



**Supporting Home Owners Rights with Government**

## **UPDATE FROM AMHO - SEPTEMBER 2023**

Dear Alliance Members

After the demanding six weeks of the CRIS in June, when many Members of Parliament engaged, photocopying paper survey forms, visiting parks, while others assisted by delivering them to the Government Office, a curtain has fallen and everything is now **very** quiet.

We have contacted MP's requesting meetings, but their reply has been they have nothing to discuss until the reform package is delivered by Government. LNP Members have refused to engage, passing us to Tim Mander, Shadow Housing Minister, who advised that he has nothing to discuss at this time. However, what about the difficulties, you their constituents are having?

Our members continue to contact us with information of unsustainable site rent increases being forced upon them, with park owners using the incorrect CPI, but because they have written it into the site agreement, which they legally can because the changes to Section 69 of the Act in 2019 allows the site agreement to override the Act.

In a letter received from the Senior Policy Advisor on behalf of Minister Meaghan Scanlon on the 1<sup>st</sup> September we were advised of the following -

*The options included in the C-RIS are not final and the Palaszczuk Government is considering all feedback received and whether the options identified in the C-RIS strike the right balance. Your correspondence has been referred to the department to consider whether any of the issues raised which are outside of the review, may be addressed alongside consideration of the options and recommendations in the C-RIS. Minister Scanlon thanks you for your ongoing efforts to bring these issues to the Government's attention.*

*Please be assured that a review of dispute resolution mechanisms in residential parks and retirement villages remains ongoing and the Palaszczuk Government is committed to delivering improvements in this area.*

*Regarding the issues raised in your letter which are already in breach of the Manufactured Homes (Residential Parks) Act 2003, please continue to encourage your members to contact the department's Regulatory Services Unit on (07) 3013 2666 or via email [regulatoryservices@chde.qld.au](mailto:regulatoryservices@chde.qld.au) to ensure these can be investigated appropriately*

Yes, we are also very aware that the C-RIS was open for feedback. While we did know that all options were on the table, hopefully the feedback received shows that it in no way will strike the right balance for homeowners. The only acceptable option really was the removal of the Market Rent Review. In fact, it was the "additional recommendations" regarding the objects of the Act, requiring registrations of parks and clarifying that Exit Fees must not be charged, that were more relevant. The bias of the Act remains firmly in favour of the park owner because the major investment (and therefore the major risk) in land leasing remains with the homeowner.

Why wouldn't all the issues be considered? The focus of the C-RIS was so narrow because it had to fit with the previous Housing Minister's Queensland Housing and Homelessness Action Plan 2021-2025 – therefore it was really only prepared to focus on unpredictable and unsustainable site fee increases and delays in selling a manufactured home.

**Removal of Section 71**, the Market Review and re-writing Section 69 to put a cap on the basis for site fee increases would be a huge improvement.

As for delays in selling manufactured homes – the relevance of this is when a homeowner leaves to go into care or dies. It is necessary that the home be sold as expediently as possible but taking away the choice of agent to opt into a scheme which can go on for 18 months is not acceptable.

As for the Minister's advice that we should refer the issues raised in our letter to the RSU, unfortunately the RSU is already well aware of these issues, and have already determined that the Park Owner actions are all "**reasonable**".

**AMHO's agenda remains the same:**

**Change Section 69** which means the basis for annual site fees, if it is to be CPI, it must be the correct CPI which is used to establish pension increases – usually 2% per year. IF it is to be a percentage, then whatever the pension percentage increase is, then it must align. HOWEVER, there should be some flexibility as it should not be expected that ALL the pension increase should be for rent – pensioners have other financial commitments which are affected by price increases.

**Delete Section 71** – there is no way that renters of a site should be contributing to repairs or improvements to communal facilities.

**Remove the Market Review** – this will provide some certainty about site fee rent increases

**Establish a forum (could be an ombudsman)** which will allow dispute mechanism to be carried out in a timely manner. This, of course, does not in any way guarantee that the bias against the homeowner will be removed, it's just that the matter will be settled in a timely manner.

We have been told that the Government is now assessing these submissions, turning them into a reform package and to expect the final consultation on the proposed reforms before the end of the year.

We need to keep putting pressure on our Members of Parliament, as the electioneering has already begun. It is important that you include your local MP as they need to be aware of the urgency of amending this legislation. Remember you are their constituent, your vote put them there to represent you, and they will be voting on any proposed changes to the Act. They have the power as to whether you can afford to stay living in your chosen lifestyle, as the Act in its present form, and the compounding of substantial site rent increases will be unsustainable for most.

Please stay on this journey with us, why not invite your friends and neighbours to join, as the more members we have the louder our voice will be, thank you.

### **Your Committee**

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