Harmony Communities

- Harmony Communities is a Predatory organization they buy Senior Mobile Home Parks and then underhandedly try to turn them into All Age Parks – purely for Profit!
- Their practice is to buy out homes from existing residents and keep them as rentals/but empty until such time they succeed in turning the Senior Park into an All Age Park by monopolizing a 20% or greater of the homes in the park.
- Their intent is to change the Rent Control for Senior Mobile residence to an increased rent percentage based on an All Age Community.
- Del Cielo Mobile Estates Senior Park is not logistically set up to accommodate All Age / Families with children, young adults.
- The footprint of the property is such that having family residents with multiple vehicles would not allow for safe/appropriate parking
- There is no place for children to play, no place to establish a play area.
- The residents of the park, some of which bought their homes and have lived in the park for many years did so with the intent to have a safe, quiet calm place to live not to mention affordable.
- If the residents wanted to live in an All Age park they would have purchased a home located in one of those parks.
- Harmony Communities practices and behaviors amount to Senior Abuse!
- Harmony Communities personnel have tried to imply to Realtors that
 are listing a park home for sale that they must include in the listing
 information that Del Cielo is an All Age Park IN FACT TO DO SO
 WOULD BE A LIE, THE REALTOR DOES NOT HAVE AN
 OBIIGATION TO AND SHOULD NOT INLCUDE THAT AND IN FACT
 IT WOULD BE A FALSE STATEMENT AS THE PARK IS NOT AT
 THIS TIME AN ALL AGE PARK.

Below are several reports of the type of practices that Harmony Communities has been involved in and been sued over.

https://gvwire.com/2023/03/20/dont-believe-a-single-word-from-harmony-communities/

Harmony Communities

By David Taub, Senior Reporter Published 1 year ago on March 20, 2023

Harmony's handling of Trails End (now called La Hacienda) was heavily in the news last year. Residents worried about what a new owner with a less-than-stellar reputation would bring. Several court cases in eviction court gave them the answer.

The Business Journal asked Harmony questions and received correspondence from Heywood Jablóm, said by the company to be its director of communications and marketing. **TBJ put two and two together** and realized Harmony pulled a fast one on them. The paper then exposed Harmony's childish trick.

Say that communication director's name out loud (or silently if kids or your boss are around). It is a joke I told when I was an immature 15-year-old with my friends.

Related Story:

No Apology or Contrition by the Company

I asked Harmony's Matthew Davies why the company would do this. The response (links included):

"Subjects of man-on-the-street interviews sometimes give Heywood Jablome as their name to reporters. If the **reporter's** a novice and if the **newspaper's** copy editor doesn't catch it, the name ends up in print, embarrassing the newspaper and the poor **scribe** who was gullible enough to scribble down the bogus moniker."

Still living the prank, Mr. Jablóm provided me the response, and sent a link to an **Urban Dictionary** entry. Harmony is not the first to use the pseudonym. Others have **resorted to the silly prank**.

So, Harmony lied to reporters to embarrass them. A company that has hundreds, if not thousands, of people's lives in the palm of their hand wants to play a joke.

It would be funny except for the residents facing eviction or what they consider draconian regulations that could make them homeless.

If Harmony had any credibility, it is shot now. I hope the city of Fresno remembers this next time they have an official dealing with Harmony.

Harmony used a stock photo for its communication director, just some actor. Some sleuths found it also used on a website for a service to make men ... more male.

Others Not Amused

Mariah Thompson, with California Rural Legal Assistance, is defending several La Hacienda residents facing eviction.

"I think that tells the public everything they need to know about their company values," Thompson said.

Jess Maxcy, president of the industry group California Manufactured Housing Institute, had a succinct reaction.

"What you have described is not professional," Maxcy said.

https://mhphoa.com/news/2023/01

Thu, Jan 26, 2023 – Introduced by Assembly Member Addis, Assembly Bill 318, an act to repeal Section 18806 of the Health and Safety Code, relating to mobilehomes..

Existing law, the Mobilehome Residency Law Protection Act, establishes the Mobilehome Residency Law Protection Program within the Department of Housing and Community Development to resolve complaints from homeowners relating to the Mobilehome Residency Law. Under existing law, the act is repealed on January 1, 2024.

This bill would remove the January 1, 2024, repeal date and make the act operative indefinitely.

AB-318 Mobilehome Residency Law Protection Act (2023-2024)

Shady Lakes Highlights Challenges for Mobile Home Park Residents

RE: Fresno, California / Shady Lakes Mobile Home Park / Harmony Communities

Tue, Jan 24, 2023 – Almost four years after suing a Stockton-based investment company, residents of a Fresno County mobile home park have experienced a near-100% increase in rent.

Many of the 60 families at Shady Lakes Mobile Home Park near Chestnut and Lincoln avenues have lived there for well over a decade, drawn by the lower cost of living. But it only took four years under ownership of Shady Lakes LLC and managed by Harmony Communities – both of which are owned by the same person – to undergo the triple-digit increase in rent.

Under terms of the lawsuit, residents would at most compel ownership to better maintain the property they acquired in 2019 as well as get them to undo what they say is retaliation against the lawsuit.

In the deposition process, it came out that the rent increase is part of Harmony Communities' business practice to bring the property up to market rates, said Thompson. For a resident who was paying \$395 a month for a site, they are now paying \$690, not including water and trash, which at one time was included in the price to keep a home at the park.

At the time the lawsuit was filed, shortly after Harmony Communities had purchased the property, rent had increased 32%. Before the most recent increase it was at 72% bump. After adding new utility fees that had been parceled out and another increase, in some cases rent had climbed over 100% since 2019.

https://gvwire.com/2023/11/15/mobile-home-park-owner-sues-petaluma-over-closure-rules-will-lawsuit-affect-fresno/

On Thursday, the Fresno City Council will hear a request from Harmony Communities to shut down its La Hacienda Mobile Home Park.

Meanwhile, a lawsuit from a Petaluma mobile home park owner seeks to undo a law preventing the owner from selling a park there.

More than 100 cities throughout California have special rules for mobile home parks.

Many require park owners to conduct studies on how closing would affect residents. The owners then have to report how they would compensate residents for their lost homes. And, a closure impact report has to be approved by local officials before a park closes.

Officials look at mobile home parks differently than other forms of housing because people living there often own the homes but not the land. But because moving a mobile home can be expensive, residents often leave the trailers behind if the park closes.

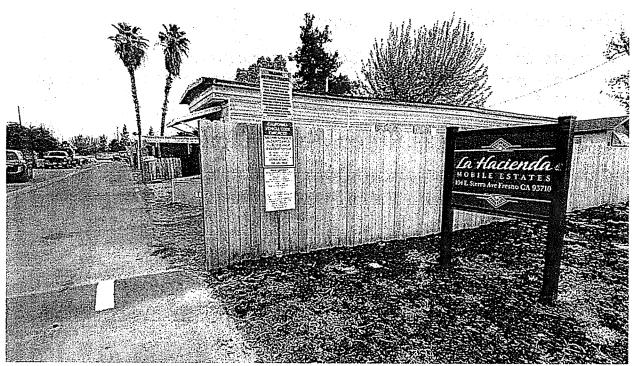
In addition, mobile home parks are often seen as the last bastions of affordable housing.

City Must Hold Harmony Communities Accountable: Karbassi

City of Fresno staff recommends that councilmembers reject Harmony's report because the city attorney's office says the report is inadequate.

Fresno City Councilmember Mike Karbassi says that in light of Harmony's commitment two years ago not to sell, the council has a responsibility to hold the company accountable.

"Not even two years later when they said they weren't going to sell and now they're trying to sell," Karbassi said. "I think we have a responsibility to no longer take them at their word and ensure we hold them accountable."



Harmony Communities, operator of La Hacienda Mobile Estates in Fresno, says it is shutting down the park in 12 months. (GV Wire/David Taub)

We Have a Legal Right to Close the Park: Owners

Petaluma's Little Woods Mobile Villa houses people of all ages — a majority of them Spanish speakers — in its 78 spaces.

Residents of Little Woods Mobile Villa received notices that their monthly rent would more than triple in the coming year, according to KTVU, the Sinclair News

affiliate in Petaluma. For one resident, that meant going from a \$500 monthly rent to more than \$2,215 a month.

Harmony Communities manages Little Woods Mobile Villa but is not involved in any litigation, according to a company representative.

Like Fresno, Petaluma limits how much rents can be raised. In August, Petaluma officials strengthened the city's protection for renters, capping increases to either 4% or 70% of the <u>Consumer Price Index</u> — whichever is lower. Using the current CPI, rents in the park are capped at a 2% yearly increase.

Property owners wanting to raise it more than the limit have to seek approval from the city.

Rent control laws have limited park owners' ability to pay their expenses, forcing them to close the park, the lawsuit alleges.

"This inevitability has forced Little Woods ... to begin the park closure process, rather than continue to operate a business that is doomed to become insolvent," the lawsuit states.

Lawsuit Challenges Rules About Closing Parks

The Petaluma park owners say that the state cannot compel a business to continue to operate and that merely bringing in enough rent to stay in business is not "a fair return."

They said a fair return consists of rents that cover the reasonable costs of maintaining and operating the rental property and a reasonable return on capital.

The lawsuit also blames mobile home owners who rent instead of purchasing land.

"Mobilehome owners make the deliberate economic decision to lease the land for a fraction of the cost of land ownership and thereby accept the known risk—as leaseholders—that the landowner can close the park and require their relocation," the lawsuit states.

TO:

PREMISES: 104 E. Sierra Avenue

Fresuo, CA 93710

(hereinafter the "Premises")

YOU ARE HEREBY NOTIFIED THAT your tonancy of the Premises hereinabove described will terminate twelve (12) months after service of this Notice.

MOBILE

YOU ARE HEREBY FURTHER NOTIFIED THAT LA HACIENDA MOBILE ESTATES, LLC (hereinaster the "Park") is exercising its right to terminate your tenancy for the purpose of permanently closing the Park.

YOU ARE HEREBY FURTHER NOTIFIED THAT within twelve (12) months after service of this Notice upon you, you are required to quit said Premises and remove or sell the mobilehome and deliver up possession of same to the Park Manager who is authorized to receive possession thereof.

YOU ARE HEREBY FURTHER NOTIFIED THAT even though your tenancy is terminated, your obligation to pay rent, utility charges, and reasonable incidental service charges is not extinguished as long as you or your mobilehome remains in the Park. The failure to pay rent, utility charges, or reasonable incidental service charges will subject your tenancy to earlier termination.

YOU ARE HEREBY FURTHER NOTIFIED THAT even though your tenancy is terminated, you remain subject to all Rules and Regulations of the Park, including those regarding space maintenance, as long as you or your mobilehome remains in the Park. The failure to follow all Rules and Regulations of the Park will subject your tenancy to earlier termination.

THIS NOTICE IS INTENDED AS A TWELVE (12) MONTH NOTICE TO TERMINATE POSSESSION AS PROVIDED BY CALIFORNIA LAW.

DATED: April 14, 2023

LA HACIENDA MOBILE ESTATES, LLC

By: VOVV

Print Name: Erika Roman

A copy of a 12-month eviction notice that was distributed to several residents at La Hacienda this spring. (GV Wire/David Taub)

City of Fresno May Decide on La Hacienda's Future Thursday

Back in June, Harmony submitted its tenant impact report to Fresno officials minus a required appraisal of the mobile homes. It wasn't until September that the company returned an amended report.

The company has set aside \$225,000 to buy residents' mobile homes and help with moving costs. But those funds are only for tenants in good standing.

On Tuesday, the city of Fresno's Mobilehome Park Rent Review and Stabilization Committee delayed for a week a request by Harmony to raise rents by \$350 a month.

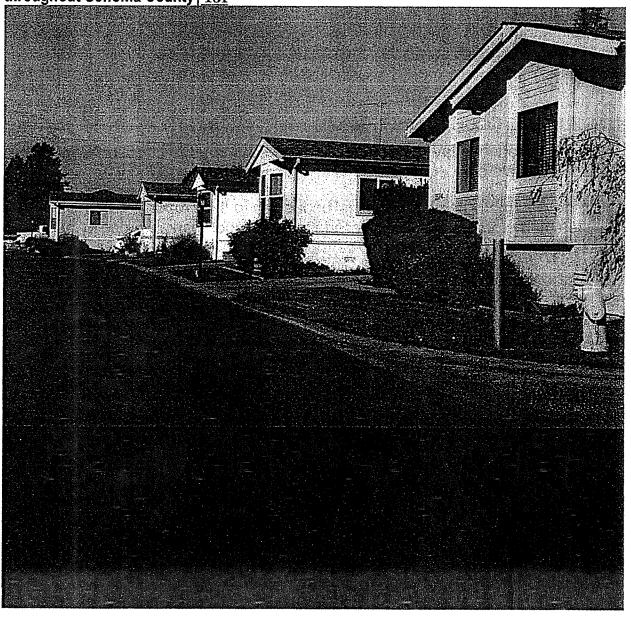
Roughly half of the residents remain, according to Mariah Thompson, a Fresno attorney representing a group of La Hacienda tenants.

https://www.pressdemocrat.com/article/news/a-santa-rosa-mobile-home-park-for-seniors-is-being-converted-to-all-ages-to/

https://www.pressdemocrat.com/article/news/mobile-home-park-owner-threatens-closure-after-cotati-passes-regulation-to/

Mobile home park owner threatens closure after Cotati passes regulation to protect senior residents there

It's the latest in a wave of backlash by some park owners to new mobile home protections throughout Sonoma County | 161



Royal Oaks Senior Mobile Home Park in Petaluma, Tuesday, Nov. 28, 2023. (Crissy Pascual /

Argus-Courier Staff)

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MARISA ENDICOTT

THE PRESS DEMOCRAT

December 18, 2023

Nick Ubaldi, whose family owns Country Side Mobile Home Park and who works for the company, Harmony Communities, that manages it, spoke up during public comment at a Cotati city council meeting Tuesday with an ominous message about the city's new regulation protecting park residents.

"You voted for a lawsuit," Ubaldi said. "The property value far exceeds its current use. This is a private business, and we will no longer bear the burden of Cotati's affordable housing efforts.

"The city can build and subsidize its own," he continued. "After tonight's vote we have decided to immediately begin the closure process for Country Side Mobile Home Park."

Earlier in the meeting, city council members unanimously approved a "senior mobile home park overlay zone" to preserve the Country Side's status as a park for older residents only.

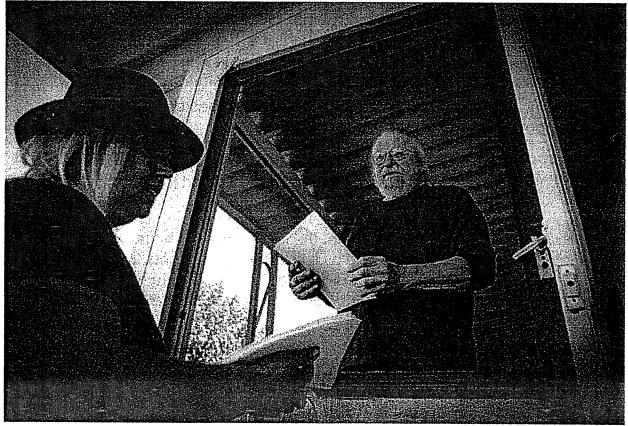
The move was motivated by residents' opposition to the property owner's attempt over the summer to convert Country Side to an all-ages park in order to increase profitability.

"A key concern is loss of affordability and displacement due to increased rents, as an all-ages park might attract households with multiple income earners that can afford a higher space rent than fixed income seniors," Cotati planning commission staff noted in a November report.

RELATED STORIES



Beleaguered residents of Little Woods mobile home park in Petaluma get organized



\$900/month rent hike shocks Petaluma mobile home residents
"Maintaining all types of housing that is affordable, including senior housing, is an important policy goal of the City Council," said Damien O'Bid, Cotati's city manager. He noted that the overlay will "only maintain the status quo and preserve the currently existing senior housing."

Housing stability for older adults has become an increasingly important goal. Elders are California's <u>fastest growing</u> homeless population, a trend <u>reflected in</u> Sonoma County.

Mobile homeowners in other Sonoma County cities like Santa Rosa and Petaluma have asked officials for a similar protection as Cotati's as owners have moved to change age designations in some parks. In October, Petaluma approved an overlay district codifying the "seniors only" designation at its 55-and-older parks.

In a statement, Ubaldi said Cotati's "interference in our private business operations is a cause for serious concern ... We firmly believe that affordable housing should be accessible to all Cotati residents."

"Our mobile home park has been subsidizing tenants' rent without any assistance from the city, resulting in an unsustainable trajectory that threatens the long-term viability of our business," he said.

Ubaldi's threat of closure and litigation is part of an increasingly contentious response by park owners to a wave of mobile home regulations across Sonoma County. With mobile homes considered a last bastion of affordable housing, in the last year, new laws to tighten rent control and enact other protections have gone into effect in Santa Rosa, Petaluma, Windsor Sebastopol and the unincorporated county.

Rohnert Park, where several mobile home parks are owned by nonprofits, has not faced the same level of pushback despite a similar and longer standing rent cap.

Residents, who own their homes but not the land underneath, have raised alarm bells about being pushed to the edge by increasing space rents that exceed fixed income payments that many rely on. A broader trend of private equity and property investment firms snapping up parks and aiming to maximize profits has also driven concern.

But, park owners say they also face increasing costs and contend the new laws interfere with their right to a fair return and ability, even, to keep parks afloat.

In Petaluma, owners of two mobile home parks, Little Woods Mobile Villa and Youngstown, both have said they intend to close. Any mobile home park owner wishing to shutter must adhere to a lengthy process strictly regulated by state and local laws. Among other requirements bolstered in 2020 by AB 2782, park residents must be offered some measure of relocation or compensation.

Youngstown also attempted to switch its age designation but was blocked by one of Petaluma's new laws. However, in defiance of the rule, the park continues to advertise as all-ages in its online property listings.

Around the same time, <u>residents at</u> the <u>two parks</u> received notices of more than 100% rent increases, triggering arbitration processes under mobile home laws that will play out early next year. The proceedings could provide a clearer picture of park owners' finances as they make their case for rent hikes that exceed legal limits.

In October, the same owners jointly filed suit over Petaluma's new rent cap for allegedly forcing them to operate at a loss. The complaint also focuses on recent changes to state mobile home law. This month, Petaluma filed a motion to dismiss the lawsuit.

https://www.gsmol.org/inside-the-nearly-three-year-struggle-for-residents-at-fresnos-la-hacienda-mobile-home-park-formerly-trails-end/

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