

**Recreational Vehicle Park Utility Services  
Legislative Study Committee**

**Final Report**



**December 2007**



# Arizona House of Representatives House Majority Research MEMORANDUM

Justin Riches  
Legislative Research Analyst  
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Phoenix, Arizona 85007  
FAX (602) 417-3264

To: RV Park Utility Services Legislative Study Committee Members

RE: FINAL REPORT

Date: December 2007

Attached is the final report for the RV Park Utility Services Legislative Study Committee. This report has been distributed to the following individuals and agencies:

**President of the Senate**

Senator Timothy S. Bee

**Speaker of the House of Representatives**

Representative James P. Weiers

**House Members**

Representative McClure, Chair  
Representative Ableser  
Representative Anderson  
Representative McLain  
Representative Pancrazi  
Representative Tobin  
Representative Ulmer

**Other Members**

Stephen Ahearn  
Carolyn Bethka  
Susan Brenton  
Jean Creagan  
Kenneth Rozen  
Larry Lucero  
Kathy Senseman  
Kathryn Sorensen

**Miscellaneous**

Secretary of the State  
Director of the Arizona State Library, Archives & Public Records

## **I. ESTABLISHMENT**

The Recreational Vehicle Park Utility Legislative Study Committee was established by the Speaker of the House of Representatives in a letter dated September 24, 2007 [*Attachment A*].

## **II. PURPOSE**

The Committee's purpose was to: (1) Identify utility rates being charged to the owners of recreational vehicle parks and manufactured home parks by Arizona utility companies; (2) to identify utility charges being passed on by the owners of recreational vehicle parks and manufactured home park owners to the residents of the parks in parks that do not have individual meters for each residence; (3) to identify an appropriate method for cost allocation of those charges by the owners to the residents in those parks; and (4) to recommend recreational vehicle park utility services legislation that incorporates the findings of the Committee [*Attachment B*].

## **III. REPORT**

The letter from the Speaker of the House of Representatives requires the Recreational Vehicle Park Utility Services Legislative Study Committee to submit a report of its findings and recommendations to the Speaker of the House of Representatives and the President of the Senate on or before December 31, 2007. The letter also requires the Committee to provide a copy of the report to the Secretary of State and the Director of the Arizona State Library, Archives and Public Records.

## **IV. MEMBERSHIP**

The Committee was comprised of the following members:

Representative Marian McClure, Chair	Stephen Ahearn
Representative Ed Ableser	Carolyn Bethka
Representative Mark Anderson	Susan Brenton
Representative Nancy McLain	Jean Creagan
Representative Lynne Pancrazi	*Commissioner Mike Gleason
Representative Andrew Tobin	Larry Lucero
Representative Theresa Ulmer	Kathy Senseman
	Kathryn Sorensen

\*Kenneth Rozen was designated by Commissioner Mike Gleason to serve on his behalf [*Attachment B*].

## **V. MEETINGS**

The Committee met three times during the 2007 interim. In its first meeting, October 10, 2007, the Committee heard from the Office of Manufactured Housing

regarding the Arizona Mobile Home Parks Residential Landlord and Tenant Act and the Recreational Vehicle Long-Term Rental Space Act. The Committee also heard from the Arizona Association of Manufactured Home Owners on the differences between recreational vehicles, manufactured homes and park models. In addition, the Committee heard a presentation from the Arizona Corporation Commission on utility rates and rate setting. Handouts and other materials were submitted by the presenters relating to their presentations [Attachments C and D].

In its meeting held on November 7, 2007, the Committee heard a presentation from the Association of Recreational Vehicle Parks and Campgrounds on the utility rates being charged to mobile home owners and recreational vehicle owners. A proposal was discussed by the Committee that amended the definition of "mobile home" in the Mobile Home Parks Landlord and Tenant Act to eliminate the current exclusion for park models.

In the Committee's third, and final, meeting held December 11, 2007, the Committee heard and discussed a proposal presented by the Committee Research Analyst. The bill draft proposed provides for the following:

1. Title 33, Arizona Revised Statutes (ARS) is amended by adding Chapter 22. ARS 33-2401 defines "landlord," "park model trailer" and "park model trailer space."
2. ARS 33-2402 is an applicability provision that provides Chapter 22 applies to the rental of park model trailer spaces in RV or Mobile Home Parks.
3. ARS 33-2403 provides that a landlord may charge for utilities by using a separate meter, the method of charging for utilities must be described in the rental agreement and the landlord shall not make a profit on the sale of utilities. Additionally, this section provides that the landlord shall not allocate charges for utilities used in common areas nor shall he or she charge more than the prevailing basic service rate. Subsections E and F pertain to consecutive water systems and the removal of waste respectively.
4. ARS 33-2404 provides for the allocation of utility charges where a landlord does not use a separate meter for every user. The provision allows utility costs to be allocated proportionately per tenant, by liveable square footage, by number of water fixtures or any other method that fairly allocates the charges described in the rental agreement. Subsection B provides that any excess amounts collected must be refunded to the tenants during the following year.
5. ARS 33-2405, 33-2406 and 33-2407 are provisions that were modeled after provisions in the Arizona Mobile Home Parks Residential Landlord and Tenant Act and provide for rental increase to compensate the landlord for actual costs of rate increases for utilities, posting utility rates and utility interruption notices.

6. ARS 33-2408 is a violations and awards provision which provides that where a tenant believes a landlord is violating this chapter, he or she must first provide written notice to the landlord in attempt to resolve the matter without litigation. The section also provides that unresolved complaints may be filed in justice court and provides an award for the tenant if successful. There was a verbal amendment in committee which would allow the landlord to also collect court costs and reasonable attorney fees if successful in litigation.
7. ARS 33-2409 is a retaliatory conduct prohibited section that is modeled after language taken from the RV Long-Term Rental Space Act. The intent of this section is to prohibit retaliatory conduct by a landlord who has had a complaint filed against him or her by a tenant for an alleged violation of Chapter 22 [*Attachment E*].

The Committee also adopted a final recommendation in its last meeting.

## **VI. FINAL RECOMMENDATION**

The final recommendation of the Recreational Vehicle Park Utility Legislative Study Committee is that the proposed bill be recommended to the Speaker of the House of Representatives for introduction in the next legislative session.

## **VII. ATTACHMENTS**

- A. Cover Letter
- B. Charge and Membership
- C. Agendas and Minutes
- D. Presentation Handouts
- E. Bill Proposal

**Attachment A  
Cover Letter**

SPEAKER JAMES P. WEIERS  
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LEGISLATIVE DISTRICT 10

RULES

LEGISLATIVE COUNCIL, CHAIRMAN

JOINT LEGISLATIVE AUDIT  
COMMITTEE

Arizona House of Representatives  
Phoenix, Arizona 85007

September 24, 2007

The Honorable Marian McClure  
House of Representatives  
1700 West Washington  
Phoenix, AZ 85007

Dear Representative McClure:

I am pleased to inform you that pursuant to an Ad-Hoc committee created by the Speaker of the House of Representatives, I am appointing you to serve as the Chairman of the Recreational Vehicle Park Utility Services Legislative Study Committee.

The purpose of the Committee is to: Identify utility rates being charged to the owners of recreational vehicle parks and manufactured home parks by Arizona utility companies; identify utility charges being passed on by the owners of recreational vehicle park and manufactured home park owners to the residents of the parks in parks that do not have individual meters for each residence; identify an appropriate method for cost allocation of those charges by the owners to the residents in those parks; recommend recreational vehicle park utility services legislation that incorporates the findings of the committee; the Recreational Vehicle Park Utility Services Legislative Study Committee shall submit a report of its findings and recommendations to the Speaker of the House of Representatives and the President of the Senate on or before December 31, 2007. The committee shall provide a copy of the report to the Secretary of State and the Director of the Arizona State Library, Archives and Public Records.

The members of the Committee are:

Representative Ableser  
Representative McLain  
Representative Pancrazi  
Representative Ulmer  
Mr. Stephen Ahearn  
Ms. Jean Creagan  
Mrs. Kathy Senseman

Representative Anderson  
Representative McClure, Chair  
Representative Tobin  
Commissioner Gleason  
Ms. Susan Brenton  
Mr. Larry Lucero

Thank you for your willingness to serve on this Committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Weiers".

Jim Weiers  
Speaker of the House of Representatives

cc: Timothy S. Bee, Senate President  
Phil Lopes, House Democratic Leader  
John Halikowski, House Research Director

Victor Riches, Senate Chief of Staff  
Victoria Regens, Senate Research Director

**Attachment B**  
**Charge and Membership**

## Recreational Vehicle Park Utility Services Legislative Study Committee

**PURPOSE:** To: Identify utility rates being charged to the owners of recreational vehicle parks and manufactured home parks by Arizona utility companies; identify utility charges being passed on by the owners of recreational vehicle park and manufactured home park owners to the residents of the parks in parks that do not have individual meters for each residence; identify an appropriate method for cost allocation of those charges by the owners to the residents in those parks; recommend recreational vehicle park utility services legislation that incorporates the findings of the committee; the recreational vehicle park utility services legislative study committee shall submit a report of its findings and recommendations to the speaker of the house of representatives and the president of the senate on or before December 31, 2007. The committee shall provide a copy of the report to the secretary of state and the director of the Arizona state library, archives and public records.

### MEMBERSHIP:

House Seven members of the House of Representatives who are appointed by the Speaker of the House of Representatives with no more than four from the same political party. The Speaker of the House of Representatives shall designate one of these members to serve as chairperson of the study committee:

**Ed Ableser, Mark Anderson, Marian McClure (Chair), Nancy McLain, Lynne Pancrazi, Andrew Tobin, Theresa Ulmer**

Other The director of the residential utility consumer office or the director's designee:

**Mr. Stephen Ahearn, Director, Residential Utility Consumer Office**

One representative who is an owner of a recreational vehicle park that does not have individual meters for each residence who is appointed by the Speaker of the House of Representatives:

**Ms. Carolyn Bethka**

One representative who is an owner of a manufactured home park that does not have individual meters for each residence who is appointed by the Speaker of the House of Representatives:

**Ms. Susan Brenton, Arizona Association Manufactured Home Owners, Inc.**

One representative who is a resident of a recreational vehicle park or a manufactured home park that does not have individual meters for each residence who is appointed by the Speaker of the House of Representatives:

**Ms. Jean Creagan**

The chairman of the Arizona corporation commission or the chairman's designee:

**Commissioner Mike Gleason, Arizona Corporation Commission**

One representative of an electric utility company who is appointed by the Speaker of the House of Representatives:

**Mr. Larry Lucero, TEP, Governmental Affairs**

One representative of a gas utility company who is appointed by the Speaker of the House of Representatives:

**Mrs. Kathy Senseman, Southwest Gas**

# ARIZONA HOUSE OF REPRESENTATIVES

## INTERIM MEETING NOTICE OPEN TO THE PUBLIC

### RECREATIONAL VEHICLE PARK UTILITY SERVICES LEGISLATIVE STUDY COMMITTEE

**Date:** Wednesday, October 10, 2007

**Time:** 1:00 P.M.

**Place:** HHR 3

#### AGENDA

1. Call to Order
2. Introduction of Members
3. Charge of the Committee: Justin Riches, Legislative Research Analyst
4. Presentation: Office of Manufactured Housing
5. Presentation: Arizona Association of Manufactured Home Owners
6. Presentation: Arizona Corporation Commission
7. Public Testimony
8. Committee Discussion
9. Issues for Next Meeting

#### Members:

Representative Marian McClure, Chair  
Representative Ed Ableser  
Representative Mark Anderson  
Representative Nancy McLain  
Representative Lynne Pancrazi  
Representative Andrew Tobin  
Representative Theresa Ulmer  
Stephen Ahearn

Carolyn Bethka  
Susan Brenton  
Jean Creagan  
Commissioner Mike Gleason  
Larry Lucero  
Kathy Senseman  
Kathryn Sorensen

10/5/07  
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**People with disabilities may request reasonable accommodations such as interpreters, alternative formats, or assistance with physical accessibility. If you require accommodations, please contact the Chief Clerk's Office at (602) 926-3032, TDD (602) 926-3241.**

Interim agendas can be obtained via the Internet at <http://www.azleg.state.az.us/InterimCommittees.asp>

## ARIZONA HOUSE OF REPRESENTATIVES

### INTERIM MEETING NOTICE OPEN TO THE PUBLIC

#### RECREATIONAL VEHICLE PARK UTILITY SERVICES LEGISLATIVE STUDY COMMITTEE

**Date:** Wednesday, November 7, 2007

**Time:** 1:00 P.M.

**Place:** HHR 4 (Note Room Change)

#### AGENDA

1. Call to Order
2. Issues for Discussion
3. Presentation : Dan Thompson, President, Association of RV Parks & Campgrounds
4. Public Testimony
5. Committee Discussion
6. Issues for Next Meeting

#### Members:

Representative Marian McClure, Chair  
Representative Ed Ableser  
Representative Mark Anderson  
Representative Nancy McLain  
Representative Lynne Pancrazi  
Representative Andrew Tobin  
Representative Theresa Ulmer  
Stephen Ahearn

Carolyn Bethka  
Susan Brenton  
Jean Creagan  
Commissioner Mike Gleason  
Larry Lucero  
Kathy Senseman  
Kathryn Sorensen

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# ARIZONA HOUSE OF REPRESENTATIVES

## INTERIM MEETING NOTICE OPEN TO THE PUBLIC

### RECREATIONAL VEHICLE PARK UTILITY SERVICES LEGISLATIVE STUDY COMMITTEE

**Date:** Tuesday, December 11, 2007

**Time:** 1:30 P.M.

**Place:** HHR 4

### AGENDA

1. Call to Order
2. Presentation: Justin Riches, Legislative Research Analyst
3. Discussion on Proposals
4. Public Testimony
5. Adjourn

### Members:

Representative Marian McClure, Chair  
Representative Ed Ableser  
Representative Mark Anderson  
Representative Nancy McLain  
Representative Lynne Pancrazi  
Representative Andrew Tobin  
Representative Theresa Ulmer  
Stephen Ahearn

Carolyn Bethka  
Susan Brenton  
Jean Creagan  
Commissioner Mike Gleason  
Larry Lucero  
Kathy Senseman  
Kathryn Sorensen

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ARIZONA STATE LEGISLATURE

Forty-eighth Legislature – First Regular Session

**RECREATIONAL VEHICLE PARK UTILITY SERVICES**

**LEGISLATIVE STUDY COMMITTEE**

Minutes of Meeting

Wednesday, October 10, 2007

House Hearing Room 3 -- 1:00 p.m.

Chairman McClure called the meeting to order at 1:05 p.m. and attendance was noted by the secretary.

**Members Present**

Representative Ed Ableser  
Representative Nancy McLain  
Representative Lynne Pancrazi  
Stephen Ahearn  
Carolyn Bethka  
Susan Brenton

Jean Creagan  
Kenneth Rozen for Comm. Gleason  
Larry Lucero  
Kathy Senseman  
Kathryn Sorensen  
Representative Marian McClure, Chair

**Members Absent**

Representative Mark Anderson

Representative Andrew Tobin

Representative Theresa Ulmer

Chairman McClure asked each of the members to introduce themselves and then explained the background of why the Committee was formed.

Justin Riches, Legislative Research Analyst, read the charge of the Recreation Vehicle Park Utility Services Legislative Study Committee as follows:

1. To identify the rates being charged to owners of Recreation Vehicle (RV) parks and manufactured home parks by Arizona utility companies;
2. To identify utility charges being passed on by the owners of RV parks and manufactured home parks to the residents of parks where there are not individual meters for each residence;
3. To identify an appropriate method for cost allocation of the charges by the owners of parks to the residents; and
4. To recommend legislation for RV park utility services that incorporates the findings of this Committee.

The Study Committee shall submit a report of its findings and any final recommendations to the Speaker of the House of Representatives and the President of the Senate on or before December 31, 2007. The committee shall also provide a copy of the report to the Secretary of State and the Director of the Arizona State Library, Archives and Public Records.

#### Presentation by the Office of Manufactured Housing

Bob Barger, Director, Office of Manufactured Housing, gave an overview of the Department of Fire Building and Life Safety and the Office of Manufactured Housing (Attachment 1) which included

1. The Arizona Mobile Home Parks Residential Landlord and Tenant Act and the RV Long-Term Rental Space Act;
2. The park model and why included in the RV act rather than the Manufactured Home Act;
3. The number of park models and RVs and the number of mobile homes in Arizona and how each is licensed and regulated.

Representative Pancrazi said it is clear that manufacture homes must be built according to Department of Housing and Urban Development (HUD) standards and asked what are the standards for park models. Mr. Barger answered that they are built according to the American National Standards Institute. It is a separate code. Mr. Barger stated that once it is over 400 square feet it is considered a manufactured home and falls under HUD standards.

Presentation by the Arizona Association of Manufactured Home Owners

Ron Finestein, President, Arizona Association of Manufactured Home and RV Owners, explained the history and purpose of his organization. He further explained the difference between park models and other RVs (Attachment 2). He stated that owner occupied park models, which are defined in the law as recreational vehicles, are being charged more than the residential utility rates and other owner-occupied structures in the state. He clarified that a park model retains its designation as a park model no matter what is added on to it once it gets to the site, e.g., Arizona room, bedroom, deck or carport. No matter how large that unit becomes it is still designated a park model if when it came from the factory it was under 400 square feet.

Their concern is that park models, which are ground set, permanent in nature and have been in parks for many years, have no state oversight. They are sometimes being charged two to three times the prevailing utility rates. He said there is no state agency that has oversight on how the long-term RV rental act is applied.

He referred to a handout (Attachment 3) that shows park models with regular utility hookups. He said he does not want to suggest over-regulation but is concerned that hundreds of homeowners in Arizona, including many senior citizens, are affected by this situation. Mr. Finestein commented they deserve to have protection as those in full-sized manufactured homes. The problem is that parks are supplying the electricity or water and then charging for the utilities. He said not all, but many, are making money on these utility charges, e.g., those parks paying around 7 cents a kilowatt hour and then charging 19 to 20 cents for that kilowatt hour.

Mr. Ableser asked about the variety of parks in Arizona. Mr. Finestein said some parks have only manufactured homes; others have all types: park, RV and manufactured. Some parks are dedicated to only one type of housing.

Ruben Montalvo, District Director, Arizona Association of Manufactured Home and RV Owners reported on a survey done in Yuma (Attachment 4). He said the prevailing rate in the Yuma area is about 9 cents a kilowatt hour on average; but tenants are being charged between 12 and 15 cents a kilowatt hour per unit. He also distributed a collection of copies of utility bills paid by residents in "Caravan Oasis" Park together with information about electric rates and inappropriate billing in Tucson "Mission View" Park (Attachment 5).

Lace Collins, Arizona Corporation Commission, gave a presentation covering an explanation of the Corporation Commission and its rules applying to mobile homes, a summary of Arizona Public Service (APS) and Tucson Electric Power (TEP) rate schedules, sample APS and TEP rates, an overview of Natural Gas Utilities, SW gas sample rates, UNS gas sample tariff, water utilities and a sample water rate (Attachment 6).

Kathy Senseman answered questions regarding Southwest Gas and master-meter accounts to the parks, stating that the owners of the parks run the lines from the master meters to the individuals with the lines being the parks' responsibility; and Southwest has no control on whatever is done from the meter point. Southwest's delivery point and responsibility ends at the meter point in a master-meter situation. She said they now use individual meters but said there are a lot of master meters still being used.

John Stahmer, Department of Fire Building and Life Safety, stated that a park model is more like a manufactured home or mobile than it is like a recreational vehicle. It cannot be driven down a highway the way an RV can be.

Mr. Butch Hamilton, of Yuma, Arizona, voiced his concern over safety when the mobile parks are the ones responsible for the utility lines.

Chairman McClure asked if the overcharges dealt mostly with electricity or also with other utilities. Mr. Montalvo stated that there is also overcharging being done with water, sewer and trash in the RV parks. He said that basically the parks are acting as utility companies in charging administration costs. Mr. Ableser asked about special rates for low-income customers. Ms. Senseman stated that Southwest Gas offers such a program where in a master-meter situation the park owner gathers the information from the low-income tenants and then sends the request into SW Gas. The rate the landlord pays would then be pro-rated on the amount of low-income tenants they have.

Mr. Lucero stated that Tucson also has this program but it is very complicated in a master-meter situation, and he is not sure there is a mechanism in place to take care of this type of situation. Ms. Senseman says they have no control on what the landlord who has the master meter does in billing his individual tenants.

Mr. Rozen stated there are low-income assistance programs available, but the discount is passed onto the person who is being supplied. He agreed that the utility company does not have any means to compel that customer to pass along those benefits to his guests and tenants. In response to Mr. Ableser's question, Ms. Senseman says Southwest has 160 accounts that are master-metered situations and out of that 21 have signed up on the low income program. She commented that whether or not the landlords pass that on to their tenants is beyond their scope.

In response to Mrs. McLain's questions as to what mention of utilities there usually is in leases in RV parks, Ms. Cregan and Mr. Montalvo stated that most of the time there is nothing in writing stating what the responsibility of the tenant is regarding utilities. Many times it is a verbal agreement.

Chairman McClure said she envisions there being three meetings, this meeting being the first. She said the intent is not to form a utility company but to make sure that tenants in the parks are not overcharged for utilities. She said every utility company has had complaints from people asking why they are having to pay two or three times as much as people who have their own meters, and, of course, it is not the utility company at all who

is doing it. The date and time of October 24 at 1:30 pm was agreed upon for the next meeting.

Without objection, the meeting adjourned at 3:00 p.m.

---

Patricia Hudock, Committee Secretary

October 17, 2007

(Original minutes, attachments and audio on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov/>)

ARIZONA HOUSE OF REPRESENTATIVES

Forty-eighth Legislature – First Regular Session

**RECREATIONAL VEHICLE PARK UTILITY SERVICES**

**LEGISLATIVE STUDY COMMITTEE**

Minutes of Interim Meeting

Wednesday, November 7, 2007

House Hearing Room 4 -- 1:00 p.m.

Chairman McClure called the meeting to order at 1:05 p.m. and attendance was noted by the secretary.

**Members Present**

Representative Marian McClure, Chair

Representative Ed Ableser

Representative Lynne Pancrazi

Representative Theresa Ulmer

Stephen Ahearn

Carolyn Bethka

Jean Creagan

Ken Rozen for Commissioner Mike Gleason

Larry Lucero

Kathy Senseman

Kathryn Sorensen

**Members Absent**

Representative Mark Anderson

Representative Nancy McLain

Representative Andrew Tobin

Susan Brenton

**Speakers Present**

Dan Thompson, Association of RV Parks & Campgrounds (ARVPC)

Justin Riches, Legislative Research Analyst

Ron Feinstein, Arizona Association of Manufactured Home and RV Owners (AAMHO)

Janna Day, Manufactured Housing Communities of Arizona

Janet Regner, Arizona Association of Manufactured Home Owners and RV Owners

Chairman McClure announced that the presentation would occur first, followed by committee discussion.

**PRESENTATION**

Dan Thompson, Association of RV Parks & Campgrounds (ARVPC), explained to the committee that in the past the association was known as ATPA, the Arizona Travel Parks

Association, but has since changed its name to Arizona ARVPC, the Association of RV Parks & Campgrounds.

Mr. Thompson explained that his family has been in the RV business for 37 years and that they thought that utilities were regulated, in that he could not charge more than he was charged and cannot make a profit off of utility costs. He has since realized that utilities are not regulated.

Mr. Thompson does not object to any legislation as long as he can cover his costs and make a fair profit. He explained that he has been in many meetings to devise a resolution to the utility services problem. He explained that his industry is a cross between mobile homes and residential homes in that it is more like a hotel/motel situation with rent being the only source of income.

Mr. Thompson clarified some issues from the last meeting:

- Price gouging is not a widespread problem, but if the industry can be set for everyone it makes business easier.
- There was a question about meters not being inspected, but he explained that park models are inspected by the county or the city when being hooked up.
- 180 day landlord/tenant act is in force.
- To move a park model from one park to another costs \$3,000 to \$3,500.
- Leases are required and the paperwork is available.
- Comparing kilowatts per hour does not show the entire picture because of additional taxes and assessments on the bill.
- His Guest Directory contains Rules & Regulations and Policies, and is available online.

Chairman McClure asked how many parks are members of ARVPC; Mr. Thompson replied that ARVPC has 110 members (of 400-450 Arizona parks).

Chairman McClure asked if any of these members are charging more than just recovering their costs; Mr. Thompson replied in the negative.

Mr. Ableser asked if there is an audit process applied to the members; Mr. Thompson replied that there is not a formal process, although there are classes on figuring utilities and opportunities to share ideas. He stated that these are private businesses and he does not impose an audit.

### **COMMITTEE DISCUSSION**

Chairman McClure stated that since there is currently a mobile home statute dealing with this issue, she proposes introducing legislation to amend this existing mobile home statute to include park models (Attachment 1).

Justin Riches, Legislative Research Analyst, discussed the proposed amendment to Section 33-1409, Arizona Revised Statutes, to include park models as mobile homes that come under the mobile home parks residential landlord and tenant act.

Mr. Rozen asked if this amendment will remove an element of the definition; Mr. Riches replied that it will remove the exclusion for park models. Mr. Rozen asked if the remaining statutes will remain unchanged; Mr. Riches replied in the affirmative.

Ms. Ulmer asked if this would solve the utility problems in RV parks as well as mobile home parks. Mr. Riches replied that it would apply to both. Ms. Ulmer stated that utilities should not be overcharged in either type of facility.

Ms. Ulmer asked what would be the impact of this change on utilities in both areas. Chairman McClure explained that the concern is not with the temporary RVs which move in and out, but with the park models which are stationary and are not easily moved, similar to mobile homes.

Ms. Ulmer asked how this would provide protection from price gouging; Chairman McClure replied that the park models must be protected, not the RVs.

Ms. Ulmer asked if this will move the park models into the relocation fund where they will be eligible for relocation fund monies; Chairman McClure replied that is an issue that remains to be resolved.

Ms. Sorenson asked if there was an impact on municipal rental inspections; Mr. Riches stated that there would be no impact.

Mr. Ahearn asked if there was any taxation impact or unintended consequence; Mr. Riches stated he would look into this.

Ron Feinstein, Arizona Association of Manufactured Home and RV Owners (AAMHO), stated that park models and mobile homes are taxed as motor vehicles.

In response to Chairman McClure's request, he stated that in his opinion the park models would be eligible for relocation fund monies, but that he doesn't have an answer for that yet.

Mr. Ahearn asked if removing the exclusion of park models would violate any construction codes; Mr. Feinstein replied that the definitions under the landlord/tenant act are as follows:

- park model – single chassis, mounted on wheels, and designed to be permanently connected to the utilities necessary for the operation of installed fixtures and appliances and with a gross interior area of not less than 320 square feet and not more than 400 square feet when prepared for occupancy (not inclusive of an added bedroom or Arizona room or such)
- mobile home – 8 feet wide by 30 feet long

Ms. Ulmer clarified that these are titled through the Motor Vehicle Division but that the relocation fund is handled through the Assessor's office, which handles property taxes. Mr. Feinstein stated that the relocation fund is not a tax, it is a fund for a park closing or violation so that an owner can move out of that park.

Ms. Creagan stated that she is a park model owner and an RV owner and that her tax bill is based on square footage taxed through the Assessor's office.

Ms. Ulmer stressed that these are not all taxed as motor vehicles.

Janna Day, Manufactured Housing Communities of Arizona, an association of mobile home park owners, addressed the committee to express her concerns that reclassifying park models as mobile homes could result in unintended consequences with regard to issues such as lease agreements, notification, termination, and such. She stated that there should be a way to carve out the utility issue from these other issues.

Mr. Ableser asked about her concerns, specifically the difference between 400 square feet and 401 square feet; Ms. Day replied that the square footage is not a major sticking point, but that this is a major departure from the status quo and a whole host of statutes relating to the landlord tenant act would apply to park models that do not today.

Mr. Ableser asked what the negative consequences would be, as the park models currently do not have the same protections as mobile homes; Ms. Day replied that additional study should take place regarding the consequences. Mr. Ableser stated that he still does not understand what the negative implications are.

Ms. Pancrazi asked Mr. Thompson if he has concerns about the amendment to put park models in with mobile homes; Mr. Thompson replied in the affirmative, explaining that park models are built to different standards. He explained that his RV park cannot have a mobile home in it because the sites are too small and the park is not zoned for mobile homes. He explained that a mobile home park can have both mobile homes and park models.

Mr. Ableser summed up the concerns and solutions as:

- addition of paperwork – minimal impact
- standards of different types - can be approved through regulatory agencies
- park models become mobile homes creates a zoning issue – protected by Prop 207

Chairman McClure stated that this fix is becoming even more complicated, and although she did not expect a solution today, this is a good starting point for the discussion.

Mr. Thompson stated that there would be great resistance to this change; Chairman McClure stated that she wanted to avoid that and that she believes the concerns expressed today can be addressed.

Ms. Creagan asked if this is to redefine park models as manufactured homes; Chairman McClure stated that is not the intent.

Ms. Ulmer asked Ms. Day to return to the podium, stating that this is not a simple issue and that she wishes to be certain the consumer is protected, particularly with regard to the different tenant acts that must be considered.

Ms. Day explained that there are at least four landlord/tenant acts that could apply to a mobile home park:

1. owner rents the home - landlord/tenant act
2. abandoned home is rented out and park is the owner – Arizona apartment act
3. RV for more than 180 days – RV landlord/tenant act
4. park manager living in a home – innkeeper statutes

Discussion ensued about these various acts, their application to the parks, the different models of homes, and consumer protection.

Chairman McClure reminded the committee that their charge is to address price gouging of utilities. Discussion ensued about what statutes apply to what the landlord can charge for utilities.

Ms. Creagan stated her opinion that the RV act provides no oversight or regulatory protection.

Chairman McClure stated that this amendment will resolve utility inequities, but that unintended consequences must be avoided. She stated that to that end she will revisit the statute to determine what mobile home parks can charge in order to provide protection on utility rates, primarily electricity, and particularly in RV parks. She stated that the next draft will be distributed to all members of the committee.

Ms. Ulmer stated that changing existing statute may create new problems.

Mr. Lucero stated that he wondered if any other resident group was inadvertently being left out. He inquired how a manager is conveying accurate charges to his or her tenants; Mr. Thompson replied that the meter reading is used to prorate for the duration of a resident's stay, but any unit staying for over 180 days is under the landlord/tenant act.

Mr. Rozen inquired if last session's HB2230 was agreeable to all; Mr. Thompson stated that he was in agreement at the beginning of the session.

Janet Regner, Arizona Association of Manufactured Home Owners and RV Owners, explained that last year's legislation did not go through because further study was needed in order to address the wide variety of rates that parks are charged by utility companies. She stated that currently nothing in state law says that price-gouging cannot occur and that is what this committee is to address.

Chairman McClure added that there is no intent to inadvertently create a utility company; Mr. Rozen replied that that should not be a concern.

Ms. Day stated that she would be glad to work with the Commission to develop appropriate language.

Person recognized by the Chair who appeared neutral but did not speak:

Ruben Montalvo, AAMHO

**ISSUES FOR NEXT MEETING**

Chairman McClure stated that there will be another meeting and that a copy of last year's bill would be provided. She reiterated that the desire of the committee is to stop the price-gouging occurring in some RV parks in Arizona.

Without objection, the meeting adjourned at 2:24 p.m.

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Jane Dooley, Committee Secretary

November 7, 2007

(Original minutes, attachments and audio on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov/>)

ARIZONA STATE HOUSE OF REPRESENTATIVES

Forty-eighth Legislature – First Regular Session

**RECREATIONAL VEHICLE PARK UTILITY SERVICES LEGISLATIVE  
STUDY COMMITTEE**

Minutes of Meeting

Tuesday, December 11, 2007

HHR 4 -- 1:30 P.M.

Chairman McClure called the meeting to order at 1:35 p.m. and attendance was noted by the secretary.

**Members Present**

Representative Ed Ableser

Representative Nancy McLain

Representative Andrew Tobin

Stephen Ahearn

Carolyn Bethka

Susan Brenton

Jean Creagan

Larry Lucero

Kenneth Rozen for Commissioner Gleason

Kathy Senseman

Kathryn Sorensen

Representative Marian McClure, Chairman

**Members Absent**

Representative Mark Anderson

Representative Lynne Pancrazi

Representative Theresa Ulmer

Justin Riches, Legislative Research Analyst, discussed a draft proposal of new language relating to utility rates and regulation of park model spaces. He explained that the charge of the Committee is as follows:

- to identify utility rates being charged by utility companies at RV parks and manufactured home parks;
- to identify utility charges being passed on by the owners of RV parks and manufactured home parks to the residents of parks where there are not individual meters at each residence;
- to identify an appropriate method for cost allocation of the charges to the residents by the owners of parks;
- to recommend legislation for RV park utility service that incorporates the findings of this Committee.

Mr. Riches said there were several presentations that helped to identify the utility rates being charged to owners of RV parks and the charges that are being passed on to the renters. The presentations were made by the Office of Manufactured Housing, the Arizona Association of Manufactured Home Owners, and the Arizona Corporation Commission. The presentations included discussions of the Arizona Mobile Home Parks Residential Landlord and Tenant Act, and the RV Long Term Rental Space Act. Mr. Riches further explained the proposed bill (Attachment 1).

Mr. Riches responded to questions posed by Committee members as follows:

- The proposed bill does not parallel any specific provision in another act.
- The proposed bill was not added to any other Landlord Tenant Act in order to clearly identify that this chapter applies to park model spaces and not other forms of RVs.
- The intent of the bill is that the landlord would not be able to charge any fees in addition to what he is charged. Further clarification could be added.

Chairman McClure stated that the proposed bill could be amended if necessary.

After discussion by Committee members, the following amendment was offered.

**Representative McLain moved that the proposed bill be amended to include that should a landlord prevail in a lawsuit, he/she shall be able to recover court costs and reasonable attorney's fees. The motion was seconded. The motion passed by voice vote.**

Representative Ableser suggested that the amendment be amended to say, "may" instead of "shall". Representative McLain said she would not agree with that amendment to the amendment.

Chairman McClure said the amendment would stand as is, and if necessary, the bill could be amended later in the process.

Dan Thompson, Arizona Association of RV Parks, spoke as neutral to the proposed bill.

Jim Beach, Mesa Spirit RV Park, said he was originally neutral to the proposed bill, but now sees several problems regarding billing for utilities.

Justin Riches, Legislative Research Analyst, explained the proposed bill is not included in the RV Long Term Act because that Act applies to someone who is leasing a space for six months or 180 days or longer.

Chairman McClure recognized Ronald Feinstein, Arizona Association of Manufactured Homes, who was present and in support of the proposed bill.

Chairman McClure said that, without objection, a report would be prepared recommending the proposed bill be recommended to the Speaker of the House for introduction in the next legislative session. There were two dissenting Committee

members. Chairman McClure said she would not call for a vote, and that the proposed bill would be recommended to the Speaker.

Without objection, the meeting adjourned at 2:17 p.m.

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Yvette O'Connor, Committee Secretary

December 11, 2007

(Original minutes, attachments and audio on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov/>)

**OVERVIEW of the DFBS re: Office of Manufactured Housing and Office of Administration:**

The Department was established to further the public interest of safety and welfare by maintaining and enforcing standards of quality and safety for manufactured homes, mobile homes and factory-built buildings and to establish a procedure to protect the consumer of such products and services.

The Office of Manufactured Housing consistently applies the standards of the United States Department of Housing and Urban Developed (HUD) and provides inspectors for manufactured homes to ensure compliance with all existing laws and regulations mandated by the federal government, its agencies, and this State.

The Office of Administration provides the administrative services necessary to facilitate the operation of the Office of Manufactured Housing to ensure compliance with laws and rules, to include the licensing of manufactured homes manufactures, dealers, sales persons, and installers; and regulation of licensees.

**1. Describe difference between AZ Mobile Home Parks Residential Landlord and Tenant Act and the RV Long-Term Rental Space Act:**

A. RV Long-Term Rental Space Act applies to the rights, obligations and remedies for a recreational vehicle space rented in a RV Park or Mobile Home Park by a tenant under a rental agreement for more than 180 consecutive days. An RV is defined as:

1. A portable camping trailer on wheels with collapsible sidewalls that fold for towing by another vehicle and unfold for camping purposes.
2. A motor home designed for temporary living quarters for camping or travel use and build on or permanently attached to a motor vehicle chassis.
3. A park trailer (aka: Park Model) building on a single chassis, mounted on wheels and designed to be connected to utilities necessary for operation of installed fixtures and appliances with a gross internal area of 320 – 400 sq. ft.
4. A trailer mounted on wheels designed for temporary living quarters for camping or travel use up to a size and weight that does not requires special highway permits and when towed is less than 300 sq. ft. of trailer area.
5. A portable truck camper designed for temporary living quarters for camping of travel use that is loaded onto the bed of a pickup truck.

B. AZ Mobile Home Parks Residential Landlord and Tenant Act provides purposes and policies to simply, clarify and establish the law governing the rental of land (home spaces) in a designated Mobile Home Park and the rights and obligations of both the landlord and tenant.

C. Comparison Chart:

Topic	RVs	Mfg. Homes
Rental Agreement terms and conditions	Yes	Yes
Security Deposits	Yes	Yes
Utility Charges	No	Yes
Landlord Obligations	Yes, limited	Yes
Education Requirements for Park Manager	No	Yes
Tenant Obligations	Yes	Yes
Remedies for noncompliance	Yes	Yes
Change in Use; Relocation Fund	No	Yes
Inspections	No	Yes
Court Jurisdiction; Hearings	Civil Court	Administrative Court; rehearing; appeal

**2. Define and describe Park Model and why included in the RV Act rather than the MFG Home Act:**

A Park Model as defined as a Park Trailer is built on a single chassis, mounted on wheels and designed to be connected to utilities necessary for operation of installed fixtures and appliances;

A Park Model has a gross internal area of not less than 320 sq. ft. and not more than 400 sq. ft.

A Park Model normally operates on 30 – 50 amps of power; a Manufactured Home normally operates on more than 100 amps of power.

Codes designed for inspection/compliance purposes for Manufactured Homes are built to comply with HUD safety standards.

Codes designed for inspection/compliance purposes for Park Models are provided by American National Standards Institute (“ANSI”), the standard for recreational park trailers, and built to comply with the Recreational Park Trailer Industry Association, Inc. (“R.P.T.I.A.”).

**3. What is the number of Park Models and RVs in Arizona?**

# Park Models and RVs in AZ should be available from the Arizona Department of Transportation (ADOT), Motor Vehicle Division ("MVD"); however, a Park Model title at one time listed this type of unit as a Mobile Home. At some point MVD changed its categories and now has a separate title category for Park Models.

**How are Park Models and RVs licensed in Arizona?**

All RVs and Park Models registrations/titles are issued by MVD

**How are Park Models and RVs regulated in Arizona?**

Regulation, if any, is defined in the RV Long-term Rental Space Act

**4. What is the number of Manufactured Homes in Arizona?**

# of Mobile (Manufactured) Homes in AZ should be available from the MVD; however, a Park Model title at one time listed this type of unit as a Mobile Home. At some point MVD changed its categories and now has a separate title category for Park Models.

The attached 2003 through 2007 year-to-date Sales Activity Report as provided to our Department includes new and used mobile homes, manufactured homes, and factory-built buildings.

**How are Mobile Homes licensed in Arizona?**

All Mobile and Manufactured Homes registrations/titles are issued by MVD

**How are Mobile/Manufactured Homes regulated in Arizona?**

If the home is situated in a Mobile Home Park, regulation is defined by the Mobile Home Park Residential Landlord and Tenant Act. If the home is situated on land owned by the home owner, it is not regulated.

SALES ACTIVITY REPORTED TO DFBS

\*includes new and used mobile homes, manufactured homes, & factory-built buildings

<u>YEAR</u>	<u>TOTAL NO. OF SALES REPORTED</u>
2003	8,523
2004	8,514
2005	9,941
2006	9,228
2007 (1/07 - 8/07)	4,808

**SUMMARY: THE MOBILE HOME PARKS RESIDENTIAL  
LANDLORD AND TENANT ACT (Updated 10/31/06)**

The numbers in italics refer to the section numbers of the Arizona Revised Statutes where the complete law pertaining to that item can be found.

"The Act", as used below, refers to the Arizona Mobile Home Parks Residential Landlord and Tenant Act.

**I. General Information**

A "Mobile Home" is at least 8' wide x 30' long (with exceptions of some older homes). *§33-1409.14*

The Act does not apply to recreational vehicles (which includes park models) or if mobile home and space are owned by the same person. *§33-1407(B)*

The Act only applies to the rental of a space in a mobile home park; a mobile home park is defined as a parcel of land with four or more mobile home spaces. *§33-1406 and §33-1409(15)*

Prior to entering a rental agreement, a landlord must provide each prospective tenant with a concise written summary of the Mobile Home Parks Residential Landlord and Tenant Act that is approved by the Director of the Department of Fire, Building & Life Safety. *§33-1432(G)*

A landlord shall make available to all tenants a concise written summary of the Act which includes any legislative changes in the preceding year. *§33-1432(H)*

**II. Rental Agreements *§33-1413***

At the beginning of a tenancy, a signed, written rental agreement must be executed which will include the amount of current rent and security deposit.

After the initial rental agreement expires, at the request of either the tenant or landlord, a new written rental agreement must be executed.

If the landlord and tenant agree on a term (length of time) of the rental agreement, it can be for any term; if landlord and tenant do not agree, the term will be one year except that the tenant has the right to demand a four year lease; this request must be in writing. The rents for the entire term must be specified. Upon receipt of the proposed four-year lease, a tenant has 10 days to accept or reject it. If rejected, the tenant still has the right to a one-year lease. *§33-1413(K)*

Without a written rental agreement, tenancy is on a month-to-month basis.

Included with the rental agreement should be the Rules and Regulations and Statement of Policy.

All blank spaces on the rental agreement must be filled in.

**III. Utility Charges *§33-1413.01***

Utilities provided by the park may either be included in base rents or may be separately charged. If a landlord charges separately, the utility charge may not exceed the single-family residential rate charged by the utility provider or the local serving utility. *§33-1413.01(B)*

If the utility is metered (water, gas, electricity), the landlord must have individual meters at each space; must take periodic readings; and must provide a periodic billing showing opening and closing meter readings with a computation of the utility charge in the same manner as used by the local utility provider. *§33-1413.01(A)*

Non-metered utilities (trash and sewer service) may be charged for at a rate not to exceed the local providers single-family residential rate. *§33-1413.01*

If a landlord has scheduled a shutdown of a utility, he must inform tenants. *§33-1434(A)(7)*

#### **IV. Rent and Fees §33-1413; §33-1476.04**

There are no limits on what a landlord may charge for rent. But if a park imposes rent increases not previously agreed to in a rental agreement which, taken together with all other rent increases the preceding 12 months exceeds 10% plus the preceding year's percentage CPI increases, the tenant, if he chooses to vacate, is eligible for relocation fund assistance. §33-1476.04(A)

Rent cannot be changed during the term of a rental agreement except as provided in the agreement. Increases in the park's costs of utilities, taxes and insurance, however, can be prorated and immediately passed through to tenants if substantiated in writing and the rental agreement so provides. §33-1413(I)

Guest fees cannot be charged unless the guest stays for more than 14 days in a calendar month. §33-1414(A)(5)

Late fees cannot exceed \$5 per day if rent is not remitted by the sixth day from the due date. §33-1414(C)

#### **V. Mobile Home Relocation Fund §33-1409(5); §33-1476.01 – 33-1476.04**

A tenant can obtain money from the Relocation Fund in the case of a Park Closure; Redevelopment of Park; Qualifying Rent Increase; or for Rehabilitation of pre-HUD home in order to relocate home (for Rehabilitation purposes only, the home owner's income must qualify) The Relocation Fund is administered by the Arizona Department of Fire, Building and Life Safety. §33-1476.02

Each owner of a mobile home located in a mobile home park who does not own the land the home is located on will be assessed 50 cents per \$100 of taxable assessed valuation of his or her home which shall be deposited in the Relocation Fund. §33-1476.03

Park Closure or Redevelopment: (1) Landlord must give tenants 180 days notice of the closure or redevelopment; (2) The tenant can collect, from the Relocation Fund, the lesser of the actual moving expenses (within a 50 mile radius) or \$5,000 for a single-wide or \$10,000 for a multi-section home OR the tenant may abandon the mobile home in the park, and collect an amount equal to one-fourth of the maximum allowable moving expense for that home from the fund if the tenant delivers to the landlord the current title to the home with the notarized endorsement of the owner of record together with complete releases of all liens that are shown on the title and pays all property taxes due on the home; if the mobile home was ground set in the mobile home park, the tenant may collect up to \$2500 additionally for the cost of removing a ground set home; (3) The landlord must pay \$500 for each single-wide and \$800 for each multi-section home into the Relocation Fund in the case of a park closure. §33-1476.01

Rehabilitation of pre-HUD homes (built prior to June 15, 1976): §41-2157

When moving a pre-HUD home from one mobile home park to another within the state, if the home must be rehabilitated to state standards and if home owner's income falls below federal poverty guidelines, home owner can collect up to \$1,000 to pay for rehabilitation. Tenants moving homes due to being evicted are not eligible for assistance.

#### **VI. Rent Increases**

Landlord must give each tenant written notice of an increase 90 days prior to expiration of the rental agreement, unless the increase is for actual increased costs in insurance, taxes or utilities AND the rental agreement states that the landlord can increase the rent immediately for these purposes AND the landlord substantiates the increase in writing; otherwise the landlord must give the 90 days written notice prior to the expiration of the rental agreement and does not have to give any reasons for the increase. §33-1413(G) and (I); 33-1432(F)

If the park increases the rent in any 12-month period by more than 10% plus the most recent one-year increase in the Metropolitan Phoenix Consumer Price Index (CPI), the tenant is eligible for assistance from the Mobile Home Relocation Fund. When a landlord is giving notice of a rent increase which exceeds this amount, the landlord must also inform the tenant of their eligibility for assistance. §33-1476.04

#### **VII. Rules and Regulations §33-1452**

Landlords must give all tenants 30 days written notice by mail of any change in rules. §33-1452(D)

Rules must apply in a fair manner to all tenants. §33-1452(A)

Landlord has the right to approve prospective buyers of homes in the park, however approval cannot be unreasonably withheld; if requested in writing, the landlord shall send a notice to the prospective purchaser to identify the reasons for disapproval; landlord can force someone bringing a home into the park to make permanent improvements if they are written in rules or statements of policy and he discloses the approximate cost of the improvements to the prospective tenant; landlord cannot force an existing tenant, even if he is selling his home, to make permanent improvements, nor can he force the buyer of a home already in the park to make permanent improvements. §33-1452(E)(6)

“Permanent Improvements” are those that cannot be removed without damaging the improvement or the space. §33-1452(E)(6)

Landlord does have the right to upgrade his park. This can be done by rules and statements of policy stating the condition of homes allowed in the park. Landlord cannot force current residents to move their homes from the park, but can force purchasers to move them upon sale of the home. However, a landlord cannot require replacement of siding and skirting on an existing home in the park which is sold unless the replacement will significantly change or improve the appearance of the mobile home. §33-1452(B) (C) and (D)

On the sale of a mobile home manufactured after June 15, 1976, to a tenant otherwise qualified for tenancy, a landlord shall not require removal of the mobile home from the park solely because of the age of the mobile home. §33-1452(L)

Landlord must give tenants an emergency phone number and name and address of park owner. §33-1452(F)

Landlord cannot prohibit meetings of tenants to discuss issues related to mobile home lifestyle. §33-1452(G)

Landlord does not have right to access tenant's mobile home unless tenant gives landlord written permission. §33-1453

#### **VIII. Landlord's Obligations §33-1431; §33-1432; §33-1434; §33-1436**

Security Deposits – amount of any security deposit should be stated in each rental agreement and cannot exceed 2 months rent unless the tenant voluntarily agrees to pay more; cannot be changed after initial rental agreement is executed; landlord must pay or accrue 5% annual interest on deposit. §33-1431

Landlord must maintain fit, safe and habitable premises. §33-1434

Required disclosures for new tenants: (1) Written disclosure of rent increases over the three full calendar years immediately preceding the effective date of the rental agreement; (2) Identity of manager, owner and statutory agent of park; (3) Information on utility connections; (4) Information on fire protection services. §33-1432

Landlord must provide tenant with a Statement of Policy (a park can only have one set of statements of policy in effect for all residents at any one time) §33-1436

Park managers must show proof of completing at least six hours of continuing education every two years. Parks failing to comply are subject to civil penalties. Parks managers must post such proof of completion in a conspicuous place at the mobile home park. §33-1409(9); §33-1437

#### **IX. Tenant Obligations §33-1451**

Maintain and keep his space as clean and safe as conditions allow, and not to let visitors, guests or members of the household unreasonably disturb their neighbors. §33-1451(A)

Inform landlord of non-renewal of rental agreement at least 30 days prior to its expiration. §33-1451(A)

#### **X. Notices §33-1412; 33-1413; 33-1436; 33-1452; 33-1471; 33-1473; 33-1476**

Notice is effective when a party has actual knowledge of the subject or has received the notice from the other party. §33-1412(A)

A notice is received when the party actually gets it or, if sent by certified mail, it is deemed received five days after deposit in the mail. §33-1412(B)

Rent increases not programmed in rental agreements require a 90-day notice, effective at expiration of a rental agreement. §33-1413(G)

Rules and regulation changes require a 30-day notice by mail. §33-1452(D)

Statements of policy changes require a 60-day notice, effective at expiration of current statements of policy. §33-1436(C)

Tenants for proper cause may terminate their rental agreements as follows:

For health and safety violations, with a 10/20 notice to the landlord (10 days to cure or the tenancy will end in 20 days). §33-1471 (A)

For non-health and safety violations, with a 14/30 notice to the landlord. §33-1471(A)

Tenants may cure and charge landlords the cost of repair for health and safety hazards which are the landlord's responsibility by giving a 20 day notice and, if not cured by the landlord within that time, by having the work done by a licensed contractor. §33-1473

Landlords for good cause may terminate tenant rental agreements as follows:

For violence or other serious criminal conduct, with an immediate termination notice. §33-1476(D)(3)

For health and safety violations, with a 10/20 notice to the tenant. §33-1476(D)(2)

For non-health and safety violations, with a 14/30 notice to the tenant. §33-1476(D)(1)

For non-payment of rent, with a seven day notice to the tenant. §33-1476(E)

If a 10/20 or 14/30 notice is given, and the tenant cures the violation, the landlord must give a notice of cure. §33-1476(D)(1) and (2)

If a tenant receives 3 notices about the same problem or 4 notices about different problems within 12 months, landlord can evict on the next notice. §33-1476(D)(4)

#### **XI. Evictions §33-1481(A)**

If a rental agreement is terminated but the tenant fails to vacate, the landlord may file an eviction action in court. §33-1481(A)

#### **XII. Retaliatory Action §33-1491**

If a landlord retaliates by increasing rent or decreasing services or by bringing or threatening to bring an eviction against a tenant after any of the following, it is presumed to be a retaliatory action and it is up to the landlord to prove it was not: (1) Tenant complains to a government agency charged with the responsibility of enforcing building or housing codes of a violation materially affecting health and safety; (2) Tenant complains to the landlord of a violation of the

Act; (3) Tenant organizes or becomes a member of a tenant's union or similar organization; (4) Tenant files an action against the landlord with the hearing officer or court.

**XIII. Mobile Home Parks Hearing Officer §41-2198**

Either landlord or tenant can file a complaint with the mobile home parks hearing officer. Complaints are limited to claims of violations of mobile home space rental agreements or the Mobile Home Parks Residential Landlord Tenant Act. Rent increases cannot be challenged, but the manner in which notices were given can be. Complaints are filed with the Department of Building and Fire Safety. *§41-2198, 2198.01, 2198.02, 2198.03 and 2198.04*

**XIV. Removal of a Mobile Home from a Park §33-1485.01**

The tenant or tenant's successor in interest shall provide the landlord with a written notification of intent to remove a mobile home from a space; the notification shall include the date the home will be removed, address and telephone number of person or entity that will be removing the home, and name, address and telephone number of person or entity that will be the responsible party for restoring the mobile home space in accordance with the rental agreement and park rules and regulations.

If the Responsible Party is not licensed by the Department of Fire, Building and Life Safety or the Registrar of Contractors, the landlord may require a security deposit or surety bond of not more than \$1,000 minus the amount of any security deposit that was collected at the beginning of the tenant's tenancy.

The person or entity removing the mobile home from the space must have received from the landlord a written clearance for removal containing a statement that all monies due for space rent as of the date of removal have been paid or that the landlord and tenant have agreed otherwise; and the requirements for mobile home space restoration.

**RESOURCES:**

Arizona Department of Fire, Building & Life Safety –  
Office of Manufactured Housing

[www.dfbls.az.gov](http://www.dfbls.az.gov)

Arizona Secretary of State

[www.azsos.gov](http://www.azsos.gov)

## **Park Models Compared With Other RVs**

### **Park Models**

From 320 to 400 square feet

Are not self-contained

Are taxed like a manufactured home

Cannot be moved with owners' transportation, requires a semi trailer and permits

Permanently installed in park by contractor, costs vary from \$1,000-\$5,000

Wheels, axles and tow bar removed

Aren't supplied with electrical cable, have to be hardwired

Have to be moved by contractor. \$3,000 to \$8,000 depending on distance. Loss of Arizona room, porches, etc

Park Model stays in park year after year

### **RVs**

Smaller in size

Self-contained

Are taxed like a motor vehicle

RV owner can tow RV with his own transportation

Can move in and RV owner can hook-up to park's utilities within a 10 to 30 minutes time period.

Supplied with electrical cable to plug into electrical system of park

Can be disconnected and moved out by RV owner within 10 to 30 minutes

RVs traditionally stay only a short time

## RV Parks and Resorts with Park Models

The following data research was conducted by members of the Arizona Association of Manufactured Home Owners (AAMHO) in order to quantify the need for a change in statute regarding Park Models.

### Phoenix Area and White Mountains

	<u>#Sites</u>
Apache Wells RV Resort	320
Arizonian RV Park	300
Aztec RV Resort	328
Carefree Manor RV Resort	146
Carriage Manor RV Resort	911
Canyon Vistas RV Resort	638
Cotton Lane RV Resort	212
Countryside RV Resort	600
Desert Holiday RV Park	150
Desert's Edge RV Village	50
Desert Shadows RV Resort	638
Encore RV Resort	210
Fiesta RV Resort	336
Gold Canyon RV Resort	754
Golden Vista RV Resort	1075
Golden Sun RV Resort	329
Good Life RV Resort	1167
Greenfield Village RV Resort	793
Happy Trails RV Resort	2001
La Hacienda RV Resort	280
Lost Dutchman	500
Mesa Spirit RV Resort	1800
Mesa Regal RV Resort	2005
Monte Vista RV Village Resort	832
Orangewood Shadows RV Resort	474
Paradise RV Resort	700
Palm Gardens	439
Phoenix Metro RV Resort	310
Pioneer RV Resort	583
Pueblo El Mirage RV Resort	1200
Quail Run RV Park	200
Rincon	1000
Roadhaven RV Resort	1064
Rock Shadows RV Resort	683
Rose Garden	260
Sierra Del Saguaro RV Resort	225
Silveridge RV Resort	687

Silver Sands RV Resort	178
Sunflower RV Resort	1156
Sun Life Cal-Am RV Resort	761
Sunrise RV Resort	490
Sunset RV Resort	519
Superstition Sunrise RV Resort	1119
The Resort	792
Towerpoint RV Resort	1111
Val Vista Village RV Resort	1500
Valle de Oro RV Resort	1802
Venture In RV Park	389
Venture Out RV Resort	1782
Viewpoint RV Resort	1900
Voyager at Juniper Ridge	529
Weaver Needle TT Resort	400
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Phoenix Area and White Mountains	<u>38,638<sup>1</sup></u>

#### YUMA Area

	<u>#Sites</u>
Adobe Village RV Park	118
Araby Acres Travel Trailer Park	338
Arizona West RV Park	227
Black Rock RV Village	403
Brenda RV Resort	204
Bonita Mesa RV Resort	470
Cactus Gardens RV Park	430
Capri RV Park	206
Caravan Oasis RV Park	742
Castle Rock Shores	300
CoCoPah RV Resort	400
Del Pueblo RV Park Resort	483
Desert Gold RV Resort	550
Desert Holiday RV Park	225
Desert Paradise RV Resort	260
Fountain of Youth Spa RV Resort	850
Fortuna de Oro RV Park	1294
Hidden Shores RV Resort	575
Islander RV Resort	500
Las Quintas Oasis	460
Mesa Verde RV Park	345
Shangri-La RV Resort	302
Silverview RV Resort	155

<sup>1</sup> Estimate 25,000 of the sites are filled with Park Models. Approximately 20% of this number would be year-round, a number that continues to grow.

Snowbird RV Resort	124
Sundance	504
Suni-Sands RV Resort	536
Sun Ridge RV	281
Sunset Palm RV Park	117
Sun Vista RV Resort	1230
Villa Alameda RV Resort	302
Wagon West RV Park	218
Western Sands RV Park	156
Westwind RV & Golf Resort	1076
Windhaven RV Park	130
Yuma Mesa RV Park	50
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YUMA Area	<u>14,561<sup>2</sup></u>

**Casa Grande, Tucson Area and Southern Area**

	<u>#Sites</u>
Cactus Country RV Resort	246
Casita Verde RV Park	192
Cochise Terrace RV Resort	145
Desert Gardens RV Resort	174
Far Horizons Tucson Village	514
Fiesta Grande RV Resort	767
Foothills West	100
Green Valley RV Resort	303
HoHoKam Village	202
Indian Skies RV Resort	242
Las Colinas RV Resort	150
Mission View RV Resort	342
<b>Palm Creek RV Resort</b>	<b>1600</b>
Pueblo Del Sol RV Resort	150
Quail Run RV Resort	324
Rincon Country East RV Resort	460
Rincon Country West RV Resort	1085
San Pueblo RV Territory	167
Sundance 1 RV Resort	689
Tucson Meadows MHP	140
Val Vista Winter Village	344
Voyager RV Resort	1000
Western Way RV Resort	200
-----	

<sup>2</sup> Approximately 10,000 of the sites are filled with Park Models. Approximately 20% of this number would be year-round, a number that continues to grow.

Casa Grande Area and Southern Area      9,536<sup>3</sup>

**Totals:**

- 62,735 available spaces statewide
- Approx 110,000 - 120,000 tenants
- Approximately 43,000 of the 60,532 spaces are Park Models

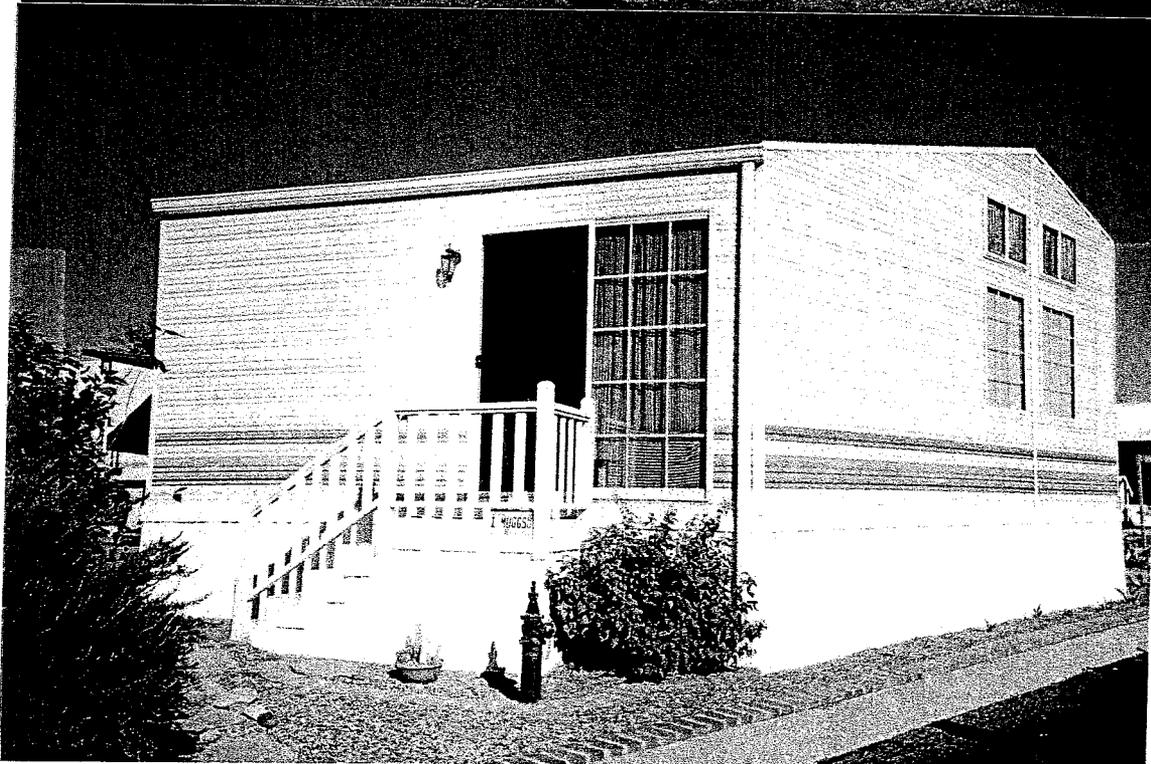
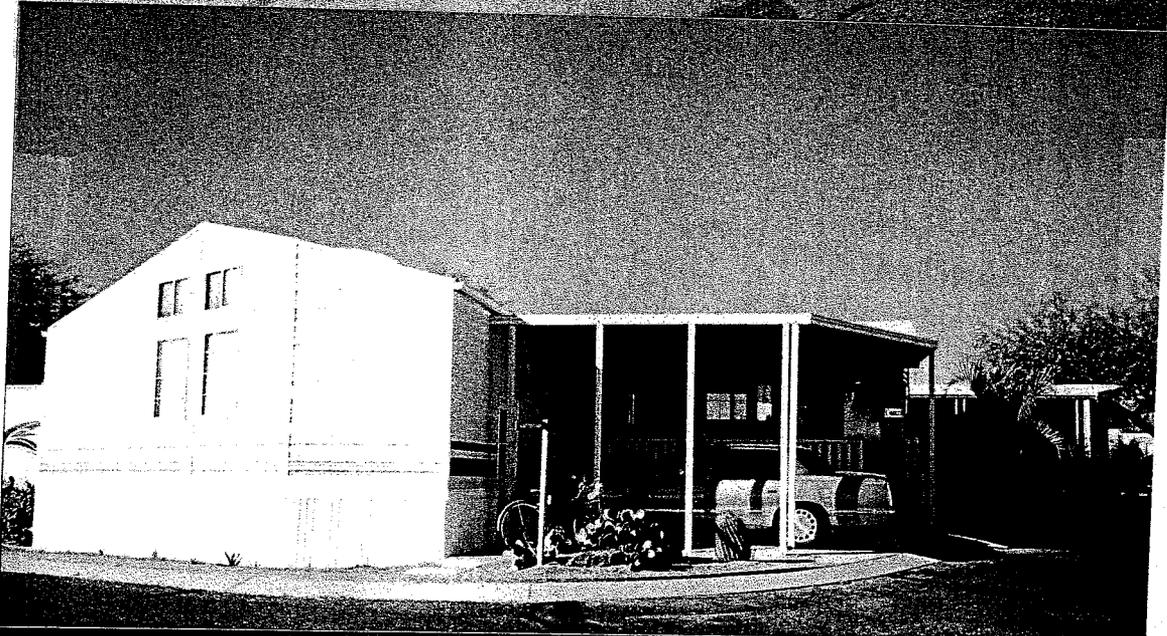
***Further Notes to the Research:*** In addition to the numbers above, there are approximately 100 additional RV parks in Arizona that have small numbers of Park Models and about 200 mobile home parks in Arizona that may also have small Park Model sections. Although difficult to measure, an estimate might be an additional 1000-5000 units.

Further, it was not possible to count all RV parks that accept Park Models; some are private parks that no longer advertise. You could probably add an additional 10% to the numbers calculated above to get a total figure. Not all parks listed above contain 100% Park Models (although some do); it should be considered a maximum number. Although only RV parks that have Park Models were included in this list, there are many more RV parks that cater to the real RV travelers, not the year-round residents.

For questions or more information, please contact Dana Tranberg, Husk Partners, representing AAMHO at 602-307-5080.

---

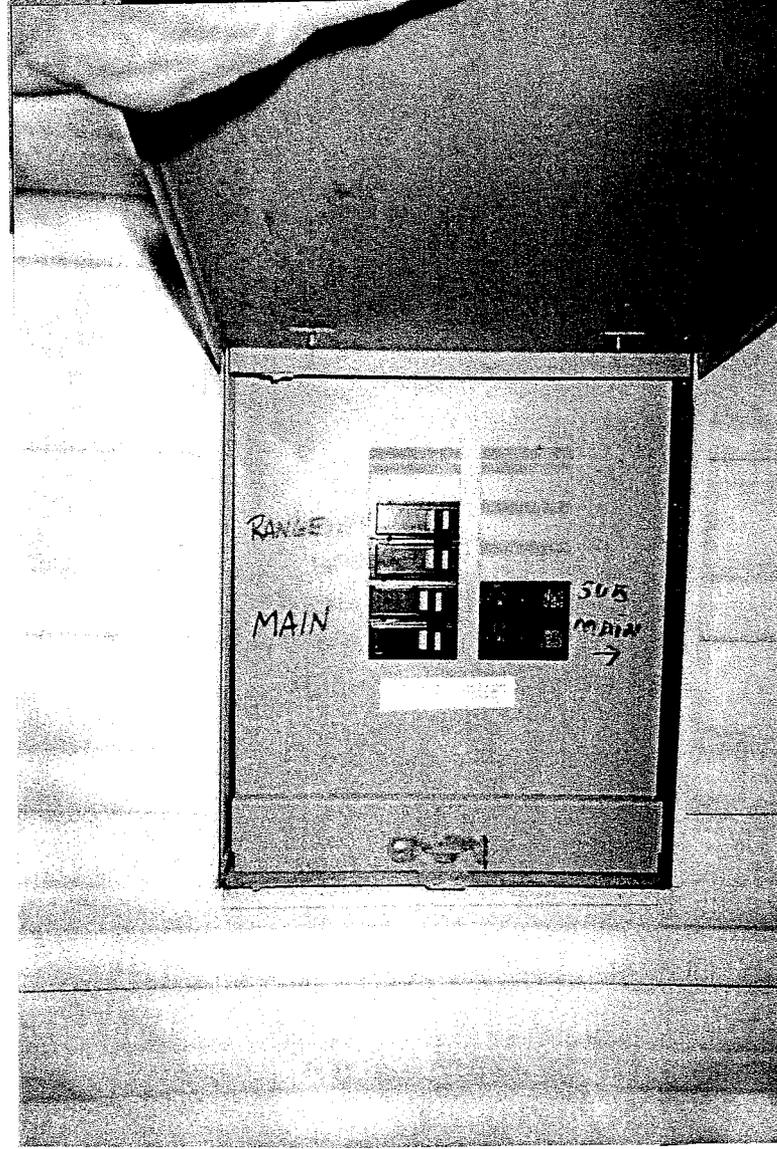
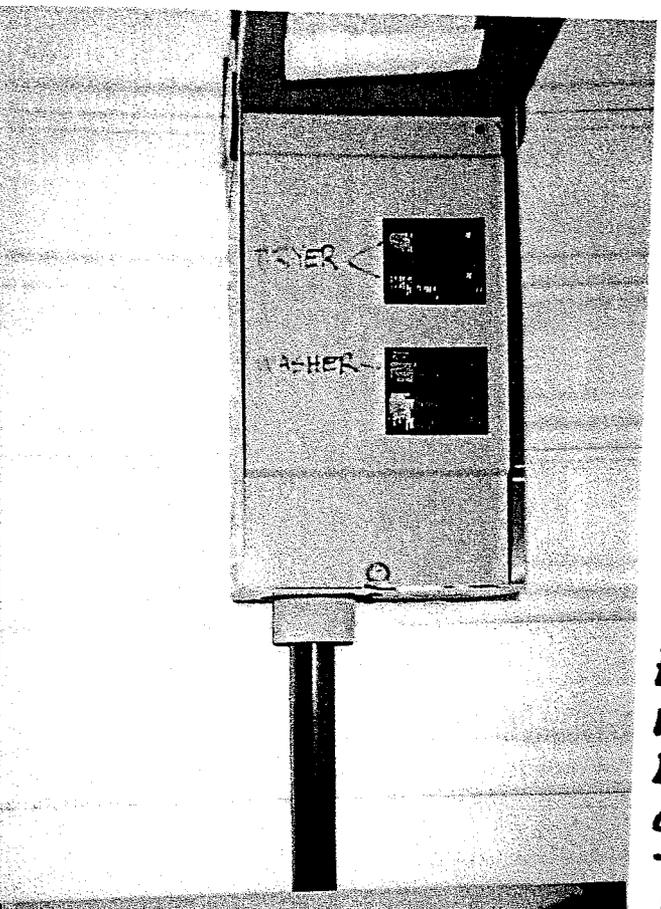
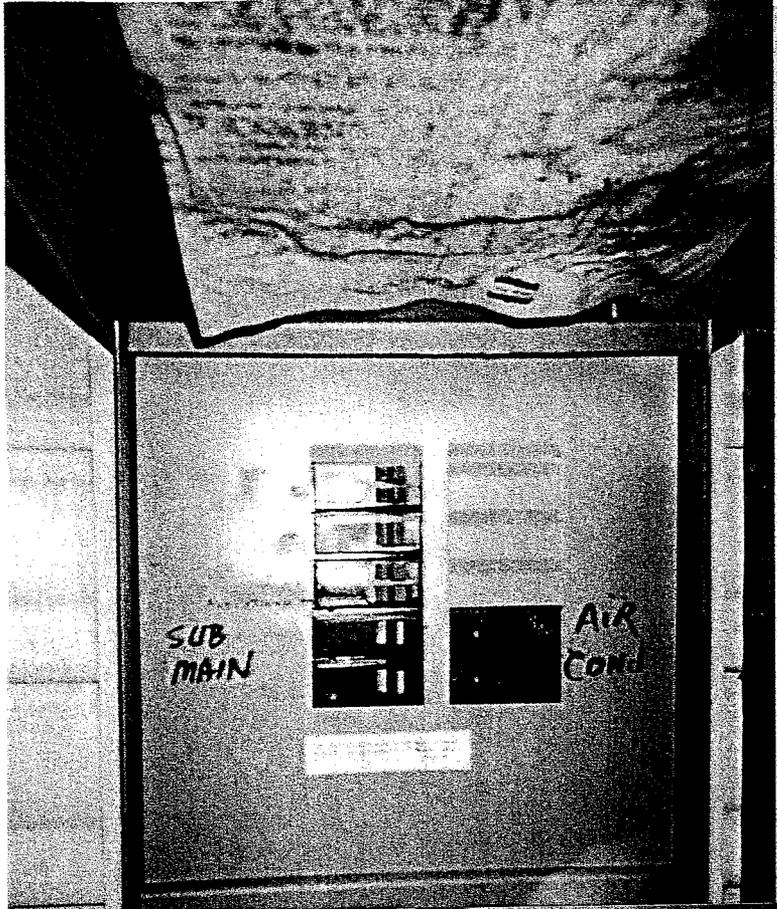
<sup>3</sup> Approximately 6000 of the sites are filled with Park Models. Approximately 20% of this number would be year-round, a number that continues to grow.



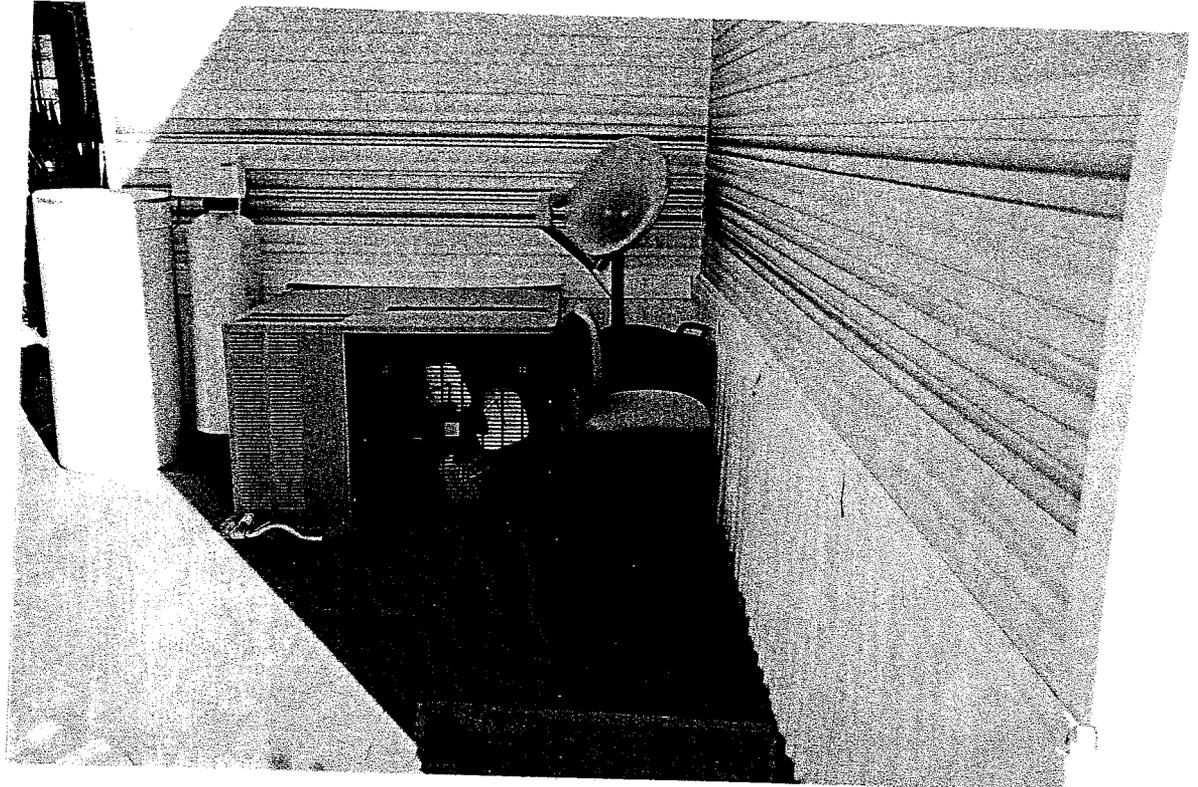
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 Model



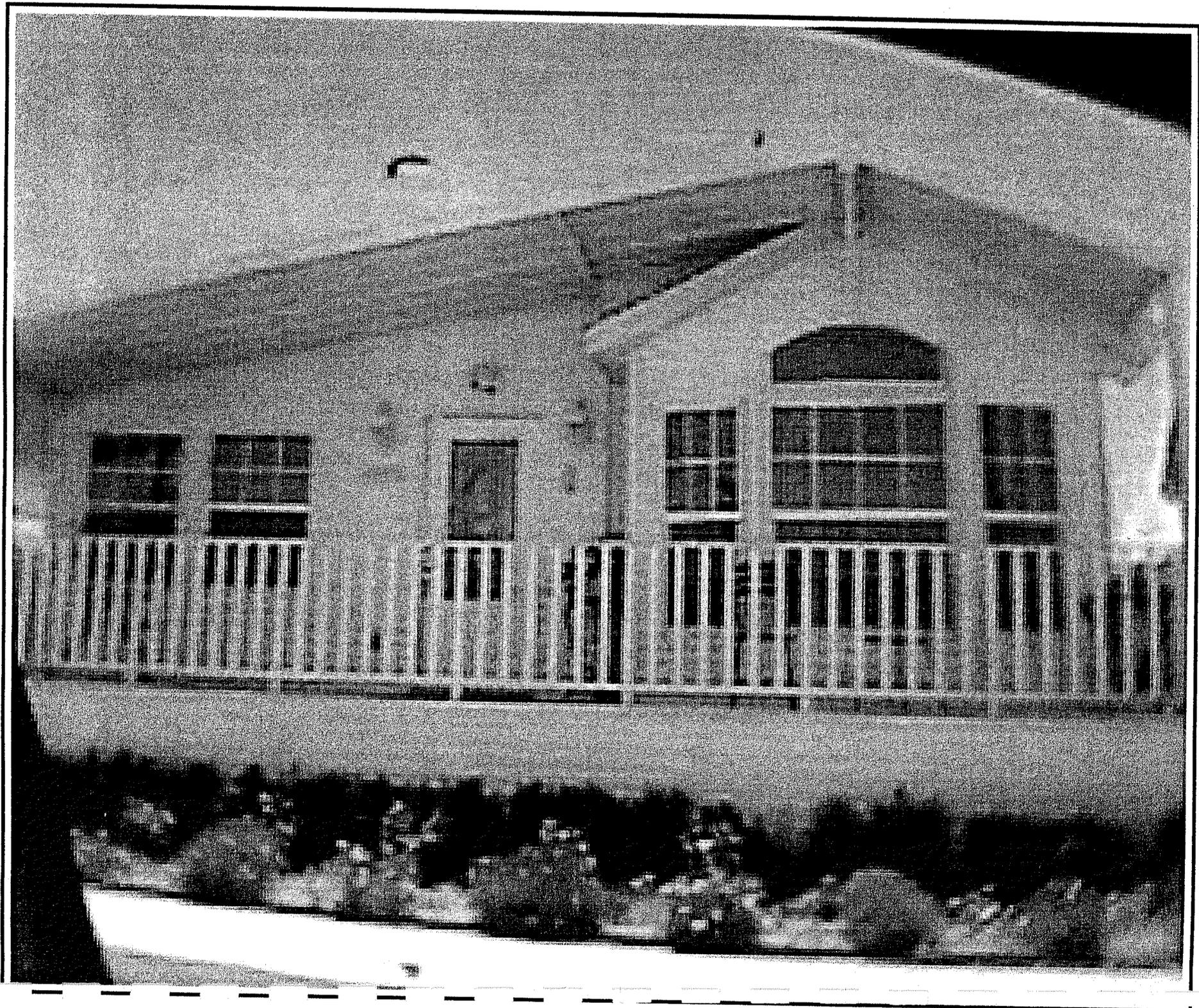
3  
ELECTRICAL



Back of P. Model  
 Heating  
 Cooling  
 h.p. Tank  
 Water Softener



Laundry Room  
 w/ utility Tub



TUCSON

MISSION  
VIEW

# **ELECTRIC RATES**

**FIRST 50 KWH .2175 PER KWH**

**NEXT 150 KWH .1275 PER KWH**

**OVER 200 KWH .0900 PER KWH**



Log Out

Bills & Payments

- My bills
- Make a payment

Payee Management

- My payees
- My payee list

Payment Records

- view reports
- Search records
- Order a CD
- CD order status

Funding Accounts

- Funding account list
- Add a funding account
- View SmartBalance

Administration

- Personal profile
- Change password
- Contact client services
- Message us
- View additional options

Bill Detail

Here's an electronic version of your bill. You may view bill history, payment history, or notes associated with this bill.

Due	Payee	Min. Due	Total Due	Bill Status
10/10/2007	Electric Water-Sewer	\$82.91	\$82.91	Paid

Page 1 of 2 • First • Previous • Go • Next • Last • PDF Version • Zoom out • Zoom in • Print

TOHONO O ODHAM UTILITY AUTHORITY  
P.O. BOX 816 • SELLS, AZ 85634 • (520) 383-2236

ACCOUNT NUMBER	NAME	LOCATION NUMBER	STATEMENT DATE
7573-001	RICHARD PORRECA JR	0041-162-01511	05/27/07

METER NUMBER	SERVICE FROM TO	NO. DAYS	METER READING PREVIOUS	METER READING PRESENT	MULTIPLIER	WATER USAGE	CHARGES
59-184-587	08/18/07-08/18/07	34	46233	46600	1.0000	367	44.90
Power Cost Adjustments							5.43
Previous Amount Billed							18.42
Payments							18.42 CR
Total Electric Billing Due							49.93

METER NUMBER	SERVICE FROM TO	NO. DAYS	METER READING PREVIOUS	METER READING PRESENT	MULTIPLIER	GALLON USAGE	CHARGES
7-185-210	08/18/07-08/18/07	24	1387700	1389200	1.0000	1500	4.74
Customer Service Charge							8.75
Previous Amount Billed							18.50
Payments							20.55
Total Water Billing Due							28.99 CR

CONSUMPTION	TOTAL GPM	AVG. FLOW	TOTAL GAL	AVG. FLOW
Electric Billing Period	383	10	1550	45
Previous Billing Period	105	4	230	8
Same Period Last Year	101			

**TOTAL DUE NOW \$ 82.91**

**YOUR ENERGY USE** with usage over 12 months

**YOUR WATER USE** Gallons usage over 12 months

**RATE CODES**

01: Residential Electric	04: Residential Water	01: Residential Sewer	02: Residential Storm
02: Commercial Electric	05: Commercial Water	03: Commercial Sewer	03: Commercial Storm
03: Industrial Electric	06: Industrial Water	04: Industrial Sewer	04: Industrial Storm

**IMPORTANT INFORMATION**

**PAYING YOUR BILL:** Please pay your bill by the due date. An amount will become delinquent after the due date and a delinquent fee will be applied to your account. If you are unable to pay the bill, please call the customer service center for assistance. We will accept the minimum amount due to avoid late charges.

**PLEASE DETACH AND RETURN THIS PORTION WITH PAYMENT**

 TOHONO O ODHAM UTILITY AUTHORITY P.O. BOX 816 SELLS, AZ 85634 (520) 383-2236	ADDRESS SERVICE REQUESTED RICHARD PORRECA JR C/O BILL CENTER 01508203 BOX 01508203 SELLS FALLS SD 57186	44-11403 914-1-1	ONE-DOLLAR TAG \$  TOHONO O ODHAM UTILITY AUTHORITY P.O. BOX 816 SELLS, AZ 85634-0816																			
	<table border="1"> <thead> <tr> <th>ACCOUNT NUMBER</th> <th>DUE DATE</th> </tr> </thead> <tbody> <tr> <td>7573-001</td> <td>10/10/07</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th></th> <th>APPEARANCE</th> <th>CURRENT</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>ELECTRIC</td> <td>0.00</td> <td>49.93</td> <td>49.93</td> </tr> <tr> <td>WATER</td> <td>0.00</td> <td>32.99</td> <td>32.99</td> </tr> <tr> <td>TOTAL</td> <td>0.00</td> <td>82.91</td> <td>82.91</td> </tr> </tbody> </table>			ACCOUNT NUMBER	DUE DATE	7573-001	10/10/07		APPEARANCE	CURRENT	TOTAL	ELECTRIC	0.00	49.93	49.93	WATER	0.00	32.99	32.99	TOTAL	0.00	82.91
ACCOUNT NUMBER	DUE DATE																					
7573-001	10/10/07																					
	APPEARANCE	CURRENT	TOTAL																			
ELECTRIC	0.00	49.93	49.93																			
WATER	0.00	32.99	32.99																			
TOTAL	0.00	82.91	82.91																			

How Do I... Glossary FAQs Privacy

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10.19

**TOHONO O'ODHAM UTILITY AUTHORITY**  
P.O. BOX 816 \* SELLS, AZ 85634 \* (520) 383-2236

ACCOUNT NUMBER		NAME				LOCATION NUMBER		STATEMENT DATE	
9743-001		RONALD & GERALDINE DOTSON				0041-162-00770		08/30/07	
METER NUMBER	SERVICE		NO. DAYS	RATE	METER READING		MULTIPLIER	KWH USAGE	CHARGES
	FROM	TO			PREVIOUS	PRESENT			
56-884-625	07/16/07	08/15/07	30	001	62577	64065	1.0000	1488	145.93
ELECTRIC									7.44
									247.01
									247.01 CR
									153.37
Power Cost Adjustment Previous Amount Billed Payments Total Electric Billing Due									
METER NUMBER	SERVICE		NO. DAYS	RATE	METER READING		MULTIPLIER	GALLON USAGE	CHARGES
	FROM	TO			PREVIOUS	PRESENT			
96-690	07/16/07	08/15/07	30	121	678290	679550	1.0000	1260	3.85
WATER/WASTEWATER									7.60
									19.50
									33.43
									33.43 CR
Sewer Charge Customer Service Charge Previous Amount Billed Payments Total Water Billing Due									
									30.95
<i>9/3/07</i> <i># 519</i>									
COMPARISONS		TOTAL KWH	AVG. KWH/DAY	TOTAL GAL	AVG. GAL/DAY	TOTAL DUE NOW \$ 184.32			
CURRENT BILLING PERIOD		1488	49	1260	42				
PREVIOUS BILLING PERIOD		2350	73	2070	65				
SAME PERIOD LAST YEAR		1758	59	2190	73				
YOUR ENERGY USE - kwh usage last 13 months					YOUR WATER USE - Gallon usage last 13 months				
<b>RATE CODES</b> 001 Residential Electric 101 Residential-Water 030-34 Irrigation Electric 109-119 Commercial-Water 040-41 Sm. Commercial-Electric 121 Residential-Water 050 Lg. Commercial-Electric 127-131 Commercial-Water					<b>MESSAGE CENTER</b> <b>T.O.U.A. WILL BE CLOSED LABOR DAY, SEPTEMBER 3, 2007.</b>				

**TOHONO O'ODHAM UTILITY AUTHORITY**  
**P.O. BOX 816 \* SELLS, AZ 85634 \* (520) 383-2236**

ACCOUNT NUMBER <b>9743-001</b>		NAME <b>RONALD &amp; GERALDINE DOTSON</b>				LOCATION NUMBER <b>0041-162-00770</b>		STATEMENT DATE <b>09/27/07</b>	
METER NUMBER	SERVICE		NO. DAYS	RATE	METER READING		MULTIPLIER	KWH USAGE	CHARGES
<b>884-625</b>	FROM	TO			PREVIOUS	PRESENT			
	<b>08/15/07</b>	<b>09/18/07</b>	<b>34</b>	<b>001</b>	<b>64065</b>	<b>65927</b>	<b>1.0000</b>	<b>1862</b>	<b>179.59</b>
ELECTRIC									<b>27.93</b>
									<b>153.37</b>
									<b>153.37 CR</b>
									<b>207.52</b>
METER NUMBER	SERVICE		NO. DAYS	RATE	METER READING		MULTIPLIER	GALLON USAGE	CHARGES
<b>96-690</b>	FROM	TO			PREVIOUS	PRESENT			
	<b>08/15/07</b>	<b>09/18/07</b>	<b>34</b>	<b>121</b>	<b>679550</b>	<b>681970</b>	<b>1.0000</b>	<b>2420</b>	<b>7.40</b>
WATER/WASTEWATER									<b>7.60</b>
									<b>19.50</b>
									<b>30.95</b>
									<b>30.95 CR</b>
									<b>34.50</b>
COMPARISONS		TOTAL KWH	AVG. KWH/DAY	TOTAL GAL	AVG. GAL/DAY	TOTAL DUE NOW \$ <b>242.02</b>			
CURRENT BILLING PERIOD		<b>1862</b>	<b>54</b>	<b>2420</b>	<b>71</b>				
PREVIOUS BILLING PERIOD		<b>1488</b>	<b>50</b>	<b>1260</b>	<b>42</b>				
SAME PERIOD LAST YEAR		<b>1403</b>	<b>48</b>	<b>2100</b>	<b>72</b>				
YOUR ENERGY USE - kwh usage last 13 months					YOUR WATER USE - Gallon usage last 13 months				
<b>RATE CODES</b> 001 Residential Electric 101 Residential-Water 030-3 Irrigation Electric 109-119 Commercial-Water 040-400 Commercial-Electric 121 Residential-Water 050 Irrigation Commercial-Electric 127-131 Commercial-Water					<b>MESSAGE CENTER</b> <b>OPEN HOUSE OCTOBER 19, 2007, 10:00 AM TO 3:00 PM</b> <b>EVERONE WELCOME!!!!!!</b>				

*10/2/07 #591*

**IMPORTANT INFORMATION**

**PAYING YOUR BILL.** Please pay your bill by the due date. An unpaid bill becomes delinquent after the due date and is subject to a 1.5% penalty and will appear as Prior Balance on your bill.  
**PAST DUE BILLS.** If you are unable to pay this bill, please call the telephone number on the top of this bill or come to the office to discuss payment arrangements.

# Mission View Club Estates Residents Association

## Special Meeting

### Long Term Lease Holders

We need to have a meeting and discuss what the attorney Bruce Plenk from Legal Aid is recommending. As it is now, we have asked Tribal Court for a hearing and have not heard from them. It appears that we have to file a civil complaint in Superior Court. Bruce has also asked Michael Parham that the 15 May deadline is not sufficient notice. He is asking for an extension and hopefully we will have an answer. We need a consensus of the residents to make a decision. Attached is Schulte's suggestion.

Memorandum of understanding is suggested and would be signed by representation of all parties concerned. This may be the best approach until it is resolved.

**15 May 06, Monday at the Clubhouse**

**7:00 PM**

We will keep it brief and to the point.

Please attend. Bruce will try to be here and answer questions

Note: There have been no secret meetings or decisions being made without the residents. There have been no developments until now.

Please Attend

Please Attend





LAW OFFICES  
MICHAEL A. PARHAM  
PARAGON PLAZA SUITE B-213  
5333 NORTH 7TH STREET  
PHOENIX, ARIZONA 85014

MICHAEL A. PARHAM

TELEPHONE: (602) 265-6804  
FACSIMILE: (602) 265-8945

May 3, 2006

Bruce M. Plenk, Esq.  
Southern Arizona Legal Aid, Inc.  
64 E. Broadway Blvd.  
Tucson, AZ 85701-1720

BY FAX ONLY: (520) 884-5821

Dear Bruce:

I am forwarding a spreadsheet prepared by Dennis Severson, the Mission View accountant showing allowable maintenance and operation expenses by year beginning with 1999. I think you can see why Dennis was concerned with the park undercharging long term lease tenants when you see that actual per space revenues per long term lease space for maintenance and operation expenses from 1999 through 2005 was \$35.60 whereas the actual pro-rated expenses ranged from a low of \$79.72 to a high of \$114.59 per space. Total revenues from 1999 through 2005 declined from \$35,101.60 to \$21,716.00. The 2005 decline despite the fixed revenue per space of \$35.60 was due to a decline in the number of spaces under long-term leases from 78 to 61. The total amounts that should have been collected ranged from \$74,616.36 to \$81,567.37. The shortfalls in total revenues per year as shown on the bottom line.

I am also enclosing Mr. Severson's letter to Mr. Schulte explaining his understanding of the old HOA account.

My inclination is to set up a three-way conference call with you and Mr. Severson once you have reviewed these numbers to see what back-up or additional information you want.

Give me a call. I will be in Court this afternoon and all day on Thursday, but will be in the office Friday and Monday after mid-morning.

Sincerely,



Michael A. Parham

cc: Mr. Tom Schulte by FAX: (415) 457-3337  
Mr. Dennis Severson by FAX: (408) 778-4529

**DRAFT**

MEMORANDUM OF UNDERSTANDING

The undersigned, on behalf of their clients agree as follows:

Mission View Club Estates is presently charging approximately 61 long-term lease tenants \$136.14 per month as their pro-rata share of the community's land lease costs and operating and maintenance costs. This represents an increase of \$75.93 over the monthly charge prior to March 1, 2006.

Certain long-term lease tenants have questioned whether the increase in operating and maintenance costs is supported by actual, relevant expenses incurred by the community.

The landlord and those long-term lease tenants, represented by undersigned counsel, are reviewing the operating and maintenance expenses. Depending on the outcome of that review, those expenses may be recalculated at a lower rate than now being paid.

Some long-term lease tenants have been paying the monthly rate now charged. Others have been tendering payments at the pre-March 1, 2006 rate. The landlord has been rejecting and returning these payments.

It is agreed that all tenants whose payments have been rejected as too low may pay the full \$136.14 for those months and if received by May 15, 2006, any late charges otherwise due will be waived.

Future monthly payments will be at the \$136.14 rate.

If as a result of agreement, mediation, arbitration or litigation, it is determined that the \$136.14 monthly payment per long-term lease tenant is too high, the excess amount overpaid since March 1, 2006 will be calculated. That excess will be shown as a pre-payment on each long-term tenant's rental account, and future payments otherwise due from long-term tenants will be offset by their excess payment account until it is exhausted.

Dated: May \_\_\_\_, 2006

\_\_\_\_\_  
Bruce Plenk, Attorney  
for Long-Term Tenants

\_\_\_\_\_  
Michael A. Parham, Attorney  
for Landlord

1:08 PM  
 08/12/06  
 Cash Basis

MISSION VIEW PROPERTIES, LLC  
 Profit & Loss  
 January through December 2003

Ordinary Income/Expense	Jan 03	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03	TOTAL
<b>EXPENSE</b>													
<b>UTILITIES</b>													
SEWER	0.00	148.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	148.00
ELECTRICITY													
Electric Allowance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6129	317.50	2,855.44	1,229.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,402.78
3764	1,100.95	1,834.65	1,849.89	3,908.18	0.00	318.90	8,785.28	323.82	50.00	0.00	0.00	0.00	14,996.57
4261	15.00	0.00	0.00	0.00	0.00	4,589.27	3,378.18	1,347.08	0.00	728.66	0.00	0.00	10,633.46
4258	580.91	885.82	1,769.07	0.00	0.00	0.00	48.04	0.00	0.00	2,037.57	0.00	1,568.51	6,000.52
<b>Total ELECTRICITY</b>	<b>2,314.36</b>	<b>5,476.71</b>	<b>4,862.80</b>	<b>3,908.18</b>	<b>0.00</b>	<b>902.48</b>	<b>1,357.97</b>	<b>981.58</b>	<b>0.00</b>	<b>458.40</b>	<b>0.00</b>	<b>1,768.51</b>	<b>22,348.84</b>
GAS	1,505.07	2,042.68	1,820.17	1,494.18	1,021.71	5920.03	11,588.45	2,702.47	50.00	1,784.85	0.00	1,768.91	10,181.18
Telephone													
607-5761	0.00	0.00	0.00	0.00	0.00	841.91	531.53	281.67	243.44	5,019.29	0.00	6,021.45	47,862.80
889-3382	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	398.93	883.28	687.07	11,889.61
889-3226	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
573-1267	43.18	89.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.54	15.54
434-8856	52.14	60.87	70.70	0.00	0.00	180.71	0.00	0.00	0.00	0.00	0.00	26.88	26.88
741-1948	244.55	244.58	244.58	245.88	253.73	128.05	41.83	184.37	82.14	275.58	41.58	247.18	171.38
741-1885	181.89	184.84	183.85	181.88	0.00	355.25	0.00	0.00	174.14	41.80	53.03	41.58	890.48
746-0771	90.84	90.84	82.83	86.71	95.28	135.85	29.74	131.28	378.28	181.15	113.84	0.00	634.01
CONNECTION COSTS	0.00	0.00	0.00	0.00	0.00	73.99	57.02	0.00	0.00	755.22	251.10	101.08	1,834.18
MCI	128.91	110.09	169.77	138.57	158.93	0.00	0.00	0.00	0.00	0.00	3.00	313.58	2,814.71
SPRINT	100.85	91.27	67.97	102.51	130.64	0.00	33.55	31.48	39.80	0.00	3.00	81.38	800.48
<b>Total Telephone</b>	<b>850.00</b>	<b>688.36</b>	<b>858.70</b>	<b>827.33</b>	<b>878.90</b>	<b>1,085.47</b>	<b>261.82</b>	<b>848.25</b>	<b>762.70</b>	<b>1,350.71</b>	<b>729.45</b>	<b>1,004.21</b>	<b>8,812.80</b>
WASTE	530.00	242.42	888.72	730.82	0.00	820.20	0.00	326.01	800.89	296.49	332.03	508.98	5,578.53
WATER													
6129	108.58	351.07	822.32	0.00	0.00	428.94	2,734.39	135.27	0.00	254.55	0.00	386.73	5,328.82
3764	377.48	1,050.10	1,123.51	1,284.86	0.00	1,397.89	2,090.02	975.72	0.00	2,813.45	0.00	2,030.18	19,453.12
4261	129.58	0.00	112.45	0.00	0.00	0.00	856.07	0.00	0.00	1,887.53	0.00	2,000.18	2,720.30
4258	150.87	339.88	579.82	0.00	0.00	304.24	284.98	187.83	0.00	378.28	0.00	154.89	2,856.78
WATER - Other	43.48	13.00	18.50	37.50	105.67	0.00	22.17	45.00	0.00	23.75	31.00	33.75	878.77
<b>Total WATER</b>	<b>1,808.00</b>	<b>1,753.64</b>	<b>2,777.40</b>	<b>1,322.16</b>	<b>106.81</b>	<b>2,131.17</b>	<b>5,787.60</b>	<b>1,322.82</b>	<b>0.00</b>	<b>4,937.58</b>	<b>31.00</b>	<b>3,044.72</b>	<b>24,832.78</b>
<b>Total Utilities</b>	<b>6,807.52</b>	<b>10,532.03</b>	<b>11,227.59</b>	<b>8,280.73</b>	<b>1,805.22</b>	<b>16,778.87</b>	<b>18,180.20</b>	<b>5,280.02</b>	<b>1,978.83</b>	<b>11,981.82</b>	<b>1,775.77</b>	<b>11,578.42</b>	<b>100,203.12</b>
<b>Total Expense</b>	<b>6,807.52</b>	<b>10,532.03</b>	<b>11,227.59</b>	<b>8,280.73</b>	<b>1,805.22</b>	<b>16,778.87</b>	<b>18,180.20</b>	<b>5,280.02</b>	<b>1,978.83</b>	<b>11,981.82</b>	<b>1,775.77</b>	<b>11,578.42</b>	<b>100,203.12</b>
<b>Net Ordinary Income</b>	<b>8,807.52</b>	<b>-10,532.03</b>	<b>-11,227.59</b>	<b>-8,280.73</b>	<b>-1,805.22</b>	<b>-16,778.87</b>	<b>-18,180.20</b>	<b>-5,280.02</b>	<b>-1,978.83</b>	<b>-11,981.82</b>	<b>-1,775.77</b>	<b>-11,578.42</b>	<b>-100,203.12</b>
<b>Net Income</b>	<b>8,807.52</b>	<b>-10,532.03</b>	<b>-11,227.59</b>	<b>-8,280.73</b>	<b>-1,805.22</b>	<b>-16,778.87</b>	<b>-18,180.20</b>	<b>-5,280.02</b>	<b>-1,978.83</b>	<b>-11,981.82</b>	<b>-1,775.77</b>	<b>-11,578.42</b>	<b>-100,203.12</b>

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05/12/06  
Cash Basis

MISSION VIEW PROPERTIES, LLC  
Profit & Loss  
January through December 2002

	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02	Aug 02	Sep 02	Oct 02	Nov 02	Dec 02	TOTAL
Ordinary Income/Expense													
Expenses													
Utilities													
SEWER	0.00	0.00	222.00	0.00	0.00	0.00	74.00	219.00	0.00	0.00	0.00	0.00	519.00
ELECTRICITY													
Electric Allowance	3.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00
6129	412.65	0.00	908.30	130.12	0.00	640.82	0.00	468.41	440.45	1,033.20	0.00	0.00	680.90
3764	3,221.78	0.00	5,016.68	4,531.99	0.00	0.00	0.00	2,783.56	1,793.26	2,817.21	0.00	0.00	5,115.85
4261	171.50	0.00	76.75	344.14	0.00	0.00	0.00	256.83	52.40	105.52	0.00	0.00	2,320.76
4259	1,865.82	0.00	2,105.84	1,389.87	0.00	912.68	0.00	873.10	714.06	2,002.15	0.00	0.00	2,977.98
Total ELECTRICITY	5,614.75	0.00	8,113.17	6,506.12	0.00	1,723.48	4,089.17	4,361.63	3,900.17	5,758.08	0.00	2,171.21	26,458.84
GAS	1,891.15	2,140.41	2,086.37	1,728.50	1,040.76	725.95	582.70	349.05	127.76	386.11	632.37	5,670.85	11,683.91
Telephone													
573-1261	0.00	0.00	0.00	0.00	0.00	0.00	0.00	108.08	12.53	43.17	0.00	968.00	44,867.72
434-8656	0.00	63.48	116.86	50.37	91.04	77.32	0.00	98.82	13.19	59.70	42.53	42.53	12,659.18
741-1945	0.00	382.28	279.07	349.23	0.00	247.88	43.04	98.82	13.19	59.70	0.00	73.09	236.11
741-1965	23.89	232.03	247.72	169.03	0.00	234.92	247.88	483.82	217.95	244.78	0.00	493.27	757.25
744-0771	0.00	448.79	429.18	456.00	0.00	427.04	235.66	461.51	111.88	183.44	0.00	369.18	2,975.32
NCI	92.35	127.31	171.07	144.48	94.76	95.53	47.17	58.99	68.48	0.00	0.00	6.16	2,816.14
8PRINT	323.57	93.48	93.69	94.59	92.73	98.36	99.70	102.71	183.54	179.26	0.00	132.50	3,638.15
VOID	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104.49	104.07	0.00	100.02	1,211.30
Total Telephone	450.81	1,347.35	1,337.39	1,963.70	279.43	1,181.06	1,100.49	1,979.48	1,663.81	814.84	146.60	1,216.68	12,881.62
WASTE													
WATER	211.48	279.48	411.48	537.36	615.23	290.00	250.00	280.00	150.00	250.00	500.00	473.29	4,328.32
6129	1,794.87	0.00	773.10	559.22	0.00	411.89	0.00	387.08	133.76	291.14	0.00	325.60	4,676.67
3764	1,123.76	0.00	2,457.67	1,176.40	0.00	0.00	1,408.55	1,636.59	1,283.58	2,136.56	0.00	1,861.01	13,004.12
4261	281.70	0.00	139.01	0.00	0.00	0.00	0.00	386.97	465.99	227.73	0.00	1,279.86	2,781.36
4259	357.91	0.00	555.79	368.91	0.00	456.77	0.00	372.93	585.63	1,442.81	0.00	895.64	4,954.39
WATER - Other	31.00	28.00	40.50	22.00	27.50	52.00	31.49	26.00	39.00	22.50	26.00	26.00	369.99
Total WATER	3,569.24	26.00	3,866.07	2,124.53	27.50	923.65	1,440.04	2,809.58	2,097.70	4,362.50	22.50	4,388.11	25,785.13
Total Utilities	11,577.43	3,793.24	16,136.48	12,860.21	1,962.92	4,841.14	7,536.40	9,999.05	6,751.44	11,571.53	1,301.47	12,706.94	101,038.25
Total Expense	11,577.43	3,793.24	16,136.48	12,860.21	1,962.92	4,841.14	7,536.40	9,999.05	6,751.44	11,571.53	1,301.47	12,706.94	101,038.25
Net Ordinary Income	-11,577.43	-3,793.24	-16,136.48	-12,860.21	-1,962.92	-4,841.14	-7,536.40	-9,999.05	-6,751.44	-11,571.53	-1,301.47	-12,706.94	-101,038.25
Net Income	-11,577.43	-3,793.24	-16,136.48	-12,860.21	-1,962.92	-4,841.14	-7,536.40	-9,999.05	-6,751.44	-11,571.53	-1,301.47	-12,706.94	-101,038.25

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Cash Basis

**MISSION VIEW PROPERTIES, LLC**  
**Profit & Loss**  
 January through December 2003

Ordinary Income/Expense	Jan 03	Feb 03	Mar 03	Apr 03	May 03	Jun 03	Jul 03	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03	TOTAL
<b>Expenses</b>													
<b>Utilities</b>													
<b>SEWER</b>	0.00	148.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	148.00
<b>ELECTRICITY</b>													
Electric Allowance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6129	317.50	2,955.44	1,229.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,501.98
3764	1,100.95	1,834.65	1,848.89	3,908.18	0.00	318.90	8,785.28	323.82	50.00	0.00	0.00	0.00	14,520.18
4261	15.00	0.00	0.00	0.00	0.00	4,589.27	3,378.18	1,347.58	0.00	728.66	0.00	0.00	10,000.00
4258	580.91	885.62	1,769.07	0.00	0.00	0.00	48.04	0.00	0.00	2,037.57	0.00	1,569.51	14,520.18
<b>Total ELECTRICITY</b>	<b>2,314.36</b>	<b>5,476.71</b>	<b>4,862.80</b>	<b>3,908.18</b>	<b>0.00</b>	<b>902.48</b>	<b>1,357.87</b>	<b>981.58</b>	<b>0.00</b>	<b>458.40</b>	<b>0.00</b>	<b>2,458.51</b>	<b>22,348.84</b>
<b>GAS</b>	1,506.07	2,042.69	1,820.17	1,494.16	1,021.11	5920.03	11,588.45	2,702.47	50.00	1,784.85	0.00	1,788.01	10,184.18
<b>Telephone</b>													
607-5761	0.00	0.00	0.00	0.00	0.00	641.91	531.53	283.67	243.44	5,019.23	0.00	6,021.45	47,862.80
869-3382	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	398.93	883.28	687.07	11,889.81
869-3226	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
578-1287	43.18	89.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.54	15.54
434-8856	52.14	60.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.88	28.88
741-1948	244.55	244.58	244.58	245.98	259.73	128.05	41.83	184.37	62.14	275.59	41.58	247.18	171.28
741-1985	181.89	184.84	183.85	181.88	89.71	365.25	0.00	174.14	41.80	41.80	50.00	41.58	890.48
746-0771	90.84	90.84	92.83	89.71	95.28	135.85	29.74	131.38	378.28	181.15	113.84	0.00	634.01
<b>CONNECTION COSTS</b>	0.00	0.00	0.00	0.00	0.00	73.99	57.02	0.00	0.00	755.22	251.10	101.08	1,844.18
MCI	128.91	110.09	109.77	139.57	158.93	0.00	0.00	0.00	0.00	0.00	0.00	313.59	2,814.71
SPRINT	100.85	91.27	67.97	102.51	130.64	0.00	33.55	31.48	39.80	0.00	0.00	81.38	800.48
<b>Total Telephone</b>	<b>850.00</b>	<b>988.33</b>	<b>858.70</b>	<b>827.33</b>	<b>878.80</b>	<b>1,065.47</b>	<b>261.62</b>	<b>848.25</b>	<b>762.70</b>	<b>1,330.71</b>	<b>729.45</b>	<b>1,004.21</b>	<b>8,812.89</b>
<b>WASTE</b>	530.00	242.42	888.72	730.82	0.00	820.29	0.00	326.01	900.89	298.49	332.03	508.98	5,578.53
<b>WATER</b>													
6129	108.58	361.07	922.92	0.00	0.00	428.94	2,734.39	135.77	0.00	254.55	0.00	386.73	5,328.82
3784	377.48	1,050.10	1,123.51	1,284.86	0.00	1,397.89	2,090.02	975.12	0.00	2,813.45	0.00	2,030.18	13,452.12
4261	129.58	0.00	112.45	0.00	0.00	0.00	656.07	0.00	0.00	1,887.53	0.00	154.89	2,720.90
4259	150.87	339.88	579.82	0.00	0.00	304.24	284.96	187.83	0.00	378.28	0.00	440.37	2,956.78
<b>WATER - Other</b>	43.49	13.00	18.50	37.50	105.6	0.00	22.17	45.00	0.00	23.75	31.00	33.75	878.77
<b>Total WATER</b>	<b>1,608.06</b>	<b>1,753.66</b>	<b>2,777.40</b>	<b>1,322.18</b>	<b>105.6</b>	<b>2,131.17</b>	<b>5,787.60</b>	<b>1,322.62</b>	<b>0.00</b>	<b>4,937.58</b>	<b>31.00</b>	<b>3,044.72</b>	<b>24,830.78</b>
<b>Total Utilities</b>	<b>8,807.52</b>	<b>10,532.03</b>	<b>11,227.59</b>	<b>8,280.73</b>	<b>1,805.22</b>	<b>16,778.87</b>	<b>18,180.20</b>	<b>5,280.02</b>	<b>1,978.83</b>	<b>11,991.82</b>	<b>1,775.77</b>	<b>11,578.42</b>	<b>100,203.12</b>
<b>Total Expense</b>	<b>8,807.52</b>	<b>10,532.03</b>	<b>11,227.59</b>	<b>8,280.73</b>	<b>1,805.22</b>	<b>16,778.87</b>	<b>18,180.20</b>	<b>5,280.02</b>	<b>1,978.83</b>	<b>11,991.82</b>	<b>1,775.77</b>	<b>11,578.42</b>	<b>100,203.12</b>
<b>Net Ordinary Income</b>	<b>8,807.52</b>	<b>-10,532.03</b>	<b>-11,227.59</b>	<b>-8,280.73</b>	<b>-1,805.22</b>	<b>-16,778.87</b>	<b>-18,180.20</b>	<b>-5,280.02</b>	<b>-1,978.83</b>	<b>-11,991.82</b>	<b>-1,775.77</b>	<b>-11,578.42</b>	<b>-100,203.12</b>
<b>Net Income</b>	<b>8,807.52</b>	<b>-10,532.03</b>	<b>-11,227.59</b>	<b>-8,280.73</b>	<b>-1,805.22</b>	<b>-16,778.87</b>	<b>-18,180.20</b>	<b>-5,280.02</b>	<b>-1,978.83</b>	<b>-11,991.82</b>	<b>-1,775.77</b>	<b>-11,578.42</b>	<b>-100,203.12</b>

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05/12/06  
Cash Basis

MISSION VIEW PROPERTIES, LLC  
Profit & Loss  
January through December 2002

	Jan 02	Feb 02	Mar 02	Apr 02	May 02	Jun 02	Jul 02	Aug 02	Sep 02	Oct 02	Nov 02	Dec 02	TOTAL
Ordinary Income/Expense													
Expense													
Utilities													
SEWER	0.00	0.00	222.00	0.00	0.00	0.00	74.00	219.10	0.00	0.00	0.00	0.00	515.00
ELECTRICITY													
Electric Allowance	1.00	0.00	8.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00
6129	412.65	0.00	909.30	130.12	0.00	840.62	0.00	468.41	410.45	1,033.20	0.00	880.90	5,115.85
3764	3,229.78	0.00	5,016.08	4,531.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00
4261	173.50	0.00	76.75	344.14	0.00	0.00	0.00	2,783.56	1,793.26	2,817.21	0.00	2,320.76	26,458.84
4259	1,805.82	0.00	2,105.04	1,399.87	0.00	912.68	0.00	256.85	52.40	106.52	0.00	2,320.76	1,605.12
Total ELECTRICITY	5,614.75	0.00	8,113.17	6,506.12	0.00	1,723.48	0.00	873.10	714.06	2,002.15	0.00	2,171.21	11,683.91
GAS	1,091.15	2,140.41	2,086.07	1,728.50	1,040.76	735.95	582.70	349.00	127.76	386.11	300	5,670.85	44,867.72
Telephone													
573-1267	0.00	0.00	0.00	0.00	0.00	0.00	0.00	108.08	12.53	43.17	0.00	42.53	236.31
434-8656	0.00	63.48	116.86	50.37	91.04	77.32	0.00	98.85	13.19	59.70	42.53	73.09	757.25
741-1945	0.00	382.28	279.07	149.23	0.00	247.88	247.88	483.83	217.95	244.78	0.00	493.23	2,975.32
741-1965	23.89	232.03	247.72	169.03	0.00	234.92	235.66	461.51	111.88	183.44	0.00	369.15	2,846.14
746-0771	0.00	448.79	429.18	356.00	0.00	427.04	427.04	667.70	48.48	0.00	0.00	6.16	3,638.15
KCI	92.35	127.31	171.07	144.48	94.76	95.53	47.17	58.99	68.48	0.00	0.00	132.50	1,211.30
8PRINT	321.57	93.48	93.69	94.58	92.73	98.35	99.70	102.71	104.49	104.07	0.00	100.02	1,415.35
VOID	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Telephone	450.81	1,347.35	1,337.39	1,963.70	279.43	1,161.06	1,100.49	1,979.48	1,663.81	814.84	146.60	1,216.68	12,881.62
WASTE	211.48	279.48	411.48	537.36	615.23	250.00	250.00	280.00	250.00	250.00	500.00	473.29	4,328.32
WATER													
6129	1,794.87	0.00	773.10	559.22	0.00	411.89	0.00	387.08	133.76	291.14	0.00	325.60	4,876.67
3764	1,123.76	0.00	2,457.67	1,176.40	0.00	0.00	1,408.55	1,638.58	1,203.58	2,136.56	0.00	1,881.01	13,004.12
4261	261.70	0.00	139.01	0.00	0.00	0.00	0.00	388.97	227.73	465.99	0.00	1,279.86	2,781.36
4259	357.91	0.00	555.79	368.91	0.00	456.77	0.00	372.93	505.63	1,442.81	0.00	895.64	4,954.59
WATER - Other	31.00	28.00	40.10	22.00	27.50	52.00	31.49	26.00	39.00	26.00	22.50	26.00	369.99
Total WATER	3,549.24	26.00	3,866.07	2,124.53	27.50	923.66	1,440.04	2,809.58	2,009.70	4,262.50	22.50	4,368.11	25,785.13
Total Utilities	11,577.43	3,793.24	16,136.48	12,860.21	1,962.92	4,841.14	7,536.40	9,999.05	6,751.44	11,571.53	1,301.47	12,706.94	101,038.25
Total Expense	11,577.43	3,793.24	16,136.48	12,860.21	1,962.92	4,841.14	7,536.40	9,999.05	6,751.44	11,571.53	1,301.47	12,706.94	101,038.25
Net Ordinary Income	-11,577.43	-3,793.24	-16,136.48	-12,860.21	-1,962.92	-4,841.14	-7,536.40	-9,999.05	-6,751.44	-11,571.53	-1,301.47	-12,706.94	-101,038.25
Net Income	-11,577.43	-3,793.24	-16,136.48	-12,860.21	-1,962.92	-4,841.14	-7,536.40	-9,999.05	-6,751.44	-11,571.53	-1,301.47	-12,706.94	-101,038.25

NOV 3 1 2005

**TO: ALL TENANTS UNDER MULTI-YEAR LEASES  
MISSION VIEW COMMUNITIES  
31 W. Los Reales  
Tucson, AZ 85706**

**RE: NOTICE OF INCREASE IN MONTHLY  
ASSESSMENTS/RENT**

Dear Tenants:

Notice is hereby given that effective after ninety (90) days of receipt of this notice, your monthly rental payment will increase to \$136.14. This consists of the pro-ration of the Landlord's Master Lease payment (\$27.51) and the Landlord's Operation and Maintenance Expense (\$108.63).

Sincerely

**MISSION VIEW COMMUNITIES**

**MISSION VIEW PROPERTIES, LLC  
SELECTED EXPENSES**

January 1, 2002 through October 30, 2005

	Jan - Dec 02	Jan - Dec 03	Jan - Dec 04	Jan - Oct 05	TOTAL
Amortization Expense	19,130	19,130	19,130	-	57,390
Depreciation Expense	107,671	107,059	106,527	-	321,257
Office Expenses	28,129	28,373	34,509	24,887	115,897
Repairs Expenses	116,317	73,946	113,801	71,712	375,777
Salaries & Wages	116,378	116,869	118,418	102,833	454,498
Utilities Expenses	101,038	100,203	100,129	82,602	383,972
	<u>488,663</u>	<u>445,580</u>	<u>492,514</u>	<u>282,034</u>	<u>1,708,791</u>

ANNUALIZE EXPENSES - 10 MONTHS				10	
15 MONTHLY AVERAGE				28,203	
PERIOD OF 12 MONTHS				12	
ANNUALIZED 2005 EXPENSES AMOUNT				338,436	
ADDED:					
AMORTIZATION				19,130	
ESTIMATED DEPRECIATION				100,000	
ANNUALIZED 2005	<u>488,663</u>	<u>445,580</u>	<u>492,514</u>	<u>457,566</u>	<u>1,884,323</u>

FOUR YEARS					4
YEAR ANNUAL AVERAGE MAINT COSTS					<u>471,081</u>

LESS:					
FAMILY PARK RELATED SALARIES				(15,000)	
FAMILY PARK UTILITIES				(5,000)	
CLUB PARK SALARIES				(60,000)	
NET COSTS TO BE ALLOCATED				391,081	
COSTS FOR ALLOCATION				300	
ANNUAL COST PER UNIT				1,303.60	
MONTHS - 12				12	
MONTHLY MAINT COST PER UNIT				108.63	
LAND LEASE COST PER UNIT				27.51	
TOTAL COSTS PER UNIT EFFECTIVE 3/1/06				<u>136.14</u>	

COMPARISONS					
CURRENTLY PAYING				60.21	
RELEASE EFFECTIVE MARCH 1, 2006				75.93	
TOTAL COSTS PER UNIT EFFECTIVE 3/1/06				<u>136.14</u>	

	PRIOR	03/01/06
MAINT COSTS	35.60	108.63
LEASE COSTS	24.61	27.51
MONTHLY PAYMENT AMOUNTS	<u>60.21</u>	<u>136.14</u>

*State  
March  
1, 06*

Y  
ULMA  
Phone  
SURVEY

# ALL PK'S IN YUMA

O.G. RV RESORT	14.1/KW	3-15-06
ORANGE TR. COURT	107/KW	3-15-06
PIONEER RV PK	15/KW	3-15-06
RIVERFRONT RV PK	13/KW	3-15-06
ROCKING N RV PK	12/KW	3-15-06
SHADY ACRES N/RV PK	15/KW	3-15-06
SHANGRI LA RV RES	14/KW	3-15-06
SOUTHERN MESA RV PK	15/KW	3-15-06
SUN COUNTRY RV PK	13/KW	3-15-06
SUN VISTA RV RES	12.5/KW	3-15-06
SUNDANCE RV PK	15/KW	3-15-06
SUNSET PALMS RV PK	15/KW	3-15-06
TIEK DUCK RV PK (WELTON)	15/KW	3-15-06
WESTWARD VILLAGE	10/KW	3-15-06
WEST WIND RV	14/KW	3-15-06
WINDHAVEN RV PK	13/KW	3-15-06
YUMA MESA RV PK	16/KW	3-15-06

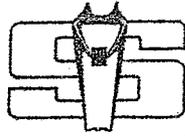
DISTRIBUTION OF CHECKS DRAWN

MONTH OF

WILMER \* SERVICE LINE

KWH

PROPERTY NAME	PHONE NUMBER	DATE	ELECTRIC
ARIZONA SANDS	726-0160		
ARIZONA WEST	726-1487	03/15	0 For 6 Mo.
Arrowhead RV Resort <sup>WILMER</sup>	785-2658	03/15	.15
Atlanta Str Park	783-525	03/15	285 + ELG (60)
Blue Sky	342-1444	3/16	134 KW G.
Bonita Mesa	342-2999	3/16	144 KW G.
Cactus Tree RV <sup>WILMER</sup>	341-1501	NO ANSWER	
Carroll Creek	<del>342-7480</del>	3/15/06	.14 KW
CHAPEL HILL	783-7344	NO ANSWER	
Coach Star <sup>WILMER</sup>	785-9798	NO ANSWER	
COOPERS BEND	343-9300	3/16	14 KW
COUNTRY CLUB	341-1304	NO ANSWER	
COUNTRY ROAD	342-8910	N/A	WILL SEND
COYOTE RANCH	345-3593	NO ANSWER	
DATLAND PALMS VILLAGE	454-2771	NO ANSWER	
DESERT ROSE	785-2708	NO ANS.	
DESERT MOON RV	782-2700	NO ANS. LEAVE MSG.	
EL PASO ESCAPES	726-4026	3/16	14 KW
GRABY ACRES	<del>344-8666</del> <del>344-7157</del>	3/16	13 KW
ADUBE VILLAGE	345-1154	3/16	14 KW
PRADO (NEARBY)		3/16	14 KW



STEWART TITLE

(509) 933-4324 Fax: (509) 933-4329 (888) 444-9962

Fishers Landing - no answer  
Foothills Village - 7.5¢/KH + \$7.50 meter reading  
Fortuna De Oro - 13¢/KH  
Friendly Acres - 13¢/KH  
Garden Oasis - she was unsure, thought 11¢-12¢/KH  
Gila Mountain - 13¢/KH  
Green Acres - no answer  
Hidden Cove - no answer  
Hitchin Post - no answer  
Las Quintas - 15¢/KH  
Lazy S & Roadrunner - 7.5¢/KH + \$7.50 meter reading  
Lucky Park Del Sur - 14¢/KH  
Lynda Vista - 12.5¢/KH  
M & M RV - 12¢/KH  
May Avenue Park - 7.6¢/KH + 7.59 meter reading

Y U M A

C A R A V A N

O A S I A

**Caravan Oasis RV Resort  
Invoice**

Mon, Jan 9, 2006

10500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 15716

Confirmation #: R000000358

Site: P021

First Night: Fri, Dec 10, 2004

Last Night: Sat, Dec 9, 2006

Check Out: 11:00 AM (on Sun, Dec 10, 2006)

Paid through: Sun, Dec 10, 2006

**Balance Due: \$258.35**

**WILLIAM & ETHEL LEMIEUX  
5017 ALAMITOS CT  
PRESCOTT, AZ 86301**

PARK 342-9612  
SUMMER 928-442-2458

Date	Qty	Description	Each	Total
Mon, Jan 9, 2006	16	Late Fee -ELEC 12/16-12/31/05	\$5.00	\$80.00
Mon, Jan 9, 2006	9	Late Fee -ELEC 1/1-1/9/06	\$5.00	\$45.00
Mon, Jan 9, 2006		Extra Adults- GUEST MARGARET ADAMS 1 MONTH	\$75.00	\$75.00
		<b>Statement Total</b>		<del>\$200.00</del>
		<b>Previous Balance</b>		\$58.35
		<b>Balance Due:</b>		<b>\$258.35</b>

**Caravan Oasis RV Resort  
Invoice**

Thu, Dec 15, 2005

500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 14559

Confirmation #: R000000358

Site: P021

First Night: Fri, Dec 10, 2004

Last Night: Sat, Dec 9, 2006

Check Out: 11:00 AM (on Sun, Dec 10, 2006)

Paid through: Sun, Dec 10, 2006

**Balance Due: \$58.35**

**WILLIAM & ETHEL LEMIEUX  
5017 ALAMITOS CT  
PRESCOTT, AZ 86301**

PARK 342-9612  
SUMMER 928-442-2458

Date	Qty	Description	Each	Total
Thu, Dec 15, 2005	389	Electricity/kwh (7781 - 7392)	\$0.14	\$54.46
		Electricity (\$54.46 @ 7.15%)		\$3.89
		<b>Sub-Total</b>		<b>\$54.46</b>
		<b>Statement Total</b>		<b>\$58.35</b>
		<b>Previous Balance</b>		<b>\$0.00</b>
		<b>Balance Due:</b>		<b>\$58.35</b>



Caravan Oasis RV Resort  
Invoice

Thu, Dec 15, 2005

10500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 14531

Confirmation #: R010000618

Site: P005

First Night: Thu, Apr 1, 2004

Last Night: Fri, Mar 31, 2006

Check Out: 11:00 AM (on Sat, Apr 1, 2006)

Paid through: Fri, Mar 31, 2006

Balance Due: \$22.20

CLARENCE & LOUISE SCHROEDER  
W 18 N 8943 ST JAMES DR  
MENOMONEE FALLS, WI 53051

(928) 305-5032 P

Date	Qty	Description	Each	Total
Thu, Dec 15, 2005	148	Electricity/kwh (10192 - 10044)	\$0.14	\$20.72
			<b>Sub-Total</b>	<b>\$20.72</b>
		Electricity (\$20.72 @ 7.15%)		\$1.48
		<b>Statement Total</b>		<b>\$22.20</b>
		Previous Balance		\$0.00
		<b>Balance Due:</b>		<b>\$22.20</b>

Total Charges \$0.00  
 Statement Total \$26.25  
 Previous Balance \$26.25  
 Balance Due: \$0.00

Payment: Check: # CK#7502/ELECTRIC Mon, Dec 19, 2005

**Receipt**  
 Mon, Dec 19, 2005  
 Receipt #: 10014865  
 Confirmation #: R000000496  
 Site: 364  
 First Night: Wed, Dec 1, 2004  
 Last Night: Sun, Oct 1, 2006  
 Check Out: 11:00 AM (on Mon, Oct 2, 2006)  
 Paid through: Sun, Oct 1, 2006

VERNON WEERTS  
 735 BRENTWOOD DR  
 SANTA ROSA, CA 95405

10500 N. Frontage Rd.  
 Yuma, AZ 85365

**FAXED**  
110-06 SH

**Caravan Oasis RV Resort  
Receipt**

Thu, Nov 17, 2005

10500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 10013407

Confirmation #: R000000649

Site: 403

First Night: Thu, Jan 1, 2004

Last Night: Sun, Dec 31, 2006

Check Out: 11:00 AM (on Mon, Jan 1, 2007)

Paid through: Sun, Dec 31, 2006

**WILLIAM HODGE**  
10500 N FRONTAGE RD #403  
YUMA, AZ 85367

Date	Qty	Description	Each	Total
			<b>Total Charges</b>	<b>\$0.00</b>
Thu, Nov 17, 2005		Payment: Check : # CA ELEC		\$36.75
			<b>Statement Total</b>	<b>\$-36.75</b>
			<b>Previous Balance</b>	<b>\$36.75</b>
			<b>Balance Due:</b>	<b>\$0.00</b>

Balance Due: \$68.70  
 Previous Balance \$0.00  
 Statement Total \$68.70  
 Sub-Total \$64.12  
 Electricity (\$64.12 @ 7.15%) \$4.58  
 Electricity/kwh (4404 - 3946) \$0.14  
 Total Each \$64.12

Wed, Dec 14, 2005 458 Electricity/kwh (4404 - 3946) \$64.12

(403) 257-0710 HOME

**KEN & LOIS KOHN**  
 171 MCKENNA WAY SE.  
 CALGARY, AB T2Z 1W6  
 CANADA

Balance Due: \$68.70  
 Paid through: Thu, Mar 9, 2006  
 Check Out: 11:00 AM (on Fri, Mar 10, 2006)  
 Last Night: Thu, Mar 9, 2006  
 First Night: Wed, Mar 10, 2004  
 Site: P042

Confirmation #: R010000680

Receipt #: 14443

10500 N. Frontage Rd  
Yuma, AZ 85365

Wed, Dec 14, 2005

Statement

CARAVAN OASIS RV RESORT

1-10-06 CA

Receipt

Tue, Nov 15, 2005

10500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 13263

Confirmation #: R010000637

Site: P020

First Night: Fri, Oct 1, 2004

Last Night: Sat, Sep 30, 2006

Check Out: 11:00 AM (on Sun, Oct 1, 2006)

Paid through: Sat, Sep 30, 2006

EARL & BARBARA KELLY  
10500 N FRONTAGE RD #P20  
YUMA, AZ 85365

Date	Qty	Description	Each	Total
Tue, Nov 15, 2005	503	Electricity/kwh (6857 - 6354)	\$0.14	\$70.42
			<b>Sub-Total</b>	<b>\$70.42</b>
		Electricity (\$70.42 @ 7.15%)		\$5.04
			<b>Statement Total</b>	<b>\$75.46</b>
			Previous Balance	\$0.00
			<b>Balance Due:</b>	<b>\$75.46</b>

Caravan Oasis RV Resort  
Receipt

Tue, Nov 15, 2005

0500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 13265

Confirmation #: R000000358

Site: P021

First Night: Fri, Dec 10, 2004

Last Night: Fri, Dec 9, 2005

Check Out: 11:00 AM (on Sat, Dec 10, 2005)

Paid through: Fri, Dec 9, 2005

WILLIAM & ETHEL LEMIEUX  
117 ALAMITOS CT  
RESCOTT, AZ 86301

Date	Qty	Description	Each	Total
Tue, Nov 15, 2005	278	Electricity/kwh (7392 - 7114)	\$0.14	\$38.92
			<b>Sub-Total</b>	<b>\$38.92</b>
		Electricity (\$38.92 @ 7.15%)		\$2.78
			<b>Statement Total</b>	<b>\$41.70</b>
			Previous Balance	\$0.00
			<b>Balance Due:</b>	<b>\$41.70</b>

1-10-06

Caravan Oasis RV Resort  
Invoice

Sat, Dec 17, 2005

10500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 14687

Confirmation #: R000000635

Site: 366

First Night: Wed, Oct 13, 2004

Last Night: Thu, Oct 12, 2006

Check Out: 11:00 AM (on Fri, Oct 13, 2006)

Paid through: Thu, Oct 12, 2006

Balance Due: \$61.80

EGIL SUMMERS  
1246 McCARROLL  
CLARKSTON, WA 99403

PARK 305-9313

Date	Qty	Description	Each	Total
Sat, Dec 17, 2005	412	Electricity/kwh (4634 - 4222)	\$0.14	\$57.68
			<b>Sub-Total</b>	<b>\$57.68</b>
		Electricity (\$57.68 @ 7.15%)		\$4.12
			<b>Statement Total</b>	<b>\$61.80</b>
			Previous Balance	\$0.00
			<b>Balance Due:</b>	<b>\$61.80</b>

Caravan Oasis RV Resort  
Receipt

Tue, Nov 15, 2005

10500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 13273

Confirmation #: R010000666

Site: P028

First Night: Fri, May 14, 2004

Last Night: Sat, May 13, 2006

Check Out: 11:00 AM (on Sun, May 14, 2006)

Paid through: Sat, May 13, 2006

ALICE/LOU SHIPPEN/FISHER  
10500 N FRONTAGE RD #P28  
YUMA, AZ 85365

Date	Qty	Description	Each	Total
Tue, Nov 15, 2005	459	Electricity/kwh (4404 - 3945)	\$0.14	\$64.26
			<b>Sub-Total</b>	<b>\$64.26</b>
		Electricity (\$64.26 @ 7.15%)		\$4.59
			<b>Statement Total</b>	<b>\$68.85</b>
			Previous Balance	\$0.00
			<b>Balance Due:</b>	<b>\$68.85</b>

**Caravan Oasis RV Resort  
Invoice**

Thu, Dec 15, 2005

10500 N. Frontage Rd.  
Yuma, AZ 85365

Receipt #: 14529

Confirmation #: R010000617

Site: P004

First Night: Mon, Mar 1, 2004

Last Night: Tue, Feb 28, 2006

Check Out: 11:00 AM (on Wed, Mar 1, 2006)

Paid through: Tue, Feb 28, 2006

Balance Due: \$973.55

**JOHN & GERALDINE KONEY  
S-71 W 19742 WILLIAMS DR  
MUSKEGO, WI 53150**

928-342-1862 P  
262-679-4543 H

Date	Qty	Description	Each	Total
Thu, Dec 15, 2005	357	Electricity/kwh (7854 - 7497)	\$0.14	\$49.98
			<b>Sub-Total</b>	<b>\$49.98</b>
		Electricity (\$49.98 @ 7.15%)		\$3.57
			<b>Statement Total</b>	<b>\$53.55</b>
			<b>Previous Balance</b>	<b>\$920.00</b>
			<b>Balance Due:</b>	<b>\$973.55</b>

Total \$14.70  
Each \$13.72  
Sub-Total \$13.72  
Statement Total \$14.70  
Previous Balance \$0.00  
Balance Due: \$14.70

Electricity (\$13.72 @ 7.15%)

Thu, Nov 17, 2005 98 Electricity/kwh (7178 - 7080) \$0.14 Sub-Total \$13.72

Paid through: Tue, Apr 11, 2006

Check Out: 11:00 AM (on Wed, Apr 12, 2006)

Last Night: Tue, Apr 11, 2006

First Night: Fri, Apr 1, 2005

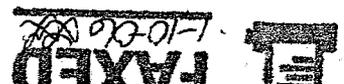
Site: 370

Confirmation #: R000001718

Receipt #: 13383

Thu, Nov 17, 2005

Caravan Oasis RV Resort Receipt



ALE & COLLEEN LIBELT  
39 1ST. ST. S.W.  
VALERTOWN, SD 57201

1500 N. Frontage Rd.  
Yuma, AZ 85365

10500 N. Frontage Rd.  
Yuma, AZ 85365

**HARVEY & RUTH WICK**  
10500 N FRONTAGE RD #P12  
YUMA, AZ 85365

928-342-9391 P

Date	Qty	Description
Thu, Dec 15, 2005	589	Electricity/kwh (9133 - 8544)
		Electricity (\$82.46 @ 7.15%)

Confirmation #: R010000626

Site: P012

First Night: Sun, Dec 19, 2004

Last Night: Mon, Dec 18, 2006

Check Out: 11:00 AM (on Tue, Dec 19, 2006)

Paid through: Mon, Dec 18, 2006

Balance Due: \$88.36

	Each	Total
	\$0.14	\$82.46
<b>Sub-Total</b>		<b>\$82.46</b>
		\$5.90
<b>Statement Total</b>		<b>\$88.36</b>
Previous Balance		\$0.00
<b>Balance Due:</b>		<b>\$88.36</b>

Total \$0.00  
 Each Total \$0.00  
 Total Charges \$36.75  
 Statement Total \$-36.75  
 Previous Balance \$36.75  
 Balance Due: \$0.00

Payment: Check : # CA ELBC

Thu, Nov 17, 2005

Date Qty Description

Paid through: Sun, Dec 31, 2006  
 Check Out: 11:00 AM (on Mon, Jan 1, 2007)  
 Last Night: Sun, Dec 31, 2006  
 First Night: Thu, Jan 1, 2004  
 Site: 403  
 Confirmation #: R000000649  
 Receipt #: 10013407

WILLIAM HODGE  
 10500 N FRONTAGE RD #403  
 YUMA, AZ 85367

10500 N Frontage Rd  
 Yuma, AZ 85365

Thu, Nov 17, 2005

Caravan Oasis RV Resort Receipt

Caravan Oasis RV Resort Receipt

Thu, Nov 17, 2005

10500 N. Frontage Rd.  
 Yuma, AZ 85365

Receipt #: 13395

Confirmation #: R000000649

Site: 403

First Night: Thu, Jan 1, 2004

Last Night: Sun, Dec 31, 2006

Check Out: 11:00 AM (on Mon, Jan 1, 2007)

Paid through: Sun, Dec 31, 2006

WILLIAM HODGE  
 10500 N FRONTAGE RD #403  
 YUMA, AZ 85367

Date	Qty	Description	Each	Total
Thu, Nov 17, 2005	245	Electricity/kwh (9555 - 9310)	\$0.14	\$34.30
			<b>Sub-Total</b>	<b>\$34.30</b>
		Electricity (\$34.30 @ 7.15%)		\$2.45
			<b>Statement Total</b>	<b>\$36.75</b>
			<b>Previous Balance</b>	<b>\$0.00</b>
			<b>Balance Due:</b>	<b>\$36.75</b>

Thu, Dec 15, 2005

**Invoice**

Receipt #: 14537

10500 N. Frontage Rd.  
Yuma, AZ 85365

Confirmation #: R010000623

Site: P010

First Night: Mon, Mar 1, 2004

Last Night: Tue, Feb 28, 2006

Check Out: 11:00 AM (on Wed, Mar 1, 2006)

Paid through: Tue, Feb 28, 2006

Balance Due: \$66.45

~~XXXXXXXXXXXXXXXXXXXX~~  
32 EVERGREEN DR  
LODI, CA 95242

908-305-1695 P  
209-483-7039 C

Date	Qty	Description	Each	Total
Thu, Dec 15, 2005	443	Electricity/kwh (2837 - 2394)	\$0.14	\$62.02
			Sub-Total	\$62.02
		Electricity (\$62.02 @ 7.15%)		\$4.43
			Statement Total	\$66.45
			Previous Balance	\$0.00
			Balance Due:	\$66.45



Total \$0.00  
 Each Total \$0.00  
 Total Charges \$36.75  
 Statement Total \$-36.75  
 Previous Balance \$36.75  
 Balance Due: \$0.00

Nov 17, 2005 Payment: Check : # CA ELEC

Paid through: Sun, Dec 31, 2006  
 Check Out: 11:00 AM (on Mon, Jan 1, 2007)  
 Last Night: Sun, Dec 31, 2006  
 First Night: Thu, Jan 1, 2004  
 Site: 403  
 Confirmation #: R000000649  
 Receipt #: 10013407

N FRONTAGE RD #403  
 A, AZ 85367

N Frontage Rd  
 AZ 85365

Caravan Oasis RV Resort  
 Receipt  
 Thu, Nov 17, 2005

**Caravan Oasis RV Resort**  
**Receipt**

Thu, Nov 17, 2005

10500 N. Frontage Rd.  
 Yuma, AZ 85365

Receipt #: 13395

Confirmation #: R000000649

Site: 403

First Night: Thu, Jan 1, 2004

Last Night: Sun, Dec 31, 2006

Check Out: 11:00 AM (on Mon, Jan 1, 2007)

Paid through: Sun, Dec 31, 2006

~~XXXXXXXXXX~~  
 10500 N FRONTAGE RD #403  
 YUMA, AZ 85367

Date	Qty	Description	Each	T
Thu, Nov 17, 2005	245	Electricity/kwh (9555 - 9310)	\$0.14	\$34.30
			<b>Sub-Total</b>	<b>\$34.30</b>
		Electricity (\$34.30 @ 7.15%)		\$2.45
			<b>Statement Total</b>	<b>\$36.75</b>
			<b>Previous Balance</b>	<b>\$36.75</b>
			<b>Balance Due:</b>	<b>\$0.00</b>

COA

**CARAVAN OASIS RV RESORT**  
10500 NORTH FRONTAGE ROAD  
YUMA, AZ. 85365-7131

**RENTAL AGREEMENT**  
**ONE YEAR**  
**NON-RENEWABLE**

Site: # \_\_\_\_\_

Beginning Date: \_\_\_\_\_

Expiration Date: \_\_\_\_\_

Landlord: CARAVAN OASIS RV RESORT (CARAVAN OASIS)

Tenant(s): \_\_\_\_\_

Home Address: \_\_\_\_\_

Street Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Home Phone \_\_\_\_\_ Park Phone \_\_\_\_\_

N/A

11/20/06  
Info  
only  


1. **Site Rental:** CARAVAN OASIS rents to Tenant and Tenant rents from CARAVAN OASIS the Site which is located in the CARAVAN OASIS RV RESORT recreational vehicle park on the following terms and conditions.
2. **Term:** The term of this Agreement shall be not more than one year. This Agreement terminates on the Expiration Date.
3. **Rents:** Rents under this Agreement are:
  - a. **Site Base Rent:** \$ \_\_\_\_\_ per year.
  - b. **Additional Rent (payable monthly):**
    - i. **Extra Person Fee (Guest Fee):** \$100.00 per month, which includes tax, or \$4.00 plus tax per day for each guest in excess of two Tenants living on the site. No charge for children under 12 years of age.
    - ii. **Storage Fee (Dry Dock Fee):** Under 30 feet - \$30.00 per month during usage. Over 30 feet - \$50.00 per month during usage.
    - iii. **Electricity:** \$.15 plus tax per KWH.
  - c. In all instances, rent shall be payable on or before the due date. Rent shall be payable at the office without notice or demand and rent forwarded by mail shall not be deemed paid until it is received by management. Tenant shall pay in addition to the rent, all transaction, privilege, sales or similar taxes applicable to rent.
4. **Late Charges and Returned Check Fees:** In addition to all other rights and remedies of CARAVAN OASIS and without prejudice to CARAVAN OASIS' right to terminate this agreement for non-payment of rents, Tenant shall pay to CARAVAN OASIS a late charge in the amount of twenty-five dollars (\$25.00) for any rents not received within five (5) days after it is due, and five dollars (\$5.00) per day if it remains unpaid thereafter. If any payment check is returned the Tenant shall pay a Returned Check Fee of \$25.00 per returned check.

5. **Improvements and Repairs:** Tenant must make any and all improvements to any recreational vehicle (RV, Park Trailer, or Park Model) or Tenant owned appurtenance maintained on the premises, until said RV and appurtenances meet or surpass all standards as set forth in CARAVAN OASIS' current Rules and Regulations. Additionally Tenant shall make repairs when necessary to maintain said RV at the standards set forth in CARAVAN OASIS' current Rules and Regulations.
6. **Use:** Tenant shall be fully responsible for the conduct of all members of his/her household and for all guests of Tenant while in the park. The Site shall be used solely for the Tenant's recreational vehicle. The Site shall be occupied only by Tenant(s) and guests as the registered owners of the recreational vehicle. The Site may not be used for a business purpose. Tenant shall provide CARAVAN OASIS a copy of the title and registration on the Recreational Vehicle. Tenant agrees to notify CARAVAN OASIS within ten (10) days of any changes to the title or registration.
7. **Utilities:** Utility service charges are:
  - a. Electricity: \$.15 plus tax (paid as Additional Rent)
  - b. Other \_\_\_\_\_
8. **Guest Fee:** A guest fee of four dollars (\$4.00) per night per person, plus tax, for any guest age 12 years of age and over who stays at the Tenant's RV. Monthly guest fee charge is \$100.00, which includes tax, per person over the age of 12 years.
9. **Transfer:** This agreement may not be assigned, sublet, or otherwise transferred.
10. **Attorney's Fees:** In the event CARAVAN OASIS or Tenant commences litigation to construe or to enforce this Rental Agreement, or to recover damages for breach of this Rental Agreement, or to obtain possession of the premises, the prevailing party shall be entitled to recover reasonable attorney's fees.
11. **Authorized Manager- CARAVAN OASIS:** Dean Buford - 928-342-1480  
The Manager is authorized to act for and on behalf of owner for purposes of service of process and for the purpose of receiving and receipting notices and demands. All notices provided for herein and under applicable law shall be in writing and shall be delivered to Tenant at the premises unless notice of a different address for the giving of notices is provided in writing.
12. **Jury Trial Waiver:** The parties hereby waive their respective rights to trial by jury in any proceeding brought by either of them against the other arising out of or any way connected with this agreement in forcible entry and detainer actions.
13. **Rules and Regulations:** Tenant agrees to abide by all provisions of CARAVAN OASIS' Rules and Regulations as currently written and as amended, including special rules posted at CARAVAN OASIS' facilities to the extent they are applicable to RVs and Park Trailers aka Park Models.

**CARAVAN OASIS:**

**Tenant:**

Caravan Oasis RV Resort

\_\_\_\_\_  
Tenant

By: \_\_\_\_\_  
Manager

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



# Arizona Corporation Commission

Presentation

Ad Hoc RV Park Utility  
Services Study Committee

# Arizona Corporation Commission

- The Arizona Corporation Commission (ACC) has jurisdiction over the quality of service and rates charged by public service utilities.
- Public service utilities are regulated monopolies who are given the opportunity to earn a fair and reasonable rate of return on their investment.
- Once the required revenue level is established, the next step in the rate setting process is to determine the appropriate charges collected from each class of customer.
- Utilities are required to file schedules of rates and charges for all classes of customers with the ACC.

## ACC Related Rules

- A.A.C. R14-2-205 and R14-2-305 define *Permanent Residential Mobile Home Parks* as “mobile home parks where the average length of stay for an occupant is a minimum of six months.” The rules state that a utility shall refuse service to all new construction residential mobile home parks unless the construction is individually metered by the utility.

# Electric Utilities

## Arizona Public Service (APS)

- APS uses the terms Residential and General Service to differentiate rate schedules.
- APS' Classification of Services allows Residential service to be provided only to a private residence or individually metered apartment unit. If a separate meter is not installed for each individual dwelling or housekeeping unit, then a General Service rate schedule would be used for billing of service supplied through a single meter.

# Sample APS Rates

## E-12 Residential Service

Basic Service Charge

\$0.253/day

Energy Charge

Summer

\$0.08570/kWh 1<sup>st</sup> 400 kWh +

\$0.12175/kWh next 400 kWh +

\$0.14427/kWh all additional kWh

Winter

\$0.08327/kWh

## E-32 General Service

Basic Service Charge

\$0.575/day

Energy Charge

Summer

\$0.11438/kWh 1<sup>st</sup> 5,000 kWh +

\$0.06254/kWh all additional kWh

Winter

\$0.09929/kWh 1<sup>st</sup> 5,000 kWh +

\$0.04745/kWh all additional kWh

# Tucson Electric Power (TEP)

- TEP uses the terms Residential and General Service to differentiate rate schedules. TEP has a General Service rate schedule for Mobile Home Park Electric Service (Pricing Plan GS-11). GS-11 is applicable to mobile home parks for service through a master meter, provided that each mobile home is individually metered and billed by the park operator.
- TEP's Rules and Regulations define *Long-Term Rental Mobile Home Park* as "A park which is finish-graded and has permanently paved roadways, sewer and water connections, and which provides rental spaces to permanent and semi-permanent occupants of mobile homes which are owned either by the occupant or by other persons."

# TEP Sample Rates

	<u>R-01 Residential Electric Service</u>
Customer Charge	\$4.90/month
Energy Charge	
Summer	\$0.090921/kWh
Winter	\$0.078970/kWh

	<u>GS-11 Mobile Home Park Electric</u>
Customer Charge	\$5.88/month
Energy Charge	
Summer	\$0.090921/kWh
Winter	\$0.078970/kWh

	<u>GS-10 General Service</u>
Customer Charge	\$5.88/month
Energy Charge	
Summer	\$0.113695/kWh 1st 3,400 kWh + \$0.100343/kWh all additional kWh
Winter	\$0.113695/kWh 1st 3,400 kWh + \$0.093772/kWh all additional kWh

# Natural Gas Utilities

## Southwest Gas

- Southwest Gas has a General Gas Service rate schedule that is applicable to commercial, industrial, U.S. Armed Forces, and essential agricultural customers. Southwest also has a rate schedule for Master-Metered Mobile Home Park Gas Service, but it is not available to new customers. There are also rates for Single-Family Residential Gas Service and Multi-Family Residential Gas Service.
- Southwest defines a *Residential Dwelling* as "a house, apartment, townhouse, or any other permanent residential unit." *Multi-Family Residential* is "any structure where more than one permanent residential dwelling receives the benefits of natural gas service through individual meters." A *Mobile Home* is "a residential unit designed and built to be towed on its own chassis. It is without a permanent foundation and is designed for year-round living."
- A *Commercial Customer* is defined as "a customer who is engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation." An *Industrial Customer* is "a customer who is engaged primarily in a process which creates or changes raw or unfinished materials into another form or product, excluding electric power generation."

# SW Gas Sample Rate

## G-5 Single-Family Residential Gas

Service Charge	\$9.70/month
Commodity Charge	
Summer	\$1.50785/therm 1st 15 therms + \$1.46685/therm for all additional therms
Winter	\$1.50785/therm 1st 35 therms + \$1.46685/therm for all additional therms

## G-20 Master-Metered Mobile Home Park

Service Charge	\$60.00/month
Commodity Charge	\$1.34985/therm

## G-25 General Gas Service (medium)

Service Charge	\$33.00/month
Commodity Charge	\$1.34993/therm

# UNS Gas Sample Tariff

## R-10 Residential Gas

Customer Charge	\$7.00/month
Basic Cost of Service Rate	\$0.7004/therm

## C-20 Small Volume Commercial

Customer Charge	\$11.00/month
Basic Cost of Service Rate	\$0.6420/therm

## C-22 Large Volume Commercial

Customer Charge	\$85.00/month
Basic Cost of Service Rate	\$0.5551/therm

# Water Utilities

- The ACC regulates approximately 400 water companies and their rate schedules vary greatly. In general, the monthly service charge is based on meter size and the commodity rate is based on per gallon usage for residential and commercial customers.

## Sample Water Rate

Monthly charge for 3/4" meter	\$12.00
Monthly charge for 1" meter	\$20.00
Commodity charge	\$1.30 per 1,000 gallons for 1,001 gallons to 10,001
Commodity charge	\$1.60 per 1,000 gallons from 10,001 and up

Rough Draft  
December 17, 2007 10:07 AM  
Folder 407, Drafter KEN BEHRINGER

REFERENCE TITLE: park model trailer spaces

State of Arizona  
House of Representatives  
Forty-eighth Legislature  
Second Regular Session  
2008

**H. B. \_\_\_\_\_**

Introduced by \_\_\_\_\_

AN ACT

AMENDING TITLE 33, ARIZONA REVISED STATUTES, BY ADDING CHAPTER 22; RELATING TO PARK MODEL TRAILER SPACES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Title 33, Arizona Revised Statutes, is amended by adding  
3 chapter 22, to read:

4 CHAPTER 22  
5 PARK MODEL TRAILER SPACES  
6 ARTICLE 1. GENERAL PROVISIONS

7 33-2401. Definitions

8 IN THIS CHAPTER, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 1. "LANDLORD" MEANS THE OWNER, LESSOR, SUBLESSOR OR OPERATOR, OR ANY  
10 COMBINATION OF THESE PERSONS, OF A PARK MODEL TRAILER SPACE THAT IS FOR RENT.

11 2. "PARK MODEL TRAILER" MEANS A STRUCTURE THAT IS BUILT ON A SINGLE  
12 CHASSIS, MOUNTED ON WHEELS AND DESIGNED TO BE CONNECTED TO THE UTILITIES  
13 NECESSARY FOR THE OPERATION OF INSTALLED FIXTURES AND APPLIANCES AND THAT HAS  
14 A GROSS INTERIOR AREA OF AT LEAST THREE HUNDRED TWENTY SQUARE FEET BUT NOT  
15 MORE THAN FOUR HUNDRED SQUARE FEET WHEN PREPARED FOR OCCUPANCY.

16 3. "PARK MODEL TRAILER SPACE" MEANS A PARCEL OF LAND FOR RENT THAT HAS  
17 BEEN DESIGNED TO ACCOMMODATE A PARK MODEL TRAILER AND PROVIDES THE REQUIRED  
18 SEWER AND UTILITY CONNECTIONS.

19 33-2402. Applicability

20 THIS CHAPTER APPLIES TO THE RENTAL OF PARK MODEL TRAILER SPACES,  
21 WHETHER THE PARK MODEL TRAILER SPACES ARE LOCATED IN A PARK THAT RENTS SPACES  
22 EXCLUSIVELY FOR PARK MODEL TRAILERS OR THE PARK RENTS SPACES FOR OTHER TYPES  
23 OF STRUCTURES OR VEHICLES. IF THE PARK RENTS SPACES FOR OTHER TYPES OF  
24 STRUCTURES OR VEHICLES, THIS CHAPTER APPLIES ONLY TO THE RENTAL OF PARK MODEL  
25 TRAILER SPACES IN THE PARK.

26 33-2403. Utility charges: waste, garbage and rubbish removal  
27 charges

28 A. A LANDLORD MAY CHARGE SEPARATELY FOR GAS, WATER OR ELECTRICAL  
29 UTILITY SERVICES BY USING A SEPARATE METER FOR EVERY USER OR, FOR USERS  
30 WITHOUT A SEPARATE METER, BY ALLOCATING THE CHARGES AS PRESCRIBED IN SECTION  
31 33-2404. THE COST OF THE CHARGES FOR EACH BILLING PERIOD SHALL BE SEPARATELY  
32 STATED. IF A SEPARATE METER IS USED, THE STATEMENT SHALL INCLUDE THE OPENING  
33 AND CLOSING METER READINGS AND THE DATES OF THE METER READINGS. EACH BILL  
34 SHALL SHOW THE COMPUTATION OF THE CHARGE GENERALLY IN ACCORDANCE WITH THE  
35 SERVING UTILITY COMPANY BILLING FORMAT FOR INDIVIDUAL SERVICE SUPPLIED  
36 THROUGH A SINGLE SERVICE METER.

37 B. THE METHOD OF CHARGING FOR UTILITY SERVICES SHALL BE DESCRIBED IN  
38 THE RENTAL AGREEMENT. THE LANDLORD SHALL PROVIDE THE TENANT AT LEAST SIXTY  
39 DAYS' NOTICE BEFORE CHANGING THE METHOD OF CHARGING FOR UTILITY SERVICES.

40 C. THE LANDLORD SHALL NOT MAKE A PROFIT ON THE SALE OF GAS, WATER OR  
41 ELECTRICAL UTILITY SERVICES TO OCCUPANTS OF PARK MODEL TRAILER SPACES AND  
42 SHALL REFUND EXCESS MONIES COLLECTED AS PRESCRIBED IN SECTION 32-2404. THE  
43 LANDLORD SHALL NOT INCLUDE IN THE COSTS CHARGED THROUGH SEPARATE METERS OR  
44 ALLOCATED AMONG THE TENANTS ANY CHARGES FOR UTILITY SERVICES USED IN A COMMON  
45 AREA OR OFFICE FOR THE PARK.

1 D. IF THE LANDLORD SEPARATELY CHARGES FOR UTILITY SERVICES, THE  
2 LANDLORD SHALL NOT CHARGE MORE THAN THE PREVAILING BASIC SERVICE SINGLE  
3 FAMILY RESIDENTIAL RATE CHARGED BY THE SERVING UTILITY OR PROVIDER.

4 E. FOR THE PURPOSE OF REGULATING PARK MODEL TRAILER PARKS AS PUBLIC OR  
5 CONSECUTIVE WATER SYSTEMS, THE STATE SHALL NOT ADOPT RULES PURSUANT TO TITLE  
6 49, CHAPTER 2, ARTICLE 9 THAT ARE MORE STRINGENT THAN AUTHORIZED BY THE  
7 FEDERAL GOVERNMENT. SUBMETERING SOLELY TO DETERMINE THE CHARGES FOR  
8 INDIVIDUAL WATER USE BY PARK TENANTS FOR THE PURPOSE OF WATER CONSERVATION,  
9 WITHOUT OTHER EVIDENCE INDICATING A TRANSACTION SUBJECT TO REGULATION UNDER  
10 TITLE 49, CHAPTER 2, ARTICLE 9, SHALL NOT BE USED AS A BASIS FOR TREATING ANY  
11 PARK MODEL TRAILER PARK AS A PUBLIC OR CONSECUTIVE WATER SYSTEM.

12 F. A LANDLORD MAY CHARGE SEPARATELY FOR REMOVAL OF WASTE, GARBAGE,  
13 RUBBISH, REFUSE AND TRASH AND FOR SEWER SERVICES. ANY CHARGES FOR REMOVAL OR  
14 SEWER SERVICES MAY NOT EXCEED THE PREVAILING SINGLE FAMILY RESIDENTIAL  
15 CHARGE, FEE OR RATE FOR THESE SERVICES LEVIED BY THE POLITICAL SUBDIVISION OR  
16 PROVIDER.

17 33-2404. Allocation of utility charges

18 A. IF A LANDLORD DOES NOT USE A SEPARATE METER FOR EVERY USER, THE  
19 LANDLORD SHALL ALLOCATE COSTS FOR GAS, WATER OR ELECTRIC UTILITY SERVICES  
20 PROPORTIONATELY BASED ON ONE OF THE FOLLOWING METHODS:

- 21 1. PER TENANT.
- 22 2. BY LIVEABLE SQUARE FOOTAGE.
- 23 3. BY NUMBER OF WATER FIXTURES.
- 24 4. ANY OTHER METHOD THAT FAIRLY ALLOCATES THE CHARGES AND THAT IS  
25 DESCRIBED IN THE RENTAL AGREEMENT OR A WRITTEN DISCLOSURE.

26 B. IF A LANDLORD COLLECTS MORE DURING A FISCAL YEAR THROUGH UTILITY  
27 CHARGES THAN THE AMOUNT CHARGED BY THE SUPPLYING UTILITY, THE LANDLORD SHALL  
28 REFUND THE EXCESS AMOUNT TO THE TENANTS DURING THE FOLLOWING YEAR BASED ON  
29 THE METHOD FOR ALLOCATING COSTS.

30 33-2405. Rental increase

31 IN ADDITION TO ANY OTHER RENTAL PROVISIONS, THE LANDLORD IS ENTITLED TO  
32 A RENTAL INCREASE EFFECTIVE AT THE EXPIRATION OR RENEWAL OF ANY RENTAL  
33 AGREEMENT OR EFFECTIVE IMMEDIATELY IF SO PROVIDED IN A WRITTEN RENTAL  
34 AGREEMENT TO COMPENSATE THE LANDLORD FOR ACTUAL COSTS OF RATE INCREASES FOR  
35 UTILITY SERVICES. THE LANDLORD SHALL SUBSTANTIATE THE ACTUAL COSTS OF A RATE  
36 INCREASE IN WRITING TO THE TENANT.

37 33-2406. Posting utility rates

38 UNLESS THE TENANT IS CHARGED DIRECTLY BY THE UTILITY COMPANY, THE  
39 LANDLORD OR ANY PERSON AUTHORIZED TO ENTER INTO A RENTAL AGREEMENT ON THE  
40 LANDLORD'S BEHALF SHALL POST A COPY OF THE CURRENT UTILITY RATES IN A  
41 CONSPICUOUS PLACE ON THE PREMISES WHERE A PARK MODEL TRAILER SPACE IS  
42 LOCATED.

43 33-2407. Utility interruption; notice

44 THE LANDLORD SHALL PROVIDE A STATEMENT OF PROPOSED INTERRUPTION OF  
45 UTILITY SERVICE TO THE TENANTS WITHIN A REASONABLE TIME EXCEPT IN THE CASE OF

1 AN INTERRUPTION CAUSED BY AN EMERGENCY. AN EMERGENCY DOES NOT INCLUDE ANY  
2 FAILURE OR REFUSAL BY THE LANDLORD TO FULFILL THE DUTIES AND OBLIGATIONS TO  
3 MAINTAIN FIT PREMISES. A STATEMENT OF PROPOSED INTERRUPTION OF UTILITY  
4 SERVICE MAY BE PROVIDED BY POSTING AN ANNOUNCEMENT OF THE PERIOD OF THE  
5 INTERRUPTION IN A CONSPICUOUS PLACE ON THE PREMISES WHERE A PARK MODEL  
6 TRAILER SPACE IS LOCATED OR BY INDIVIDUAL DELIVERY TO EACH TENANT.

7 33-2408. Violations: award

8 A. IF A TENANT BELIEVES THAT A LANDLORD IS NOT IN COMPLIANCE WITH THIS  
9 CHAPTER, THE TENANT SHALL NOTIFY THE LANDLORD IN WRITING OF THE ALLEGED  
10 VIOLATION OF THIS CHAPTER. IF THE TENANT AND LANDLORD DO NOT RESOLVE THE  
11 COMPLAINT WITHIN THIRTY DAYS AFTER THE NOTICE IS RECEIVED BY THE LANDLORD,  
12 THE TENANT MAY FILE AN ACTION IN JUSTICE COURT TO ENFORCE THIS CHAPTER.

13 B. IF A TENANT IS SUCCESSFUL IN AN ACTION PURSUANT TO SUBSECTION A,  
14 THE COURT SHALL AWARD THE TENANT BOTH OF THE FOLLOWING:

15 1. THE AMOUNT OF ANY OVERCHARGE.

16 2. A CIVIL PENALTY IN THE AMOUNT OF ONE MONTH'S RENT, UNLESS THE  
17 LANDLORD SHOWS THAT THE VIOLATION WAS AN UNINTENTIONAL MISTAKE MADE IN GOOD  
18 FAITH.

19 C. IN AN ACTION PURSUANT TO SUBSECTION A, THE COURT SHALL AWARD THE  
20 PREVAILING PARTY COURT COSTS AND REASONABLE ATTORNEY FEES.

21 33-2409. Retalitory conduct prohibited

22 A LANDLORD SHALL NOT RETALIATE AGAINST A TENANT WHO HAS COMPLAINED TO  
23 THE LANDLORD OR FILED AN ACTION IN JUSTICE COURT FOR AN ALLEGED VIOLATION OF  
24 THIS CHAPTER BY DOING ONE OR MORE OF THE FOLLOWING:

25 1. INCREASING THE RENT.

26 2. DECREASING SERVICES.

27 3. BRINGING OR THREATENING TO BRING AN ACTION FOR EVICTION.