Disclosure issue causes quandary for retailers

By Tiffany Revelle--Record-Bee staff
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LAKE COUNTY Area retailers have expressed concern about a one-page disclosure of a buyer's rights in the purchase of a manufactured home.

District 3 Supervisor Denise Rushing brought the issue before the county Board of Supervisors Tuesday in response to a concern expressed by Janice Paris and her husband Paul Frindt. The couple are constituents in Rushing's district who reported having bad experiences with a manufactured home they bought in 2002 and brought a proposal before the board for a one-page, east-to-read disclosure to be given to a buyer when money changes hands. Several local retailers expressed concern about the disclosure, both at Tuesday's meeting and in the days that followed.

"It's always buyer beware, on anything you buy," said General Manager Ken Celli with Lake County Manufactured Housing. "We're being pointed to as a business and saying, you have problems.' Doesn't everybody have problems?" Celli said the disclosure opens the door for litigation that may raise the cost of manufactured housing, cause projects to take longer and ultimately cost retailers. Paris quoted an American Association of Retired Persons statistic that three out of every four manufactured home owners has "serious" construction problems with their homes, many of which the AARP study says are either not repaired or cost the buyer out-of-pocket to fix.

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Local retailers criticized Paris' use of that statistic Tuesday, saying the numbers were taken largely from outside of California. According to the 1999 AARP National Survey of Mobile Home Owners, 10 percent of a "nationally representative" sampling totaling 933 manufactured home owners were from a westerly region including California and nine other states.

Celli said he's lost about $60,000 in home sales this week when two people canceled their orders because of negative publicity.

Scott Griffin of Residential Homes said Tuesday that he's been in the business in Lake

County for 24 years, and didn't see a need for "additional paperwork." He said consumers don't sign blindly, but ask questions about the release of money.

Griffin gave one example where a private inspector held up the last release of money in a sale for about a month because of a misunderstanding.

"If it continues with the market we have, it could put us out of business," Celli said. Paris said consumers often are not made aware of their rights until after money is exchanged, and it comes in the form of four pages of small font.

Rodney Ussher, manager of Baughn and Cameron, said he was concerned tha the disclosure would be duplicating state laws that require multiple disclosures already.

Paris said that once a manufactured home passes inspection by a municipal inspector, the money is distributed in escrow. The disclosure she and Frindt proposed would inform buyers of their right to hire an attorney and a private inspector, making the sale contingent on the private inspector's approval.

He said he is concerned about how a one-page disclosure would keep up with ever-changing state law, but said he has no problem with it as long as it is in compliance with state law.

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