INFORMATION FOR NEW OWNERS OF MANUFACTURED HOME COMMUNITIES

The Delaware Manufactured Home Relocation Authority (DEMHRA) is available to assist new owners of manufactured home communities. As a community owner, you are required to comply with the Landlord-Tenant Code, Title 25 of the Delaware Code. Following are the procedures to follow for registering new ownership information with DEMHRA and creating a new business account with the Division of Revenue. We have also included general information on rent increase requests.

Our office is located at 1979 S. State Street, Dover, DE 19901. The telephone number is 302-674-7768, and the fax number is 302-674-7769. The main email address is gregory.sutton@delaware.gov.

To Register with DEMHRA, Provide the Following Information:

- Settlement Date.
- Complete and return an annual registration form (on the DEMHRA website, in the "forms" section). If you need assistance completing the form, or need a copy sent to you, please contact our office.
- Your business name, contact person, address, telephone and email.

To Register with the Division of Revenue:

- Contact Ms. Christine Hambleton at the Division of Revenue to create your business account. Her telephone number is 302-577-8681. The mailing address is Delaware Division of Revenue, PO Box 2340, Wilmington, DE 19899-2340. Her email address is Christine.Hambleton@delaware.gov.
- Once the account is created, you will be able to pay the quarterly assessment fees.

Trust Fund Assessment Payments:

- Quarterly assessment fees apply only to homes occupied on rented lots. Vacant lots or abandoned homes are excluded. Seasonal communities are excluded. If a community has both seasonal and year-round tenants, only the tenants with year-to-year or long-term leases pay assessment fees.
- The owner of each manufactured home community must collect and remit monthly assessment fees of \$2.50 for each affected tenant, and \$2.00 for the community owner's assessment fee on a quarterly basis. It is your responsibility to collect assessment fees from the tenants. The assessment fees are due 20 days after the end of each calendar quarter. Non-payment for more than two quarters may result in legal action.
- To pay assessment fees electronically, go to the <u>tax.delaware.gov</u> website to complete the MHR-Tax form. <u>If you are paying multiple quarters, be sure that you have only one monetary transaction for each quarter</u>. Failure to do this will result in your account not being properly credited and your account may show as being delinquent.
- If you are unable to pay on-line, you can print out a copy of the MHR-Tax form that can be found on the DEMHRA website in the "forms" section. If you are paying multiple quarters, be sure that you have only one monetary transaction for each quarter. Failure to do this will result in your account not being properly credited and your account may show as being delinquent. Mail the MHR-Tax form and payment to the Division of Revenue (address is listed above).

Rent Increases:

Community owners can raise rent only once per year. There can be no current health or safety violations. DEMHRA must certify all rent increase requests. The procedure to request a rent increase is as follows:

• Send your written rent increase request to DEMHRA with a copy to Consumer Protection Division, Delaware Department of Justice, Carvel State Building, 820 N. French Street, Wilmington, DE 19801.

- Your request must be based on the current CPI-U rate as published, and can be found on the DEMHRA website in the "CPI-U" section. The request must include a list of affected tenants(s), and a sample letter that will be sent to the tenants, dated no less than 20 days after the date of the rent increase request you sent to DEMHRA.
- You can raise the rent consistent with the current published CPI-U, or you can use the formula as follows:

Example: Current CPI-U = **5.180**%

or

Divide 5.180% by $\frac{1}{2}$ = 2.59%

Add 3.5% <u>3.50</u>%

6.09%

If you have any questions, please do not hesitate to contact DEMHRA.