

IBB solicitors

Guide to Buying a Park Home

The Mobile Homes Act 2013



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Introduction

On 26 March 2013 the Government passed a new law (the Mobile Homes Act 2013) which is designed to give greater protection to occupiers of residential mobile (park) homes in England. One of the most important changes covers the procedure for buying and selling park homes, and for transferring (“assigning”) the occupation agreement to the incoming buyer.

The procedures set out in this guide must now be followed whenever a residential park home is purchased on a park in England; the exact procedure to be followed will depend on whether the agreement being assigned is an “Existing Agreement” or a “New Agreement”.

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Assignment of an Existing Agreement

If your occupation agreement commenced before 26 May 2013, and has not been assigned since 26 May 2013 it will be an “Existing Agreement”, and the following procedure should be used:

Once you have found a park home you want to buy, and have agreed a purchase price with the seller, the seller must by law provide you with copies of certain documents at least 28 days before the date when you intend to complete your purchase of the home, unless you have agreed to a shorter period being given. The documents which you should receive from your seller are as follows:

- a copy of the agreement/written statement
- a copy of any previous assignment of the written statement
- a copy of the Park Rules
- written details of any charges payable in respect of electricity, gas, water, sewerage or other services supplied to the park home, including details of when these charges are payable and when they are next due for review
- written details of any other charges relating to the home or the Park, including any charges for the use of a garage, parking space or outbuilding
- a copy of any current warranty for the home, and
- a copy of any structural survey of the home, the base or the pitch which the seller has had carried out by a surveyor in the previous 12 months
- if the seller is unable to provide any of the documents mentioned above, they should give you a written explanation as to why this is the case.

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As well as the documents set out above, the seller must also by law provide the following information to you, again not less than 28 days before completion of the purchase, unless you have agreed to a shorter period being given:

- the proposed sale price of the park home
- details of the commission (normally 10% of the sale price) payable to the Park owner on completion of the sale and purchase
- details of the pitch fee, including when it is payable and when the annual review date is
- details of any pitch fee arrears, and of any agreement which the seller may have reached with the Park owner for clearing the arrears
- the council tax band for the park home
- the name of the Park owner, and the address where any notices may be served on them
- the name and address of the local authority which licenses the Park
- the date when the agreement first started, and if the seller was not the original owner, the date when the agreement was assigned to the seller
- an explanation of the assignment process and the effect of any Refusal Notice or Refusal Order on the prospective sale
- a statement that the seller is the legal owner of the park home, that the home will be vacant upon completion, and that there are no outstanding loans relating to the home; and
- details of any legal proceedings relating to the home, the agreement or the Park which the seller is involved in, and which are ongoing at the time when the information is given to you.

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All of this information must be provided in a “Buyer’s Information Form”. This form and all of the other prescribed forms referred to in this Guide, can be downloaded free of charge here:

www.gov.uk/park-homes-guidance.

Both you and the seller must also complete a “Notice of Proposed Sale Form” and the seller must then send this form to the park owner at least 21 days before the proposed completion date.

Once the Park owner has received the Notice of Proposed Sale, if they wish to object to the proposed sale and assignment they must, within 21 days of receiving the Notice:

- inform the seller in writing that they have applied to the First Tier Tribunal (Property Chamber) (formerly the Residential Property Tribunal) for an Order to prevent the sale and assignment from going ahead (a “Refusal Order”), and
 - apply to the Tribunal for a Refusal Order.
- The Park owner can only object to the sale if you, or someone who is intending to live with you:
- does not meet any minimum age limit on the Park
 - wants to keep any types of animals which are not allowed on the Park
 - wants to park vehicles of a type which are not allowed on the Park, or
 - wants to park more vehicles on the Park than are allowed.

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If the Park Owner does not take both of the steps set out above within the 21-day period, then your purchase can go ahead.

Immediately before completion you and the seller will both need to complete and sign an Assignment Form to transfer the seller's occupation agreement to you. This form will be exchanged at the point of completion of the sale, and you and the seller will both need to keep a completed copy of the form.

On completion you will need to pay you the agreed sale price, less the 10% statutory commission payable to the Park owner, which you must retain to pay later. You are responsible for paying the commission to the Park owner following completion.

Within 7 days of completing the purchase of the park home, you must complete and send to the Park owner a Notice of Assignment, which must state:

- your name and the name(s) of anyone else who intends to live in the park home with you
- the address of the park home
- the date of assignment of the agreement
- the sale price of the park home and the amount of commission payable to the Park owner, and
- a forwarding address for the seller.

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After receiving the Notice of Assignment the Park owner will provide you with the details of the bank account where they want the commission to be paid - you must then pay the commission to the Park owner within 7 days of these details being provided.

If you fail to provide any of the required information you will not have complied with the legislation, which could lead to the assignment being unlawful and/or a civil claim being made against you by your seller and/or by the Park owner for breach of statutory duty.

Assignment of a New Agreement

Where the occupation agreement being assigned commenced after 26 May 2013, or has been assigned since 26 May 2013, it will be a "New Agreement".

To purchase a park home and take an assignment of a New Agreement you and your seller will need to follow all of the steps set out in this guide, except for step 3 (the "Notice of Proposed Sale" Form), which only applies to Existing Agreements.

How we can help

IBB Solicitors are one of only a handful of firms of solicitors in England who specialise in all aspects of park home law. We offer a friendly, efficient and fixed price service for anyone looking to buy a residential park home. By instructing IBB Solicitors to deal with the purchase of your park home you will have the reassurance of knowing that you are in expert hands.

Who do I contact for further information?

If you have any questions, or would like a free, no-obligation quote for buying a park home, please contact our team on:

03456 381 381

or e-mail:

enquiries@ibblaw.co.uk

The logo for IBB solicitors, featuring a small blue diamond icon above the letters 'IBB' in a purple serif font, followed by the word 'solicitors' in a blue sans-serif font.

IBB solicitors

A photograph of a modern, light-colored park home with a white porch and railing, situated on a grassy bank next to a pond. The sky is blue with some clouds. The text 'Relax we're working for you' is overlaid on the bottom right of the image in white.

Relax
we're working for you



John Clement

John is a Partner in IBB Solicitors' Commercial Dispute Resolution team.

He qualified as a solicitor in 1993 after graduating from Southampton University and joined Turbervilles* (as it was then known) in March 2000, becoming a partner in 2001.

He specialises in all aspects of commercial litigation, including general contractual disputes, commercial landlord and tenant matters, intellectual property claims, and disputes involving residential park homes, where he is regarded as one of the country's leading authorities.

John regularly speaks at local BH & HPA events and advises the National Caravan Council.

** Turbervilles and IBB Solicitors merged on 01 January 2018, the merged firm is known as IBB Solicitors.*

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