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The Honorable Pegeen Hanrahan, Mayor
Mr. Craig Lowe
Mr. Sherwin Henry
Ms. Jena Mastrodicasa
Mr. Ed Braddy
Mr. Rick Bryant
Mr. Jack Donovan
PO Box 490
Gainesville, FL 32601

May 9, 2006

RE: Commission questions about Buck Bay

Dear Commissioner,

First, let me apologize for not being present at the Monday night commission meeting for the Buck Bay item. I had injured my knee while working on a house with The Dignity Project. I didn't catch the questions asked by residents, but got the gist of it when I tuned in later, and would like to answer your questions:

1. Buck Bay Ownership: Buck Bay is owned by a Limited Partnership, Buck Bay Ltd. The limited partners are John & Kathy Kish, Shirlee Gerber (wife of the late Gene Gerber), my wife Susan and me. Spain & Cooper Construction has nothing to do with it. Burgreen Enterprises has nothing to do with it. Management is handled by Shirlee Gerber's daughter, Adina Swan.

2. Annette Kennedy & Burgreen Enterprises: The situation with Annette Kennedy and Burgreen Enterprises was an anomaly. Burgreen has purchased a total of six homes in Buck Bay, homes which were in need of major repair, did some fix-up and re-sold the homes. Three are currently for sale. Two others have been occupied by the buyers for some time and they are quite happy. *Please note: Buck Bay owners and management has no connection with Burgreen in any way. They are no different that if one of you were to buy a home in Buck Bay, fix it up and re-sell it.*

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Mailing Address: 2321-A2 N.W. 41st Street · Gainesville, FL 32606
(352) 372-7700

EXHIBIT

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3. Renting vs owning: No one is allowed to rent their home in Buck Bay. Neither Buck Bay nor any of its principles nor anyone remotely connected with them, owns any home in Buck Bay (with the exception of one which we just got title to due to the death of the owner who had no relatives and owned back rent). If any owner sells, Buck Bay must approve the new resident and there must be a valid sales agreement between the Buyer and Seller on file in our office, which there was for Ms. Kennedy and is for the other Burgreen buyers. The difficulty arises in how that "sale" is structured. Generally, a mobile home is handled just like a car: the title is transferred to the buyer and the lien holder, in this case also the seller, has the lien recorded on the title. The other way is similar to a "contract for Deed" in real property, except it is not recorded in the public record. In this situation, the seller holds the title until the lien is paid, which is what happened in Ms. Kennedy's situation. Unfortunately, Codes Enforcement must cite the "owner of record" for any violations, and technically that was Burgreen since the title was not transferred to Annette Kennedy.

We have always allowed this as it helps buyers whose credit may be poor and helps sellers dispose of their home more quickly. While it helps in most situations, in a few cases, like Ms. Kennedy's, the buyer feels more like they are renting and problems occur. If you check with Codes Enforcement however, you will note there are very few issues with Buck Bay because the owners of the park stay involved in management on a daily basis.

While I am not at all convinced that problems with Ms. Kennedy was Burgreen's fault, and I'd be happy to delve further into that with any of you at any time, we have notified Burgreen that they may no longer sell homes in Buck Bay without transferring the title to the buyer (see attached).

4. Trees falling on homes: Our residents lease the lot, and in doing so take on all of the responsibility for the maintenance of that lot. Our Prospectus, which is the ruling document under state law and was approved in 1983, states that all lot and landscaping maintenance is the responsibility of the tenant. For your information, Buck Bay management has an arborist inspect the park (½ one year, ½ the next) and recommend what trees need to be trimmed or removed for the safety of our residents. This year, we sent out notices asking residents to identify trees they are concerned about so we could make sure those were inspected. At our expense, we then trim or remove those trees as recommended by the Arborist, *with approval from the City Arborist*. The lease and prospectus require that the resident maintain insurance, and should a tree fall on their home, it is the resident's responsibility, both for the damage and for the removal of the tree. This is clearly stated (see attached "Tree Policy") and is typical of many mobile home parks around the state and has been upheld in court. We have so many trees, grass won't grow on most lots. We could have, and it would have been cheaper, clear-cut the site when it was developed, as we evil developers are wont to do (joke). We have literally spent tens of thousands of dollars trying to maintain a healthy tree canopy of oaks over the planted pines which were predominant on the site. Our residents enjoy all of the many benefits of our doing so and must take the responsibility as well.

5. Resident's tenancy: Land-lease mobile home communities in Florida are governed by a separate state statute (Chapter 723 f.s.). None of the normal landlord-tenant rules or laws you might be familiar with apply. Any mobile home park can be closed by its owner at any time for any reason. The requirement of Chapter 723 f.s. is six month's written notice. There are also certain requirements for monetary payments by the park to each resident to aid in moving the home or paying for the home if it is left behind.

We have assured the current residents in writing (see attached) and in several public meetings that Buck Bay is not for sale (we turn down offers monthly) and we have no intention of selling or closing. Mr. Henry read the minutes of the Plan Board hearing, which correctly reflect what we have told the residents. *We have told them that we cannot state unequivocally what may happen in the future, as the owners are all approaching 60, but that absolutely nothing will change in 2006, 2007 or through August, 2008, and that a full year's notice would be given for ANY pending change.*

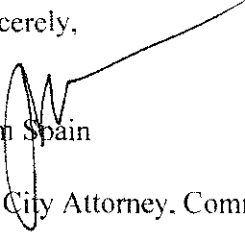
6. Rents: While I did not hear it, I assume from the later comments that a question was raised (no pun intended) about the rents. Yes, rents will go up. For several years when the economy was not doing well, we have forgone any rent increase, and its caught up with us. In eight years, our ad valorem taxes went up 750% from \$4,400 to \$34,400. That alone has added \$18.00 per month to each resident's rent. As you all know, everything else has gone up as well. Our rents average about \$195.00 per month while according to published reports, the average rent for comparable parks in Alachua County is \$235.00 per month. Our rents will go up this September by 6%, or \$11.00 per month on average. The Buck Bay prospectus allows increases of 10% annually. In 2004, there was no increase, and last year, was about 3%. **In the 25 years Buck Bay has been open, rents have increased considerably less than the C.P.I. during the same period.** They will likely go up about the same amount next year as well, since we agreed to spread the tax increase out over several years even though we had the right to pass it all along the first year.

7. Our pending zoning application: Many of the manufactured homes now being produced are built under the Florida Building Code and are referred to in the industry as "DCA homes" (what we all knew as "Modular Homes".) "DCA" homes are treated just like any home and can be placed on any lot in any (residential) zoning district except Buck Bay. The City determined that they cannot be placed in Buck Bay because the County PUD mentioned "mobile homes" (what we think of as "Mobile Homes" are regulated on the federal level buy the Department of Housing and Urban Development and are referred to as "HUD-code homes"). The "DCA" homes look nicer (please see attached) and we want to be able to place these homes if desired. We have had to turn away several potential residents who wanted to move them into Buck Bay.

8. Summary: Ninety-eight per cent of our residents are happy with the park and with management. While we were not required to do so, we notified all 144 residents about the Neighborhood Workshop. Only seven showed up. Only four appeared at the Plan Board meeting. Unfortunately, Ms. Kennedy was in the 2% of residents who would be unhappy even if the lot rent was free. When complaints like hers reach the City Commission, assumptions tend to be made about the evil tactics of the landlord which are in this case, absolutely unfounded.

None of the issues being discussed Monday night are relevant to the pending zoning application to allow "DCA" or "Site-built" homes in Buck Bay, which will only improve the current resident's home values. None of the issues being discussed Monday night (trees, rent increases, code enforcement issues, who-owns-the-home, etc.) are governed by familiar landlord-tenant laws. I give you my personal assurance that our dealings with Codes Enforcement and the Building Department are without complaint, we care about our residents, the owners are involved daily with management, and we have promised the residents in writing that there are no immediate (three years or more) changes planned and they will have more than adequate notification (at least double the statutory requirement) should that status change in the future.

Sincerely,



Tom Spain

xc: City Attorney, Community Development Director

10-15-04

Buck Bay tree policy:

Buck Bay has a tree management program that includes having all trees in the park inspected on a bi-annual basis, by a tree surgeon, to protect the health of the trees and to prune to increase canopy for more light according to best management practices. Typically, approximately 25% of the half of Buck Bay are inspected and trimmed yearly so that the entire community is checked every two years. This schedule may be adjusted at Management's discretion if the tree cover seems appropriate and the canopy is deemed to be in good condition, or if trees have been trimmed recently due to storm activity or for other reasons.

Trees within the resident's lot boundary are the responsibility of the resident. If we are notified that a tree is dead or otherwise poses a threat to the resident's property, or a neighboring property, we will notify the owner of the home on whose lot the tree is located that the tree needs to be removed. If the resident does not remove the tree in a timely manner so a continuing threat to property exists, management will have the tree removed and the resident responsible will be billed to cost of removing the tree. If not paid, the resident is subject to the normal notices and eviction procedures.

Trees or limbs a tenant may wish to be removed, i.e., small dead limbs, limbs that lean over against the tenant's home, trees that drip sap or drop berries or fruit, or are otherwise a nuisance, are the responsibility to the tenant, and the tenant may remove them *after receiving permission from management*. Tree or limb removal must be done by a licensed, insured tree surgeon unless the limb or tree is small, entirely within the tenant's lot and can be removed by the tenant using a pole saw with no threat to the tenant, tenant's property, neighboring property or Buck Bay property.



