

Mobile Homes (Wales) Act 2013 – Information Sheet Buying a Mobile Home in Wales

October 2014



This information sheet is part of a series about the rights and obligations of mobile home owners and site owners in Wales.

It gives some basic guidance to people considering buying a mobile home and how the Mobile Homes (Wales) Act 2013 has affected the purchase process.

This information sheet does not give an authoritative interpretation of the law, only the courts can do that. Nor does it cover all cases. If further advice or information about legal rights or obligations is needed, contact the Citizen's Advice Bureau or a solicitor.

#### Introduction

The Mobile Homes (Wales) Act 2013 was passed by the National Assembly for Wales in November 2013. The new law is designed to give greater protections to owners of residential mobile homes in Wales.

If you are considering buying a mobile home you should read all associated information sheets which give you important information about written statements, pitch fees, site rules and the process for selling or gifting a mobile home.

It is recommended that you take legal advice when buying a mobile home. This is especially important as the Mobile Homes (Wales) Act 2013 places buyers and sellers under certain obligations to provide relevant information before the sale is completed.

If all the necessary information is not provided by you or the seller, your purchase of the property and ability to live in it could be at risk.

### Before you buy a mobile home some things to consider

- You will be buying the home but not the pitch (plot). The pitch will remain in the ownership of the site owner who is responsible for maintaining and managing the site.
- The agreement between you and the site owner (the written statement) is set out in the Mobile Homes (Wales) Act 2013 and the Mobile Homes (Written Statement) (Wales) Regulations 2014, which set out the rights and obligations of each party.
- You should be aware of ongoing costs associated with buying a
  mobile home. You will have to pay a monthly pitch fee to the
  site owner for the occupation of the pitch and you may be
  charged separately for water, gas and electricity which the site
  owner may supply directly to your home. Your home will also be
  subject to council tax which you will pay directly to the local
  authority.
- Should you sell your home in the future, the site owner will be entitled to a commission (of up to 10%) from the sale price of your home.

- An Energy Performance Certificate is not required but you may wish to commission a survey of the home or ask to see any warranties.
- If the site has rules you must be able to comply with these.
- You will need to make sure that you complete and are given all the necessary paperwork. Different rules apply for buying a home from a resident or a site owner.
- It is strongly recommended that you use a solicitor when buying a mobile home.

Different rules apply when purchasing a mobile home depending on who you are purchasing the property from and when they acquired the property.

If you are planning to buy a property from an existing mobile home owner, read **SECTION 1**.

If you are planning to buy your home directly from a site owner, please read **SECTION 2**.

SECTION 1 – Buying a property from an existing home owner It is advised that you use a solicitor or other professional when buying a mobile home. There are a number of statutory procedures to follow and you, as the buyer, have a number of obligations. Professional assistance will help ensure that sales run smoothly and mistakes are avoided, which could have repercussions for you at a later date.

# **Buyer's Information Form**

Once you and the seller have agreed a purchase price for the property, the next step is for the seller to provide you with a copy of the **Buyers Information Form.** 

This form gives you all the important information about the sale, the site, its rules, the utilities and the pitch agreement. It is the seller's responsibility to provide you with all the correct documents and to make sure that the information provided is accurate.

If the home owner you are buying from acquired the property before 1 October 2014 you will both need to complete the Notice of Proposed Sale Form If the home owner you are buying from acquired the property after 1 October 2014, you can go straight to completing the sale.

### **Notice of Proposed Sale Form**

You and the seller need to complete the Notice of Proposed Sale Form. On this form you need to confirm that you can comply with the site rules about pets, parking and age restrictions. This form then needs to be given to the site owner.

If the site owner has evidence that you can not meet the site rules, they can apply to the Residential Property Tribunal for a refusal order to stop the sale.

The site owner has 21 days to apply to the tribunal and tell you that they have done so. If they don't, the sale can go ahead. If the site owner applies to the tribunal, you and the seller may be asked for more information.

If a refusal order is granted, the sale can't go ahead and you will not be able to buy the property. If a refusal order is not granted the sale can proceed.

## **Completing the Sale**

The sale can move to completion if:

- The site owner has not objected to the sale and applied to the Residential Property Tribunal within 21 days
- The Residential Property Tribunal decided in your favour
- You did not need to complete the Notice of Proposed Sale Form because the current owner acquired the property after 1 October 2014

The seller now needs to complete the **Assignment Form** and give it to you. This form transfers the pitch agreement to you. This is the agreement between a mobile home owner and site owner regarding the siting of your mobile home on the pitch on the site.

You must then pay the sale price to the seller (minus the commission rate). You then have seven days to tell the site owner using the **Notice of Assignment Form** that the pitch agreement has been transferred and the sale completed and show evidence of payment.

You then have another seven days to pay the commission rate to the site owner.

### **SECTION 2 - Buying a mobile home from a site owner**

If you are planning to buy a park home from the site owner it is recommended that you get help from a solicitor or other professional. You will want to make sure you have in advance all the necessary information to make an informed decision about whether you want to proceed with the purchase. You may also wish to make enquiries with the local authority which licenses the site.

### **Getting started**

The site owner should provide you with all the relevant information in writing, which may include:

- the sale price
- the proposed pitch fee and the next review date
- details of utility services including the supplier, and where the supply is from the site owner, the estimated charges for those services- including the resale charge for liquid petroleum gas (LPG)
- details of any other charges, e.g. for a shed or a garage
- details of the council tax payable for the home
- details of any rules applying to the park
- details of any valid warranty for the home or a recent survey
- details of any planned alterations or improvements to the site
- confirmation that the site has relevant planning permission for residential use and the extent of the site owner's ownership of the land.

Having read this information, if you decide you want to purchase the home, the next step is for the site owner to give you a **Written Statement**. This document sets out the terms of the proposed pitch agreement, including those implied into the agreement by law. It also contains certain information about your rights which the site owner is legally required to provide to you. You should also make sure you are given a copy of the site rules, which set out criteria for living on the park and other site management rules.

#### **Written Statement**

The written statement must be given to you 28 days before you enter into the contract to buy the park home or sign the pitch agreement. At this stage you are under no obligation to purchase the home.

You can agree in writing to the written statement being given to you less than 28 days before you sign the agreement, if you want to complete the sale sooner. The site owner cannot however, require you to do so.

### **Express and implied terms**

The Written Statement sets out the terms under which you are permitted to station your park home on the pitch and in the site. There are two types of terms. These are those which are implied by law and apply to all park home agreements subject to the Mobile Homes (Wales) Act 2013. These are called "implied terms" and apply to your agreement whether or not they are written down, although the site owner should have included a copy of the terms in the written statement/agreement. The other terms apply to your specific agreement and which you have agreed to with the site owner, these are known as "the express terms".

If there is any discrepancy between the express and implied terms or you have not been given a copy of the right implied terms you should tell the site owner and ask them to correct this before you sign the agreement.

#### Site rules

If a site has rules you should be given a written copy of them.

## **Entering into the pitch agreement**

You should not agree to purchase the home unless the written statement, pitch agreement and site rules are in order. You are entering into a contract and it is important that it is legally correct and complies with the Mobile Homes (Wales) Act 2013. This will make sure disputes in the future can be avoided.

If you are satisfied the legal paper work is correct and you have agreed to purchase the home, the pitch agreement needs to be signed and dated by you and the site owner. It needs to set out the date when the agreement begins from, the pitch fee payable and contain the information given in the written statement (sometimes the pitch agreement will be a dated version of the written statement).

### If the site owner fails to give you a written statement

If the site owner does not give you a written statement, or gives you one that does not comply with the law, then no express terms in the agreement are enforceable until the written statement is given. This includes the payment of the pitch fee. You can apply to the Residential Property Tribunal for an order requiring the site owner to give you a written statement.

Challenging express terms and applying for additional terms
After you have purchased a home, you (or the site owner) can
apply to the Residential Property Tribunal to vary or delete an
express term in the agreement if you consider it be inappropriate
or unfair. You cannot, however, challenge a term implied by law.

Whether buying a mobile home from a home owner or the site owner ...

# Keep the legal paper work safe

You will need to refer to the pitch agreement, written statement and site rules in the future, especially if an issue about your rights or obligation arises or you want to sell your home. It is, therefore, essential you keep the documents and any amendments to them, in a safe place.