioning harmonious community that provides the sort of amenities, services and communal life they desire.

### **Reforms ARPQ Would Like to See**

*That a clause be added to the objects of the Act (Part 1 Division 2[4]) to the effect that it aims to mitigate any negative impacts caused by the way residential parks operate upon the financial security and quality of life of home owners*

*E.g. Add a clause to section 4 (1) to read: "To ensure that the business practices adopted in the operations of parks safeguard the financial security and quality of life of home owners."*

## **Part 2: Issues Related to Sales**

### **Transfer of Ownership**

#### **a) The Assignment / New Contract Option**

ARPQ acknowledges and can confirm the veracity of the points made on this topic in section 2.2 of the Issues paper. We note however that the paper does not fully capture the concerns we have as representatives of home owners.

ARPQ submits that this area is one where there is great scope for park owners to adopt practices which are unfair and designed to advantage themselves at the expense of not only the home owners directly involved in a sale, but also others in the park and in other parks.

The key issue we see is that a new contract option provides a clear opportunity to the park owner to both ensure that the income they receive in the form of site rents is increased and at the same time that the inclusions and services they are required to provide are reduced when compared to the site agreement contract that existed previously for the same home. Examples include park owners ensuring that new contracts require home owners to pay charges for water usages and to be responsible for mowing lawns adjacent to their homes where old ones did not.

These changes clearly advantage the park owner and disadvantage the buyer of the home in that they are paying more and getting less than if they had taken over the old site agreement contract via an assignment. They also disadvantage the seller of the home in that they make the prospect of buying their home less attractive that it could have been. Such changes in new contracts also disadvantage other home owners in the park in that they contribute to a “ratchetting-up” of the site rents in the park whilst at the same time leading to a diminution of the norms of service expected to be provided. Finally, the changes can disadvantage home owners in other parks where market reviews which compare rents in their park with those in parks where site rents have been ratcheted-up are a key metric in determining a market valuation.

ARPQ acknowledges the argument that changes to contracts are both necessary and can be in the best interests of both parties. Also in theory they are freely signed by home owners. However, experience leads us to believe that the complexity of buying a home in a residential park, which is even greater than that of buying a home in the rest of the community, provides opportunities for unwitting buyers (and sellers) of homes to be taken advantage of by park owners. We accept the argument that there should be opportunities for renegotiation of the terms of a site agreement contract which are mutually agreed but believe that separating processes for doing this from those of buying a new home in residential park would ensure the likelihood of greater transparency and reduce the possibility of exploitation of home owners.

### **Reforms ARPQ Would Like to See**

*That where necessary the Act be amended to make it clear that when a pre-owned home in a residential park is sold the site agreement must be assigned to the buyer by the seller.*

#### **b) Gaps in Disclosure Requirements**

A problem related to the ones discussed above that frequently causes anger amongst purchasers of home in a park is that shortly after arriving in the new home they discover that they are paying higher, often much higher, site rent fees than their neighbours for the use of the same facilities and sometimes less services. APRQ notes that notwithstanding previous attempts to assure pre-contractual disclosure in respect to site rents and services, they focus upon the individual home and do not provide buyers with information about how their contractual arrangements will compare with others in the park. We note that NSW legislation and regulations address this problem more effectively than ours in Qld.

### **Reforms ARPQ Would Like to See**

*That the initial disclosure document as prescribed under Schedule 1 Part 1(1) of the Act be amended to include details of the range of site rents being paid in the park over the past 3 years in addition to details of the site rents paid for the particular site.*

c) **Qualifications of Park Owner Employees to Sell Homes.**

We note the observations made in section 2.10 of the Issues papers in relation to unethical and sometimes illegal practice by park managers and other park owner employees selling homes possibly resulting from misunderstanding or misapprehension about the law of site agreements.

ARPQ notes that there are currently no requirements of park owners in relation to the qualifications of their park owners or other employees and thus no formal code of conduct requirements or expectations of them. It is our view that this is a problem not only in relation to the aspects of a park manager's role in the selling of home but in all aspects of their work.

### **Reforms ARPQ Would Like to See**

*That a registration regime be established for park managers or other park owners employees acting as agents selling homes in parks either using or similar to the one existing for all real estate sales persons in Queensland.*

### **Home Ownership and Deceased Estates**

Whilst we generally concur with the points made on this topic in section 2.9 of the Issues paper, ARPQ would emphasise that we see the continued payment of site rent for services and facilities no longer being provided or used as an aspect of the issue that concerns home owners greatly. Please refer to comments made on this in our response to Part 1 of the Issues paper.

### **Reforms ARPQ Would Like to See**

*As per response in Part 1 of the Issues paper - That the site rent be reduced so that it covers only the cost of the home occupying the land it is situated on (e.g. Council Rates) but not the provision of any services or access to and use of facilities.*

### **Use of Exit Fees**

ARPQ can confirm that this is a practice currently adopted by some park owners. We have reported instance of it to the regulatory services unit. It is in our view totally against the intentions of the current Act. Any uncertainties about those intentions should be eliminated.

### ***Reforms ARPQ Would Like to See***

That the relevant provisions of the Act be reviewed to ensure that any uncertainties about the intention that there be no form of exit fees imposed and if necessary penalties be strengthened to ensure compliance

### **Lack of Clarity around Proof of Ownership**

We concur with the points made in section 2.11 of the issues paper. ARPQ would also point out that this issue has the potential to impact upon both the ease with which a home can be sold and upon its value.

### ***Reforms ARPQ Would Like to See***

*That a register of home ownership in residential parks be established so that all sales and site agreements being registered by the park owner.*

### **Recognition of Residential Manufactures Home Parks as Senior's Accommodation**

We note that this issue is mentioned in section 2.9 of the Issues paper as a complicating factor in the problems around home ownership and deceased estates. ARPQ views it as an issue that is of concern to home owners in its own right. We believe that it has the potential to impact upon the value of homes in parks. It is also seen by many home owners in as a threat to aspects of the lifestyle that attracted them to residential parks as an option to spend their senior years living in.

### ***Reforms ARPQ Would Like to See***

*That the Act be amended in such a way that ensures that Residential (Manufactured Home) Parks are exempt from anti-discrimination laws on the grounds of age.*

### **Security of Tenure**

We note that this is a topic that is not raised in the Issues paper. It is however something that has been brought to our attention by legal advisers as an area which poses potential threats to the wellbeing of home owners. We see the lack of clarity about security of tenure as a potential threat to the value of homes in residential parks and to the overall wellbeing of home owners.

We also have concerns and would like to see investigation of whether the arrangements for compensation in the event of the termination of a site agreement in the Act are fit for purpose current context.

### ***Reforms ARPQ Would Like to See***

*That the Act be amended in such a way that ensures that home owners in Residential (Manufactured Home) Parks are guaranteed security of tenure for the site on which their home is situated*