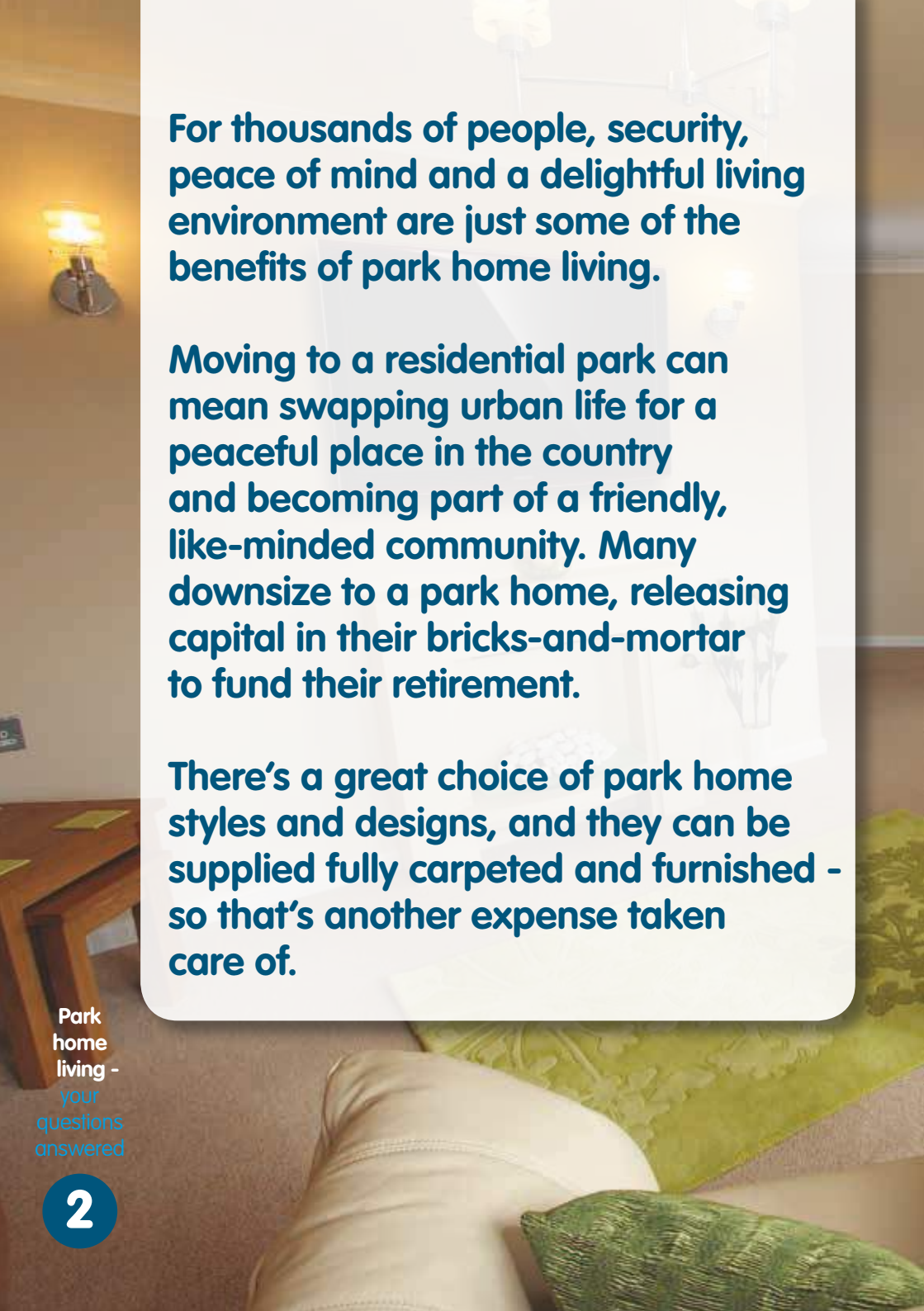


Park home living - your questions answered





For thousands of people, security, peace of mind and a delightful living environment are just some of the benefits of park home living.

Moving to a residential park can mean swapping urban life for a peaceful place in the country and becoming part of a friendly, like-minded community. Many downsize to a park home, releasing capital in their bricks-and-mortar to fund their retirement.

There's a great choice of park home styles and designs, and they can be supplied fully carpeted and furnished - so that's another expense taken care of.

The park home lifestyle



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How do park homes differ from conventional houses?

In appearance, there is virtually no difference. Many park homes look like attractively designed and traditionally built bungalows with a pitched roof. The only real difference is the method of construction.

Park homes are usually fully-furnished and their modern interiors provide good sized living areas and a separate kitchen, often supplied with integrated appliances, built-in cupboards and wardrobes, two or three bedrooms and a fitted bathroom. Central heating and double glazing are usually installed as standard, and so is carpeting throughout.

So how is the home actually built?

It's not so much 'how' as 'where' which makes the main difference.

Park homes are constructed to a British Standard under carefully controlled workshop conditions before being transported to the park. Here they are sited and connected to mains services such as electricity, drainage and sometimes mains gas.

What materials are used?

A park home is timber framed and mounted on a robust steel frame. There is a tough and durable weatherproof exterior and a textured finish.

Are most parks for the retired?

Yes, the majority of homeowners are in or near retirement and many parks have rules so that they are exclusively for an older community.



On other parks, there is a different age profile and a higher proportion of homeowners who go out to work on a full-time or part-time basis.

Apart from economics, what are the other advantages of park home living?

Many residential parks are real communities where no-one need feel isolated. Individual privacy is, of course, respected as it would be anywhere. However, many homeowners enjoy being drawn into the park activities, committees, clubs and other social opportunities which develop as a result of initiatives by homeowners themselves.

Other members of the family living elsewhere also have peace of mind from the knowledge that many parks are akin to semi-sheltered environments, often with a resident owner or manager to provide additional security.

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Does the law offer any protection to homeowners?

The law has developed over the years to provide a legal framework which includes Mobile Home Acts specifically protecting the rights of homeowners on residential parks.

The law gives homeowners security of tenure - that is probably its single most important safeguard - and rights to sell their home on the park. There are also important rules about inheritance and controls on the way the pitch fee is reviewed.

Must it be a residential park home?

Yes most definitely.

There are important differences between a residential park home, which is designed and built for permanent living to a specific residential British Standard (BS3632) and a caravan holiday home, which is usually constructed to different standards to reflect its holiday occupancy.

Must it be a licensed residential park?

Again, yes, most definitely. You should not buy a home on a park licensed for holiday use if you intend to live in it.

The protection offered by the Mobile Home Acts applies to licensed residential parks - and is not available on holiday parks (even if they are open for 12 months of the year). To ensure that you would be protected by the law, before making any commitment to buy, you should check the park's Site Licence which is issued by the Local Authority to be sure that there are no restrictions (such as for 'holiday use only').



www.parkhome.org.uk

For further information



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Buying a park home

How do the purchase costs compare with conventional housing?

Purchase costs usually compare very favourably, and of course vary according to the home chosen, and the market where it is situated - in other words, precisely the same factors, which influence the price of a conventional house.

There is great choice to be found within the £50,000 - £100,000 price range. However, prices can rise to over £250,000 in the more highly priced areas such as the South of England.

Supposing I don't want to use my own funds to buy?

Loans are available to those buying a park home, and the major lenders are the larger independent finance houses. Their charges tend to be more competitive than personal bank loans.



What else should I check and budget for?

With park homes, you purchase the home and rent the plot upon which it is sited. Therefore there is a charge – usually called a pitch fee – to be paid for the use of the land and services provided.

Pitch fees are usually paid monthly, generally by standing order or direct debit from your bank account, and may be in the range £120 - £200 per month. The actual amount is influenced by the location of the park and/or the amenities provided.

What about utility payments and council tax?

You will need to make the usual provision for the payment of council tax, gas, water and electricity bills. You should establish what these are likely to be before you buy. For example, many park homes are rated in 'Band A' for council tax purposes (the lowest band).

You should ask the seller, whether it is the park or a homeowner, for details of the costs.

Will I have to make any other payments?

Yes, when you eventually sell the home.

A maximum 10% commission is payable to the park by your buyer when you sell your home. This payment, made later by your buyer when you sell, allows the initial purchase price and pitch fee to be set lower than would otherwise be the case.



Who can I buy from?

You can buy a park home from a park or privately from a homeowner.

www.parkhome.org.uk provides a searchable online directory of residential parks across the UK which hold membership of the industry's trade association, the British Holiday & Home Parks Association (BH&HPA).

If you contact the park, they will be able to tell you if they have any homes available for purchase.

Park homes are also advertised for sale by Estate Agents, online and you can look out for 'for sale' signs displayed on a park.

Whoever you buy from, you should seek professional help (for instance, from a solicitor) to assist you with the transaction.

Why do I need professional help?

The Mobile Home Acts give homeowners important rights and responsibilities and it is in your interests to ensure you understand your purchase. A professional adviser such as a solicitor can help you with this.

www.parkhome.org.uk

For further information



All-important documentation

www.parkhome.org.uk

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What's a 'Written Statement' and why does it matter?

The Written Statement is the agreement between the homeowner and the park and sets out the rights and responsibilities of each party – the law stipulates many of the terms of this agreement. For example, the Written Statement will explain the rules for the annual review of pitch fees. These are laid down by the law with a special tribunal service available in England and Wales should there ever be a dispute.

A park owner is required by law to give you a copy of the Written Statement 28 days before you are committed to purchase. You can agree to shorten this period if you want to proceed more quickly, but the time allows you to review the terms and understand what owning a home and living on the park will mean.

If you are buying privately from a homeowner, the law also requires them to provide you with a copy of the Written Statement 28 days before you commit to your purchase – though again you can agree to shorten this period.

Whoever you are purchasing from, you should ensure that you receive and understand the Written Statement before your purchase.

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Are there any other rules to consider?

Many purchasers are attracted to park life because of the park rules restricting the age of people living on the park. A sense of community and security is provided by living on a park where everyone is, for example, over 55.

You should ensure that you receive a copy of any park rules and are happy to abide by them when you buy your park home. As well as age, park rules will often lay down requirements for things like pets and parking.





Do I need a survey?

A home survey, particularly for an older home or if you have any concerns with regard to a home's condition, can give reassurance before proceeding with the purchase.

For newer homes, you should ask the seller about any warranties which apply.

How do I find out more?

You should take the opportunity to visit different parks in your chosen area; the owner or manager will be delighted to show you around, answer any questions about the park and perhaps arrange for an informal chat with others who live on the park.

What do I need to know if I buy from a homeowner?



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THE GLADE

Just like any other homeowner, the owners of park homes have the right in law to sell their home on the open market.

As a park home is sold with the requirement to abide by the terms of the Written Statement and the park rules, the law places requirements on homeowners to provide essential information to their buyer when they sell. In England and Wales, the law sets out a procedure to be followed with special forms which must be used.

Given homeowners' legal responsibilities to their buyer, it is recommended to use professional advisers who are conversant in park home law to assist with the sale.

The requirements include providing the buyer with a copy of the Written Statement and park rules (and in England and Wales, details of any other charges relating to the home as well as any valid warranty or any survey conducted within the last 12 months).

Procedure - England and Wales

The law is designed to ensure a buyer receives all the information they need before they purchase and the information the park needs is provided at the appropriate stage. The law requires the use of special forms detailing the necessary information.

■ The seller gives the **Buyer's Information Form** (*Schedule 1*) to the purchaser 28 days before they are committed to the purchase, unless a shorter period has been agreed in writing, and needs to be accompanied by essential documentation such as a copy of the Written Statement and any park rules.

■ The **Notice of Proposed Sale** (*Schedule 2*) is for homeowners already resident on the park on 26 May 2013 to provide information to the park about their sale. This Notice tells the park the name of the buyer and, if there are relevant park rules in place,

provides information relating to the age of the buyer and their household, any pets or vehicles to be parked.

■ The **Assignment Form** (*Schedule 4*) is completed between the homeowner and their buyer and transfers the rights and responsibilities contained in the Written Statement to the buyer. The buyer then pays 90% of the sale price to the seller. The seller must include details of their forwarding address on the form.

■ The **Notice of Assignment** (*Schedule 5*) is completed by the buyer once they have purchased the home and is sent to the park informing them of the change of ownership. The Notice of Assignment seeks the details of the park owner's bank account, into which the new owner pays the commission (maximum of 10% of the purchase price) within 7 days of receiving the bank details.

Procedure - Scotland

As in England and Wales, the homeowner has a legal responsibility to ensure their buyer is fully informed about their purchase. The seller must provide the buyer with copies of:

- **the Written Statement**
- **the Park Rules**, and,
- **their forwarding address**

at least 28 days before they are committed to the purchase, unless a shorter period has been agreed in writing.

The law makes clear that if the park owner does not receive the commission due, then the sale will not have any effect.



Further information

The following sources of information are provided by government.

England

LEASE provide a park homes advice service. They can be contacted by telephone on **020 7832 2525** (Monday to Friday 9am to 5pm) or online at **parkhomes.lease-advice.org**.

- Park homes; know your rights:
www.tinyurl.com/kjayotv
- Fact sheet - Buying a park home:
www.tinyurl.com/l88onjf
- Fact sheet - Selling or gifting a park home:
www.tinyurl.com/lor5r86
- Fact sheet - Qualifying Residents' Associations: **www.tinyurl.com/n74c2br**
- Fact sheet - First Tier Tribunals:
www.tinyurl.com/lf6osea
- Fact sheet - Consolidated implied terms in park home pitch agreements:
www.tinyurl.com/n8tt9vl
- Pitch Fee Review Form:
www.tinyurl.com/lvb6jzc

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Wales

- **Mobile Homes - Know Your Rights:**
www.tinyurl.com/m65hbm7
- **Selling and Gifting a Mobile Home in Wales:**
www.tinyurl.com/o77ywtz
- **Pitch fees (and other payments to the site owner):**
www.tinyurl.com/lybbknv
- **Site rules:**
www.tinyurl.com/nlvulqu
- **Qualifying Residents' Associations:**
www.tinyurl.com/pahqayt
- **Written statements - Implied Terms and Express Terms:**
www.tinyurl.com/o7syw9h
- **Going to a Tribunal - Applying to the Residential Property Wales Tribunal:**
www.tinyurl.com/ndmga8q
- **Buying a Mobile Home in Wales:**
www.tinyurl.com/olqnqka

Scotland

- **'A Guide for Mobile Home Owners in Scotland – Your Rights and Responsibilities':**
www.tinyurl.com/odcl8v9



www.parkhome.org.uk



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