

**THE STATE OF NEW HAMPSHIRE
BOARD OF MANUFACTURED HOUSING**

Scott White)	
"Complainant")	Docket No. 002-06
)	
v.)	
)	
Friendship Cooperative)	
"Respondent")	

Hearing held on October 16, 2006, at Concord, New Hampshire.

DECISION AND ORDER

The Board of Manufactured Housing ("the Board") heard a complaint filed by park tenant Scott White ("Complainant") alleging that Friendship Cooperative, ("Respondent") has violated RSA 205-A:2, II, which prohibits the Cooperative from unreasonably denying the sale of the home to Mr. White. The Respondent refuses to allow the sale of the home to the Complainant on the grounds that they determined he had bad credit, insufficient income and insufficient work despite multiple commitments made in the Cooperative's by-laws to support low-income residents.

After carefully consideration of all the evidence presented including the exhibits offered and the testimony given, the Board finds the following facts and makes the following rulings:

BACKGROUND INFORMATION

A hearing was held on October 16, 2006, in Room 201 of the Legislative Office Building, Concord, New Hampshire. Board members Rep. John P. Dowd, Juanita J. Martin, Kenneth R. Nielsen, Esq., Chairman, Florence E. Quast, Rep. David H. Russell, Mark H. Tay, Esq., George Twigg, III and Judy Williams heard this case.

On August 4, 2006, Complainant, Scott White, filed a complaint with the Board alleging the following issues:

RSA 205-A:2, II, which prohibits the Cooperative from unreasonably denying the sale of the home to Mr. White. The Respondent refuses to allow the sale of the home to the Complainant on the grounds that they determined he had bad credit, insufficient income and insufficient work despite multiple commitments made in the Cooperative's bylaws to support low-income residents.

The Complainant, Mr. White, presently lives at 29 Friendship Drive. He is paying Mr.

George Tareila \$830 month and Mr. Tareila pays the park fee of \$330 month. The Complainant stated that he has lived in the park since August 17, 2005. The Complainant lived at 40 Friendship Drive as a tenant before the park became a co-operative park. He paid \$800 month rent.

May 2006 the park experienced flooding and Complainant's home became flooded causing him to move.

The Complainant was being evicted from 40 Friendship Drive prior to the floods for behavior issues.

Mr. Tareila was the previous owner of the park before selling it to the Co-op. He was still a member of the Co-op and owned the home at 29 Friendship Drive.

FINDINGS OF FACT

Complainant, Scott White presented the Board with testimony as follows: Mr. White has been a resident of the park since August 19, 2005, and lived at 40 Friendship Drive in a rental home.

March 2006, the Complainant's home at 40 Friendship was flooded with 6 inches of water. According to the Complainant's testimony, the state condemned the home because the bricks under the house were collapsing. He also said that the American Red Cross stated there was mold in the house and it was unsanitary and unhealthy for the children.

The Complainant stated that Larry McDonald, President of the Co-op gave him permission to move into 29 Friendship Drive because he had no place to live since his home had been damaged from the floods.

Michael Perez, Esq., submitted to the Board a copy of the Purchase & Sale Agreement between Mr. Scott White and Mr. Tareila. Mr. Tareila was going to finance the home for a sale price of \$30,000 at an interest rate of 6% for 6 years. The monthly mortgage payments, principle & interest, to be \$497.19 month.

The Complainant filled out an application to become a member of the Co-op at 29 Friendship Drive. His application was denied due to delinquent past or present credit obligations, bad credit, temporary or irregular income and temporary or irregular employment.

The Complainant testified that he asked the board to reconsider his application and was told that their answer was final. The Complainant then informed the Board that the by-laws state he has the right to appeal. Although Mr. White can't remember if he sent this to the board in

writing or if he verbally requested an appeal.

The Complainant testified that he has always paid his rent on time with the exception of once. In March he purposefully withheld rent, placing it in an escrow account.

According to the Complainant he is not employed. He had worked for AAA Southern New England Towing making \$800 to \$1,000 week with a gross pay of \$630 week. The Complainant was injured on the job. He said "I climbed on to a flat bed truck and stuff broke". The Complainant stated he fell backwards, damaged his disk and damaged the nerves to his whole left side. He stopped working because of his injuries. The Complainant stated that because of his accident he became late with payments. He also stated that the doctor said he would be able to go back to work in March of 2007.

Mr. White stated that he received Workmen's Compensation of \$396.18 week, temporary partial incapacity benefits at the rate of \$204.18 week, and \$400 a month from his daughter's social security. He did not put this information on his application.

Robert Shepard, Esq., questioned the Complainant about why he withheld the rent, which the Complainant did not remember at first, then said that the inside of the trailer had a major hole in the floor, yet the letter from his attorney never mentioned a major hole in the floor.

It was stated earlier that the Co-op denied the Complainant from buying 29 Friendship Drive. Attorney Shepard pointed out that the Complainant was denied membership in the Co-op but he could have purchased the home and placed it elsewhere.

The Complainant did submit a credit report with his application. The application was incomplete. He left employment blank and existing loans & credit cards blank as well. The credit report score from Experian was 529, rated Very Poor. The credit report showed that the Complainant had an automobile repossessed on February 1, 2004. Also there were credit card balances in default. These were prior to the Complainant's accident. The Complainant's wife does not work because they have a 20 year old disabled daughter and a 9 year old disabled son. The Complainant stated earlier that he wanted to clear his credit and have the park reconsider his application. He stated that he was never given a chance to explain his situation and that there was no place on the application to explain his income. It was noted that in March 2006, he applied to the park for membership. The Complainant testified that as of October 2006, he has not made any moves to fix his credit. The Complainant stated that after his application for membership was denied life in the park became stressful. The Complainant admitted he lost his cool a few times.

Shelley Akerstrom, current treasurer and past president of the Co-op testified that there is a procedure to follow set by the NH Community Loan Fund that has set the rules. Ms. Akerstrom stated all members of the board were present and their decision was based on credit over a 4 year

period. There was no good credit and there were 2 repossessions.

The park By-laws encourage low income families but the Co-op has to function financially and know people are financially sound. Ms. Akerstrom did say that she had information regarding Mr. Tareila guarantying that he would pay the lot rent to the Co-op for the six years, and she also stated that she did not have any knowledge of how much the Complainant was paying for the home. Since they were a new Co-op, and a third party was an unusual situation, the board did not consider Mr. Tareila's proposal. Having 4 children did not have anything to do with the board's decision.

Ms. Akerstrom stated that the Complainant did not have the permission from the board to move into 29 Friendship Drive. She further stated that the park rules allow 2 warnings for not conforming to the park rules and the Complainant was given 5 warnings due to misconduct. She did agree with the Complainant that things got out of hand after he was denied membership. But she also stated that there were behavior issues before his denial of membership while he was renting the home at 40 Friendship Drive.

Ms. Akerstrom stated the home was not destroyed as the Complainant stated. The porch was damaged and there was some water damage on the carpet. Presently the home is back in service.

The Complainant is being evicted because of behavior issues and for moving into 29 Friendship without park approval.

Mr. George Tareila is being served for violating the park rules for renting his home.

RULINGS OF LAW

RSA 205-A:2 Prohibition. No person who owns or operates a manufactured housing park shall:

II. Deny any resident of a manufactured housing park the right to sell at a price of such resident's own choosing said resident's manufactured housing within the park or require the resident or purchaser to remove the manufactured housing from the park on the basis of the sale thereof. A resident of a manufactured housing park may place no more than 2 "for sale" signs on or in the manufactured housing for the purpose of selling the home. The park owner or operator may reserve the right to approve the purchaser of the manufactured housing as a tenant, but such approval may not be unreasonably withheld. The park owner or operator may require as a

condition of said permission that the purchaser and the purchaser's household meet the current rules of the park.

CONCLUSION AND DISCUSSION

The Board did not hear any evidence to show that the Co-op acted unreasonable. The Board felt that the Co-op acted according to the policies & guidelines set up by the NH Community Loan Fund. The Board suspended any discussion and would not make a decision until the parties had a chance to talk. The parties could not reach an agreement.

After considering all testimony and evidence presented to the Board, including all documents in the record, the Board issues the following order. The Cooperative did not act improperly.

(Note that Juanita Martin left and was not present for deliberations)

Man 211.01 Motions for rehearing, reconsideration or clarification or other such post-hearing motions shall be filed within 30 days of the date of the Board's order or decision. Filing a rehearing motions shall be a prerequisite to appealing to the superior court in accordance with RSA 204-A:28, II.

SO ORDERED

BOARD OF MANUFACTURED HOUSING

By: _____
Kenneth R. Nielsen, Esq., Chairman

Members participating in this action:

Rep. John P. Dowd
Kenneth R. Nielsen, Esq.
Florence E. Quast
Rep. David H. Russell
Mark H. Tay, Esq.
George Twigg, III
Judy Williams

CLERK'S NOTICE

I hereby certify that a copy of the foregoing Decision of the Board of Manufactured Housing has been mailed this date, postage prepaid, to Scott White, 29 Friendship Drive, Salem, NH 03079, Friendship Drive Cooperative, Inc., P. O. Box 1514, Salem, NH 03079, Michael Perez, Esq., New Hampshire Legal Assistance, 21 E. Pearl St., Suite 2, Nashua, NH 03060, and Robert M. Shepard, Esq., Smith-Weiss, Shepard & Durmer, 47 Factory St., P. O. Box 388, Nashua, NH 03061-0388.

Dated: _____

Anna Mae Twigg, Clerk
Board of Manufactured Housing

BOARD MEMBERS CONCURRENCE

Scott White v. Friendship Cooperative, Docket No. 002-06

REP JOHN P. DOWD

KENNETH R. NIELSEN, ESQ.

FLORENCE QUAST

REP. DAVID H. RUSSELL

MARK H. TAY, ESQ.

GEORGE TWIGG, III

JUDY WILLIAMS

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