



Department for
Communities and
Local Government

Fact sheet: Buying a park home

July 2013

This fact sheet gives some basic guidance to anyone intending to buy a park home on a protected site in England.

A separate fact sheet has been prepared for existing residents of park homes who wish to sell or gift their homes. This can be downloaded from www.gov.uk/park-homes-guidance.

This fact sheet does not apply to homes on local authority traveller sites because the provisions in the Mobile Homes Act 1983 relating to selling a home do not apply to these sites.

This fact sheet is not a full or definitive statement of the law and does not cover all cases. Ultimately, interpretation of the law is a matter for the courts and tribunals based on the individual facts of any particular case. The key legislation governing the selling and gifting of park homes is contained in Chapter 2 of Part 1 of Schedule 1 to the Mobile Homes Act (as amended) and in the Mobile Homes (Selling and Gifting) (England) Regulations 2013.

Getting further advice and help in buying a home

The Mobile Homes Act 2013 places a number of obligations on both the seller and you the buyer. A failure to meet these obligations could result in the site owner taking legal action against you or the seller.

Like any other home purchase, buying a park home is a major commitment. **You are, therefore, strongly advised to take advice from a solicitor or another professional - independent from the seller or site owner - when buying a home.**

The **Leasehold Advisory Service (LEASE)** can offer free, initial advice about your rights and obligations; although they cannot help you fill in forms, or act on your behalf. They can be contacted on **020 7383 9800** or at www.lease-advice.org.

Key things to bear in mind when considering buying a park home

- You will be buying the home, but not the pitch (plot). The pitch remains in the ownership of the site owner who is responsible for maintaining and managing the site.
- You will pay a pitch fee for the occupation of the pitch and you may be charged separately for water, gas and electricity which the site owner may supply directly to your home. You will pay council tax to the local authority.
- Your pitch agreement will be protected by the Mobile Homes Act 1983, which regulates the contract between you and the site owner and sets out the parties respective rights and obligations.
- If the site has rules you must comply with them.
- If you are buying the home from an existing resident, the site owner will be entitled to 10% commission of the sale price. Likewise should you sell in the future the site owner will be entitled to 10% commission.
- If you are buying the home from a resident you do not need to contact the site owner. You do not have to give any personal details to the site owner or attend an interview with them, even if you are told you do.
- An Energy Performance Certificate is not required but you may nonetheless want to commission a survey of the home, or ask to see any warranty.
- You will need to ensure that you complete and are given all the necessary paperwork. Different rules apply between buying a home from a resident or the site owner.
- You should remember that most park homes will fall in value over time.

Different rules apply depending on who you are purchasing the home from. You should read the relevant sections in this factsheet as these contain important information about obligations, rights and consequences when buying a park home.

- If you are planning to buy from a home owner who acquired their home before 26 May 2013 please read sections 1, 4 and 5.
- If you are planning to buy from a home owner who acquired their home on or after 26 May 2013 please read sections 2, 4 and 5.
- If you are planning to buy a home directly from a site owner please read sections 3 and 4.

1. If you are buying from a resident who became an occupier of the home before 26 May 2013

1.1 This section applies if you are buying a home from a resident who bought their park home (or were given it as a gift) before 26 May 2013.

1.2 You are strongly advised to use a solicitor or some other professional in completing a purchase. There are a number of statutory procedures to follow and you, as the buyer, have a number of obligations. Professional assistance will help ensure that sales run smoothly and mistakes are avoided, which could have repercussions for you at a later stage.

When you have found a home

1.3 When you have found a home that you wish to purchase, the seller must supply you with certain prescribed information and documents using a **'Buyer's information form'**. The purpose of this form and the documents accompanying it is to give you the information to enable you to decide whether you want to purchase the home. A copy of the **'Buyer's information form'** is available at www.gov.uk/park-homes-guidance. When completing the form the seller must confirm the information and documents are accurate and up to date.

1.4 The information and documents that they are required to provide you with are listed in the Buyer's information form.

1.5 A survey is optional, but if the seller hasn't arranged one you can ask for a survey to be carried out. If you want a survey how this is arranged and paid for is a decision for you and the seller. The site owner is not involved and cannot require a survey to be carried out.

1.6 The seller must provide the information and documents at least 28 days before the completion date. If you are happy to agree to an earlier completion date – i.e. less than 28 days from the date you were provided the information and documents - you must confirm that in writing to the seller.

What if the seller hasn't given me all the information and paperwork?

1.7 If the seller hasn't given you everything they are required to give you in and with the Buyer's Information form they must let you know what is missing and explain why they are unable to provide it.

1.8 It is the seller's responsibility to make all diligent enquiries to obtain the necessary information and documents.

1.9 It is in your interest to ensure you have all the right information and documentation to make an informed judgement as to whether to proceed with the transaction. You may wish to take the advice of a solicitor or other independent professional.

Agreeing to purchase and telling the site owner

1.10 If, having seen all the information (including the site rules, and your obligations under the pitch agreement), you want to proceed with the purchase, you and the seller will need to notify the site owner of the purchase by completing a **'Notice of proposed sale' form**. The form provides the site owner with your name and, where the park has site rules, confirmation that you have been provided with a copy of these rules and that you meet the rules. The form can be downloaded from www.gov.uk/park-homes-guidance.

1.11 Where the rules relate to the permitted age of residents, the keeping of pets and the parking of vehicles you will need to provide relevant details to demonstrate that you meet the site rules. You and the seller will need to complete and sign the form, to confirm the information in it is accurate and up to date. The seller will then give the form to the site owner either personally or by post.

What happens when the seller sends the form to the site owner?

1.12 When the site owner receives the form, they will have 21 days to decide whether or not to object to the sale. If the site owner has no objection to the sale going ahead, they may let the seller know. If they don't, you and the seller will need to wait 21 days before proceeding with the sale. If you have not heard from the site owner after the end of the 21 day period, you may go ahead with the sale.

1.13 If the site owner objects to the sale going ahead, they must make an application to the First Tier Tribunal (Property Chamber) (the tribunal) for a refusal order and must also notify the seller in writing of their application. They must do these two things within 21 days of the seller giving them the notice of proposed sale. If the seller is not given the notice within the 21 day period the site owner's application will not be valid.

1.14 If the seller is notified that the site owner has applied for a refusal order the sale will need to be put on hold until the tribunal makes a decision on the application. The seller should keep you informed about any application to the tribunal.

1.15 A site owner can only apply to a tribunal for a refusal order on three grounds. These are that if the sale were to go ahead, you (or someone intending to reside in the park home with you) would not meet an existing site rule

- by reason of age
- by keeping any prohibited animals or
- by parking prohibited vehicles or more than the number of vehicles permitted.

1.16 The tribunal will only ask you (and the seller) to become involved in the proceedings if it thinks the site owner has a reasonable case for refusing the sale. They will want to hear your side of the case, so you can show that you meet the rules.

1.17 If the tribunal dismisses the application as lacking in merit or because the case is not made out sufficiently, you will be able to go ahead with the purchase without any further involvement of the site owner.

1.18 However, if the tribunal accepts the application and makes a Refusal Order you will not be able to purchase the home from the seller. You will have to look for a new home and start the process again.

Contact by the site owner

1.19 The information supplied in the 'Notice of proposed sale form' is the only information the site owner is entitled to. The site owner is not entitled to any other personal or financial details about you or your family. You are not required to meet the site owner or attend any interview with them, even if you are told otherwise. You do not have to give any contact details to the site owner (through the seller or otherwise). If the site owner does contact you, you do not have to discuss your proposed purchase with him. An attempt by the site owner to put you off purchasing the home, for example, by providing false or misleading information about the site or the home, may constitute a criminal offence.

Assignment of the agreement

1.20 If the site owner does not object to the sale or fails to apply to the tribunal and notify the seller of the application within 21 days, or if the tribunal decides in your favour, the sale can proceed.

1.21 If at this stage you want to proceed with the purchase and are satisfied that you meet the rules and can comply with the obligations under the pitch agreement, the seller will transfer the pitch agreement to you and you buy the home.

1.22 The transfer of the agreement is called an "assignment". You and the seller will need to complete an '**Assignment form**' which gives effect to the assignment. The form provides confirmation of the agreed purchase price, the commission payable to the site owner and the pitch fee payable by you. A copy of the form can be downloaded from www.gov.uk/park-homes-guidance.

1.23 You must obtain the seller's forwarding address at this stage and also ensure that you have been given all the correct paper work, including the pitch agreement, written statement and site rules.

1.24 The consent of the site owner is not needed to assign the agreement and you do not, for example, have to go to their office to do so.

Payment for the park home

1.25 Before you exchange money you might need to agree with the seller final meter readings and apportionment of any outstanding bills. Remember to obtain the seller's new address for any future correspondence.

1.26 You must pay the seller 90 % of the sale price when the sale is completed. You must hold the remaining 10% as commission which has to be paid to the site owner later.

1.27 Once the assignment is completed and you have been handed the relevant paper work and made payment, you have bought the home and should, of course, receive the keys from the seller.

Your responsibilities after the assignment

1.28 Within 7 days of the assignment, you must send the site owner a **Notice of assignment form** together with a number of documents. You will need to sign the form and confirm the information and documents supplied are true and up to date. A copy of the form can be downloaded from www.gov.uk/park-homes-guidance.

1.29 You can give the form to the site owner personally or send it by post to the site owner's address where notices can be served. Where this address is not available, you can serve the notice to any other known address of the owner.

1.30 The information and documents that you are required to give the site owner are listed in the Notice of assignment form.

Payment of commission

1.31 As soon as is practicable after receipt of the Notice of assignment form, the site owner must provide you with details of their bank account into which the commission should be paid. **The payment of the commission does not become due until the site owner has provided you with his bank details.** On receipt of the details, you will have 7 days to pay the commission into the site owner's bank account.

1.32 There is no VAT due on the commission payment.

1.33 **The site owner is not entitled to any other payments in relation to the sale of a home.**

2. If you are buying from a resident who became an occupier of the home on or after 26 May 2013

2.1 This section applies if you are buying a home from a resident who bought their park home or were given it as a gift) on or after 26 May 2013.

2.2 You are strongly advised to use a solicitor or some other professional in completing a purchase. There are a number of statutory procedures to follow and you, as the buyer, have a number of obligations. Professional assistance will help ensure that sales run smoothly and mistakes are avoided, which could have repercussions for you at a later stage.

When you have found a home

2.3 When you have found a home that you wish to purchase, the seller must supply you with certain prescribed information and documents using a **'Buyer's information form'**. The purpose of this form and the documents accompanying it is to give you the necessary information to enable you to decide whether you want to purchase the home. A copy of the **'Buyer's information form'** is available at www.gov.uk/park-homes-guidance. When completing the form the seller must confirm the information and documents are accurate and up to date.

2.4 The information and documents that they are required to provide you with are listed in the Buyer's information form.

2.5 A survey is optional, but if the seller hasn't arranged one you can ask for a survey to be carried out. If you want a survey how this is arranged and paid for is a decision for you and the seller. The site owner is not involved and cannot require a survey to be carried out.

2.6 The seller must provide the information and documents at least 28 days before the completion date. However, you don't need to decide a completion date at this stage. However, if you prefer an earlier completion date, which is less than 28 days from the date you were provided the information and documents, you must confirm in writing to the seller that you have agreed a period which is shorter than 28 days.

What if the seller hasn't given me all the information and paperwork?

2.7 If the seller hasn't given you everything they are required to give you in and with the Buyer's Information form they must let you know what is missing and explain why they are unable to provide it.

2.8 It is the seller's responsibility to make all diligent enquiries to obtain the necessary information and documents.

2.9 It is in your interest to ensure you have all the right information and documentation to make an informed judgement as to whether to proceed with the transaction. You may wish to take the advice of a solicitor or other independent professional.

Contact by the site owner.

2.10 The site owner is not entitled to any personal or financial details about you or your family until you complete the purchase and send the Notice of assignment form, as explained below. You are not required to meet the site owner or attend any interview with them, even if you are told otherwise. You do not have to give any contact details to the site owner (through the seller or otherwise). If the site owner does contact you, you do not have to discuss the proposed purchase with him. As explained below an attempt by the site owner to put you off purchasing the home may constitute a criminal offence.

Agreeing to purchase and assignment of the pitch agreement

2.11 If at this stage you want to proceed with the purchase and are satisfied that you meet the rules and can comply with the obligations under the pitch agreement, the seller will transfer the pitch agreement to you. This is called the Assignment.

2.12 You and the seller will need to complete an '**Assignment form**' which gives effect to the assignment. The form provides confirmation of the agreed purchase price, the commission payable to the site owner and the pitch fee you have to pay. A copy of the form is available at www.gov.uk/park-homes-guidance.

2.13 You must obtain the seller's forwarding address at this stage and also ensure that you have been given all the correct paper work, including the agreement, written statement and site rules.

2.14 The consent of the site owner is not needed to assign the agreement and you do not, for example, have to go to their office to do so.

Payment for the park home

2.15 Before you exchange money you might need to agree with the seller final meter readings and apportionment of any outstanding bills. Remember to obtain the seller's new address for any future correspondence.

2.16 You must pay the seller **90 %** of the sale price when the sale is completed. **You must hold the remaining 10% as commission which has to be paid to the site owner later.**

2.17 Once the assignment is complete and you have been handed the relevant paper work and made payment, you have purchased the home and should, of course, receive the keys from the seller.

Your responsibilities after the assignment

2.18 Within 7 days of the assignment, you must send the site owner a **Notice of assignment form** together with a number of documents. You will need to sign the form and confirm the information and documents supplied are true and up to date. In particular you are confirming that you will comply with any relevant rules that apply to the site. A copy of the form can be downloaded from www.gov.uk/park-homes-guidance.

2.19 You can give the form to the site owner personally or send it by post to the site owner's address where notices can be served. Where this address is not available, you can serve the notice to any other known address of the owner.

2.20 The information and documents that you are required to give the site owner are listed in the Notice of assignment form.

Payment of commission

2.21 As soon as is practicable after receipt of the Notice of assignment form, the site owner must provide you with details of their bank account into which the commission should be paid. **The payment of the commission does not become due until the site owner has provided you with his bank details.** On receipt of the details, you will have 7 days to pay the commission into the site owner's bank account.

2.23 There is no VAT due on the commission payment.

2.24 **The site owner is not entitled to any other payments in relation to the sale of a home.**

3. If you are buying a home from the site owner

3.1 If you are planning to buy a park home from the site owner it is recommended that you get help from a solicitor or other professional. You will want to make sure you have in advance all the necessary information to make an informed decision about whether you want to proceed with the purchase. You may also wish to make enquiries with the local authority which licenses the site

Getting started

3.2. The site owner should provide you with this information in writing, which may include:

- The sale price;
- The proposed pitch fee and the next review date;
- A copy of the warranty for the home or the result of a recent professional survey;
- Details of utility services including the supplier, and where the supply is from the site owner, the estimated charges for those services- including the resale charge for liquid petroleum gas (LPG);
- Details of any other charges, for example for a shed or a garage;
- Details of the council tax payable for the home;
- Details of any rules applying to the park;
- Details of any valid warranty for the home or result of any recent survey of the home;
- Details of any planned alterations to the site, major works or improvements to the site;
- Confirmation that the site has relevant planning permission for residential use and the extent of the site owner's ownership of the land.

3.3 Having read this preliminary information, if you decide you want to purchase the home the next step is for the site owner to give you a written statement. This document sets out the terms of the proposed pitch agreement, including those implied into the agreement by law. It also contains certain information about your rights which the site owner is legally required to provide to you. You should also make sure you are given a copy of the site rules, which set out criteria for living on the park and other site management rules.

Written Statement

3.4 The written statement must be given to you 28 days before you enter into the contract to buy the park home or sign the pitch agreement. At this stage you are under no obligation to purchase the home.

3.5 You can agree in writing to the written statement being given to you less than 28 days before you sign the agreement, if you want to complete the sale sooner. The site owner cannot however require you to do so.

Express and implied terms

3.6 The pitch agreement sets out the terms under which you are permitted to station your park home on the pitch and in the site. There are two types of terms. These are those which are implied by law and apply to all park home agreements subject to the Mobile Homes Act 1983. These are called "implied terms" and apply to your agreement whether or not they are written down, although the site owner should have included a copy of the terms in the written statement/ agreement. The other terms apply to your specific agreement and which you have agreed to with the site owner – these are known as "the express terms".

3.7 The implied terms that apply are those that came into force on 26 May 2013. These can be downloaded from www.gov.uk/park-homes-guidance. If there is any contradiction between the implied terms given to you by the site owner and those applying from 26 May 2013 it is the latter that prevail and are enforceable. You should treat them as part of your agreement, rather than those given to you by the site owner.

3.8 Similarly, if there is any contradiction between an “express “and an ”implied” term in an agreement, it is the implied term that applies. The express term is overridden and cannot be enforced.

3.10 If there is any discrepancy between the express and implied terms or you have not been given a copy of the right implied terms you should tell the site owner and ask them to correct this before you sign the agreement.

Site rules

3.11 If a site has rules you should be given a written copy of them. Section 4 explains that certain rules are banned and cannot be enforced. If the rules you are given include a banned rule, it will not be enforceable and you should ask the site owner to remove it.

Entering into the pitch agreement

3.12 You should not agree to purchase the home unless the written statement, pitch agreement and site rules are in order. You are entering into a contract and it is important that it is legally correct and complies with the Mobile Homes Act 1983. This will ensure disputes in the future can be avoided.

3.13 If an express term is included in the pitch agreement but was not in the written statement or is in a material way different from that which was contained in the written statement it is not enforceable unless the First Tier Tribunal (Property Chamber) orders that it can be included as a term.

3.14 If you are satisfied the legal paper work is correct and you have agreed to purchase the home, the pitch agreement needs to be signed and dated by you and the site owner. It needs to set out the date when the agreement is commenced from, the pitch fee payable and contain the information given in the written statement (sometimes the pitch agreement will be a dated version of the written statement).

If the site owner fails to give you a written statement

3.15 If the site owner does not give you a written statement, or gives you one that does not comply with the law, then no express terms in the agreement are enforceable until the written statement is given. This includes the payment of the pitch fee.

3.16 You can apply to the First Tier Tribunal (Property Chamber) for an order requiring the site owner to give you a written statement.

Challenging express terms and applying for additional terms

3.17 After you have purchased a home, you (or the site owner) can apply to the First Tier Tribunal (Property Chamber) to vary or delete an express term in the agreement if you consider it be inappropriate or unfair. You cannot, however, challenge a term implied by law.

3.18 You (or the site owner) can also apply to the tribunal to ask it to insert into the agreement matters concerning:

- the sum payable under the agreement and the times when it is paid;
- the review at yearly intervals of the sum payable;
- the provision or improvements of services on the site and the use of those services by the residents and
- the preservation of the amenity of the site.

3.19 There is a strict time limit for making an application to the tribunal under paragraphs 3.17 and 3.18, which means if you want to make an application you must do so within six months of entering into the pitch agreement or if the written statement is given after the agreement, an application can be made up to six months from when the written agreement is given.

Keep the legal paper work safe

3.20 You will need to refer to the pitch agreement, written statement and site rules in the future, especially if an issue about your rights or obligation arises or you want to sell your home. It is, therefore, essential you keep the documents and any amendments to them, in a safe place.

4. Site Rules

Pre-commencement Banned rules

4.1 From 26 May 2013 any site rules which were made by the site owner prior to that date (referred to in the legislation as 'pre commencement rules') which could lead to a site owner interfering with or blocking a sale or gift of a home have been banned.

4.2 The banned rules are those that say:

- You, or the proposed occupier, must give the site owner all, or any of the following details about the proposed occupier or anyone intending to reside in the home with the proposed occupier – their address or contact details (including e-mail address or telephone number); their financial details (including bank account details, card numbers), their age, sex, ethnic origin or sexual orientation.
- The proposed occupier must attend a meeting with the site owner (or their representatives);
- The home must be sold to the site owner or they must be given first right of refusal;
- You must let the site owner know you are planning to sell or gift your home;
- You must sell or gift your home through the site owner or someone else they nominate;
- The home may not be sold through an estate agent or with the services of a solicitor;
- That you cannot use any other type of service (whether specified or not) to sell your home;
- That no sale board or other means of advertising the home for sale is permitted on the pitch or on the home ;
- That a survey is required before the home can be sold or gifted (whether or not such a survey is to be the site owner or anyone else).

4.3 If any of the matters listed above are included in rules that apply to your site, they will no longer be enforceable and can be ignored. You will not be in breach of your agreement by not complying with them and nor can a sale be held up or threatened with invalidity because a banned rule has not been complied with.

5. Interfering with or stopping a sale: Criminal offences

5.1 It is illegal for the site owner, or anyone acting on his behalf (like a manager or warden) to do or say certain things that are designed to try to prevent a sale going ahead. These are criminal offences and the site owner, if convicted, can face an unlimited fine or even imprisonment.

5.2 The types of things that are illegal include:

- Doing things that interfere with the peace or comfort of the occupation of the home, such as blocking the entrance to the home, lighting bonfires in close proximity to it, blocking out natural light;
- Withdrawing or withholding services or facilities, such as cutting off the water supply or electricity when a home is being viewed or blocking car parking spaces;
- **Making false or misleading representations, such as about the condition of the home or a requirement to comply with banned rules.**

5.3 The examples of what could constitute offences are not exhaustive and some may constitute wider criminal conduct such as fraud, criminal damage or arson. Nor are such offences only committed in connection with a sale of a home. The offence, for example, might be committed for the purpose of trying to get a resident to abandon the home. It may be committed when coercing the resident to sell or give the home to the site owner. It could also be committed while trying to prevent the resident from taking a case against the site owner to a court or tribunal.

5.4 If you believe that an offence has been, or is being, committed with a view to prevent your purchase going ahead you should let the seller know and report it to the local authority. The authority has the power to investigate your complaint and take appropriate action where there is evidence of a criminal offence - including a prosecution. If you have been threatened, harassed or intimidated in any way by the site owner or someone acting for him or her, you should immediately report the matter to the police.