



Minquadale village homeowners make state history

Association buys community property, making it resident-owned

FOR IMMEDIATE RELEASE

NEW CASTLE, Del. (July 2, 2009) – With the stroke of a pen Thursday, Minquadale Village became not only a great place to live, but a piece of history as well.

Ken Shaw, president of Minquadale Village Homeowners Association, on Thursday afternoon signed off on a \$2.1 million deal that made the association the legal owner of the community where its members live. It is the first manufactured home community homeowners association in Delaware to take this groundbreaking step, under "The Right of First Offer" law passed last summer.

"Closing on this property sale was a dream come true not just for me but for all my neighbors at Minquadale," said Shaw. "We owe a debt of thanks to everyone who has made this possible. From the Delaware Manufactured Home Owners Association and Community Legal Aid Society Inc., who helped to pass the law that gave us the opportunity to buy our community; to READS, whose guidance and help got us to this point; we've had a great deal of support, and we're grateful."

The homeowners association will celebrate the successful conversion of the community to resident ownership, on July 18. The event will include representatives from READS and some of the other organizations that assisted in the conversion effort, including ROC USA, New Jersey Community Capital, Community Legal Aid Society Inc. and Delaware Manufactured Home Owners Association.

"We have a lot to celebrate," said Shaw, "but we have a lot to showcase also. Everyone who already lives at Minquadale already knows how wonderful it is, but we have room to grow. There are homes for sale, and there are vacant lots for other people who want to buy into what we have here."

With manufactured homes making up about 15 percent of the housing stock in Delaware, the purchase of Minquadale Village by its residents is significant to more than just the proud new community owners.

"Manufactured housing is the largest block of affordable housing in the state that does not require a government subsidy," said Ed Speraw, president of the Delaware Manufactured Home Owners Association. "Unlimited yearly rent increases creates financial evictions and increases the burden on the Delaware State Housing Authority. Minquadale homes will now remain affordable."

The Minquadale association's right to purchase the property comes as a result of legislation approved only last year. Under the law, a manufactured-home owners association has the right of first offer when the community's owner decides to sell the property. The law also bars the owner from selling the property to a third party unless they outbid the homeowners association.

Passage of the law came after a concerted effort. The Delaware Manufactured Homeowners Association long advocated for the bill; state Representative Valerie Longhurst gave it the 11th-hour support it needed to pass through the Legislature; and the Community Legal Aid Society gave legal assistance that Speraw called invaluable.

"It's not exaggeration to say that without the support of Chris White, the executive director of Community Legal Aid Service, this law would not have passed and the Minquadale purchase would never have happened," said Speraw of the Delaware association. "White prevailed on Wilmington Attorney Steve Goldberg for assistance in preparing the

documents needed for the sale, and when the sale faced a serious court challenge, White was able to obtain pro bono legal help to uphold the law and guarantee the right of the homeowners to buy their community.”

READS, a not-for-profit real estate firm in New Jersey, became involved with the Minquadale purchase last summer. Since those initial meetings, representatives of READS have provided a host of services to the residents. In addition to helping the homeowners incorporate so they could buy the community, READS also arranged for pro bono legal representation; found financing for the mortgage, through ROC USA Capital; and managed the entire purchase process.

Keith Timko, vice president of real estate and innovative programs at READS, predicted that the successful conversion of Minquadale to resident ownership would serve as a role model to homeowners in other manufactured home communities when their communities go up for sale.

"By taking ownership of the property themselves, the Minquadale homeowners not only have guaranteed the future of their community, they've begun to build equity in their property, and they've gained control over what happens there in the future," said Timko.

READS will continue to assist the homeowners association by providing board governance and technical assistance, including matching the association with engineering firms that can provide professional assistance.

Based in Metuchen, N.J., READS was founded in 2003 as an innovative nonprofit real estate development company committed to building strong organizations and communities through innovative real estate development.

ROC USA already has helped more than 100 homeowner groups nationwide to incorporate and buy the property where they are based.

Community Legal Aid Service is a private, nonprofit law firm that provides free civil legal services to assist low-income and other qualified clients in becoming self-sufficient. Based in Wilmington, the firm serves clients 60 or older, and clients with low incomes or with disabilities.

The Delaware Mobile Home Owners Association is the only statewide organization representing manufactured home owners on leased land. Starting out in Sussex County, the association has been successfully advocating in changing laws to protect manufactured-home owners. This year another milestone was reached when the governor signed a bill banning mandatory once-a-year rent payments.

For more information, call:

Keith Timko of READS at (732) 635-1000, ext. 152.

Ed Speraw, at (302) 245-5200, or Fred Neil at (302) 678-3288, of Delaware Manufactured Home Owners Association

Chris White of Community Legal Aid Society at (302) 575-0660, ext. 221

Paul Bradley of ROC USA at (603) 856-0709

Ken Shaw of the Minquadale Village Homeowners Association Inc. at (302) 463-0239.

On the web:

Community Legal Aid Society Inc.

www.declasi.org

Delaware Manufactured Home Owners Association

www.dmhoa.org

Real Estate Advisory and Development Services

www.readsusa.com

ROC USA LLC
www.rocusa.org