



## Supporting Queensland Manufactured Home Owners

### **UPDATE FROM AMHO - SUBMISSION NEWS – APRIL 2024**

Our Submission has been lodged with the Housing, Big Build & Manufacturing Committee and you can read our attached PDF or click on the link below.

#### **AMHO-Committee-Submission-Manufactured-Homes-Amendment-Bill-2024-.pdf**

AMHO notes that these amendments seek to change the MHRP to improve consumer protections in residential parks balanced with reasonable industry viability. However, most will be largely ineffective given the continued imbalance of power in the relationship between the Park Owner and the Home Owner. These are the views expressed in our submission to the Committee which will report back to Parliament on 10 May 2024 following hearings providing the opportunity for key stakeholders to address them with concerns about the proposed amendments. Below is an extract from the final pages of our submission –

#### **Quote -**

“As you will see from this submission, there are many problems with the MHRP – and these amendments, while most are welcome, will do very little to address the concerns of home owners who, for years, have endured the shortcomings of this ineffective, not fit-for-purpose piece of legislation, many exacerbated by the changes made in 2019. All the problems outlined in our submission to the C-RIS were happening in 2017 and were advised to government at that time. Government officials simply ignored them!

#### **We must have this change:**

- **Capping the annual general site rent increase at the LOWER figure of CPI or 3.5%.”**  
This would ensure greater clarity and predictability for home owners. How can a cap of 3.5% be in place when a higher CPI will override it? Home owners must have protection from high inflation. We know that park owners were expanding and making healthy profits back when the CPI was running at 1%. **Why is it always the purchaser of these homes who is at fault because they find they cannot afford the large yearly increases demanded by park owners?**

#### **We agree with:**

- The removal of the Market Rent Review – it is a mechanism which legally allowed exploitation of the rental market.
- The implementation of a Comparison Document and the Maintenance and Capital Replacement Scheme but this must be for ALL parks – and we note that ALL parks should be registered. It takes no effort for any park, no matter the size of the park, to

provide information in order to be transparent, publishing relevant information so that prospective buyers can see what they are buying.

- Providing home owners with options for the method of payment of their site rent fee.
- The Minister's commitment to review these amendments in three years.

#### **We see little value in:**

- The simplification of the sales process – nearly 100% of park owners are not assigning site agreements under the current Act – this is because they have the opportunity to increase the site rental fee with every sale. All this change does is legalise what they are doing now.
- The Buy-back scheme as apart from the reduction of site fee rent by 25% after 12 months, serves no purpose as it takes away the choice of listing agent while maintaining a financial burden on the seller or if the seller has passed away, the executors of the will.

#### **Finally, we ask:**

- Why is the Dispute Mechanism remaining with QCAT which we have always maintained is the wrong forum for these matters? We have advocated for an Ombudsmen whose decisions are binding and who will have specialist knowledge of the MHRP – removing highly paid lawyers from the equation.
- Why have the issues of Exit Fees, lack of clarification of utilities charges and the inequitable Section 71 (home owners contributing to the upkeep or improvement of the park owners' assets) not been addressed?

#### **CONCLUSION:**

While these amendments will provide some relief for home owners in residential parks, it is obvious that they do not go nearly far enough, and further work must be undertaken urgently to ensure that the legislation acknowledges that there needs to be a more equal distribution of power between the two key stakeholders – park owners and home owners. In fact, given the financial commitment of home owners, they should not be bearing the disproportionate share of the risk.”

#### **Unquote**

It is important for home owners to engage with their Members of Parliament who will be voting this Bill into Law. Write to your MP to tell them of your concerns – they need to know your thoughts so that they can represent you effectively to ensure that your rights are protected, and that the disparity of power can be addressed.

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