

Manufactured Homes (Residential Parks) Amendment Bill 2024

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GOLDEN SHORES

The new wave in resort style living

Manufactured Homes (Residential Parks) Amendment Bill 2024

Housing, Big Build and Manufacturing Committee

8/4/2024

Dear Committee Secretary,

My name is Brian Bartels and I am a Director of Golden Shores, a 353 site Residential home park in Hervey Bay. Myself, along with my business partners including Greg Beavis, developed this home park in 1995 and it has operated as a family business ever since.

In our 29 years of ownership and management we have thoroughly enjoyed being involved in the industry. At Golden Shores we have never been to QCAT in relation to a rent or market review, which we consider is due to our personal and hands-on approach. In fact, we have never been to QCAT for any issue or reason at Golden Shores.

In relation to the proposed amendments to the *Manufactured Homes (Residential Parks) Act 2003* (the "Act") we are very concerned with the "rent control" proposal at Clause 69B of the Act and with the removal of the Market Review mechanisms.

The market review offers the potential for single park operators like ourselves the tools to keep pace with the industry and believe the market should set the price. Upon review of our records, Golden Shores management has only elected to carry out three (3) market reviews in the last 16 years, at least two less than the current legislation allows. These reviews were implemented to ensure our operation maintained profitable standards.

Historically, in our opinion, house site agreements did not include fixed rental increases and all of the site agreements at Golden Shores do not include fixed rental increases. Without a market review, we consider this will create an unfair playing field between newer (and typically larger) operators at a capped 3.5% whilst we will be left behind on the current rent review method in our existing contracts if CPI is below 3.5%.

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If the Market review is to be removed, we submit the proposed amendments to Clause 69B of the Act must be implemented for the yearly rent increase and retrospective to existing contracts. We further submit resale contracts should not be allowed to be assigned so as to allow a park owner an update for a site rent increase, however we submit this is a very slow method of trying to assist with market catch up.

Regarding the proposed “buy back scheme”, we are very concerned that a government legislated Act can enforce private enterprise to purchase another person’s freehold assets against the companies' rights.

In our case a homeowner is free to use an external sales agent. In situations such as this we generally have no input into the marketing process or sales price yet could be forced into buying said property.

In our opinion, the amount of new reporting obligations required by the registration and regular updates of a home park to the Chief Executive Department and with the new and ongoing comparison document also required by the Chief Executive Department, we believe this will increase the amount of small business or family run residential park owners leaving the industry and selling out to the bigger operators. That is if the larger operators don’t leave the state to operate under fairer operating legislation in other jurisdictions.

We are of the opinion that the Committee should re-evaluate these changes to the industry as we are concerned about the future development and the progress of the Residential Home Park industry at a time when Queensland is experiencing a housing crisis.

Regards,

A large black rectangular redaction box covering the signature area.

On behalf of Greg Beavis and Brian Bartels
Directors, Golden Shores