



**New Jersey Department of Community Affairs
Division of Codes and Standards
Landlord-Tenant Information Service**



MOBILE HOME PARK
PRIVATE RESIDENTIAL LEASEHOLD COMMUNITIES
N.J.S.A. 46:8C-2 through 46:8C-21

Printed February 2008

46:8C-2. Mobile home park fees

a. No mobile home park owner or operator shall require a resident therein to purchase from said owner or operator underskirting, equipment for tying down mobile homes, or any other equipment required by law, local ordinance or regulations of the mobile home park. However, the park operator may determine by rule or regulation the style or quality of such equipment to be purchased by the tenant from a vendor of the tenant's choosing.

b. (1) No mobile home park owner or operator shall charge any resident who chooses to install an electric or gas appliance in his mobile home an additional fee unless that fee reflects the cost to the mobile home park of such installation or its use, or to restrict the installation, service or maintenance of any such appliance, or to restrict the making of any interior improvement in such mobile home, so long as such an installation or improvement is in compliance with applicable building codes and other provisions of law.

(2) No mobile home park owner or operator shall require a resident therein to purchase from him, or from any vendor or supplier he designates or selects, any natural product, by-product or synthetic of petroleum gas; except when said owner or operator owns or has a possessory interest in the lines or equipment transmitting or consuming a specific fuel and when said system is properly operating under State and local laws and when said fuel is competitively priced. If the park owner or operator does not own or have a possessory interest in said lines or equipment park owner or operator may, by rule or regulation, designate a specific grade or quality of petroleum or gas to be used. Specification of grade or quality is also permitted whenever reasonably necessary to maintain safety standards prescribed by State law or regulation or by local ordinance.

(3) No mobile home park owner or operator shall move, or require to be moved or relocated within the park, any mobile home owned by any person other than the park owner or operator, unless reasonably necessary and unless written notice is served personally on the mobile home dweller 30 days prior to such proposed move, except in case of an emergency requiring a

temporary move or relocation. All costs and fees related, directly or indirectly, to any such move or relocation shall be borne by the owner or operator. In addition, the dweller of the mobile home shall have a right to reimbursement for any loss or damage caused by any such move or relocation, and this right shall not be waived; and any instrument containing a waiver thereof shall be null and void.

c. A mobile home park owner or operator shall be required to fully disclose in writing all fees, charges, assessments, rules and regulations prior to a mobile home dweller assuming occupancy in the park. No fees, charges or assessments so disclosed may be increased or rules and regulations changed by the park owner or operator without specifying the date of implementation of said fees, charges, assessments or rules and regulations, which date shall be no less than 30 days after written notice to all tenants.

In addition, all fees, charges or assessments, including but not limited to entrance, membership or association fees, however denominated, disclosed by said mobile home park owner or operator, must be specifically related to and identifiable with actual costs incurred by the mobile home park owner or operator. No fee in reimbursement of the owner's or operator's costs in determining a prospective tenant's credit rating shall exceed the actual cost to the owner or operator of obtaining such determination, including the cost of providing the prospective tenant with copies of credit reports in conformity with the requirements of this act. A complete and accurate copy of any report furnished to an owner or operator by a credit reporting service with respect to a prospective tenant shall be promptly forwarded to the prospective tenant by the owner or operator. All disclosures made in accordance with this section shall be completed prior to the execution of any leasing agreement as required by section 4 of this act, or the entering into of any other contractual relationship.

d. Failure on the part of the mobile home park owner or operator to fully disclose all fees, charges or assessments shall prevent the park owner or operator from collecting said fees, charges or assessments, and refusal by the dweller to pay any undisclosed charges shall not be used by the owner or operator as a cause for eviction in any court of law.

e. Any mobile home park owner or operator who, directly or indirectly, receives, collects or accepts from another any donation, gratuity, bonus or gift, in addition to lawful charges, upon the representation, understanding or statement that compliance with the request or demand therefor will facilitate, influence or procure an advantage over others in entering into an agreement, either oral or written, for the lease or rental of real property for any term or for the use or occupation thereof, or any such owner or operator who refuses to enter into such agreement unless he receives, directly, or indirectly, any such donation, gratuity, bonus or gift, or any such owner or operator, who, directly or indirectly, aids, abets, requests or authorizes any other person to violate any of the provisions of this section, is a disorderly person.

f. In any action by any person to recover any donation, gratuity, bonus or gift acquired by another in violation of the provisions of this act, the court, upon finding for such person, shall award recovery of double the value of such donation, gratuity, bonus or gift, together with costs of the action, including reasonable attorney's fees.

46:8C-3. Sale of mobile home within park; notice to and approval by owner or operator

a. No mobile home park shall deny any resident of such mobile home park the right to sell said resident's mobile home within the park or require the resident to remove the mobile home from the park solely on the basis of the sale thereof. The park may reserve the right to approve the purchaser of said mobile home as a tenant, but such permission may not be unreasonably withheld and the park shall not exact a commission or fee with respect to the price realized by the seller unless the park owner or operator has acted as agent for the mobile home owner in the sale pursuant to a written contract.

When a resident of the park plans to sell his home, he shall give written notice to the park owner or operator. Before a home in the park may be sold, the seller shall provide the buyer with an application for park tenancy, which shall be returned to the park owner or operator by the prospective buyer in person. On the private sale of a mobile home, failure to comply with the application procedure as described, before any sales agreement is entered into, shall absolve the park owner or operator from the requirements of Sec. 2e and 2d, and Sec. 4 of this act. The preceding is not applicable if a buyer plans to immediately remove a home from the park. Either a mobile home owner, mobile home purchaser or park owner or operator aggrieved by the failure of any person to comply with the provisions of this section may seek damages and reasonable costs and attorneys fees in a complaint, cross-claim, or third party complaint in a court of competent jurisdiction.

b. No contract for the sale of a mobile home, where the buyer and the seller intend the mobile home remain in the park, shall be valid unless the seller has advised the purchaser, in writing, of the park owner or operator's right to approve the purchaser as provided for in this section.

c. If the mobile home park owner or operator shall unreasonably withhold approval of a purchaser of a mobile home as a tenant, either the mobile home owner who is selling or the intended purchaser of the mobile home may institute an action in the Superior Court. A plaintiff who shall recover a judgment in any such action shall be awarded all damages proximately caused by the unreasonable refusal of the mobile home park owner or operator to approve the sale together with the costs of the action and reasonable attorneys' fees. In any such action the court shall also be empowered to order the admission of the purchaser of the mobile home to the mobile home park.

L.1973, c. 153, s. 3. Amended by L.1977, c. 350, s. 2, eff. Jan. 30, 1978.

46:8C-4. Leases; delivery and posting of rules and regulations

A mobile home park owner or operator shall be required:

a. Within 30 days of the effective date of this enactment to offer a written lease or written rental agreement for a period not less than 12 months, to mobile home dwellers within the park;

b. Within 30 days of a mobile home dweller lawfully assuming occupancy in the park, a mobile home park owner or operator shall offer a written lease or written rental agreement for a period of not less than 12 months.

c. (Deleted by amendment.)

d. To deliver a copy of all rules and regulations established by the park owner or operator to the mobile home owner prior to his signing a lease or entering into a rental agreement.

e. To post a copy of the rules and regulations established by the park owner or operator in the recreation hall, if any, or some other conspicuous place within the park.

L.1973, c. 153, s. 4. Amended by L.1977, c. 350, s. 3, eff. Jan. 30, 1978.

46:8C-5. Waiver of provisions of act by agreement; invalidity

Any provision of a lease or other agreement whereby any provision of this act is waived shall be deemed against public policy and shall be void.

L.1973, c. 153, s. 5.

46:8C-6. Severability

If any provision of this act or the application of such provision to any person or circumstance is declared invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect; and, to this end, the provisions of this act are declared to be severable.

L.1973, c. 153, s. 6.

46:8C-7. Construction of act

This act being necessary for the welfare of the State and its inhabitants shall be liberally construed to effectuate the purposes thereof.

L.1973, c. 153, s. 7.

46:8C-8. Regulation and licensing by municipality; ordinance

In addition to the powers set forth in R.S. 40:52-1, the governing body of a municipality may, by ordinance, provide for the regulation and licensing of mobile home parks.

L.1983, c. 399, s. 1, eff. Jan. 1, 1984.

46:8C-9. Sale of first mobile home located on each site to be leased within park

The mobile home park owner or operator may sell the first mobile home to be located on each site to be leased within the mobile home park.

L.1983, c. 399, s. 2, eff. Jan. 1, 1984.

46:8C-10. Definitions

1. a. For the purposes of P.L.1991, c.483 (C.46:8C-10 et seq.):

"Campground facility" means real property designed and used for the purpose of renting or leasing individual portions thereof to occupants who are to have access for the purposes of camping and the recreation associated therein, which may not be used as a permanent dwelling place or domicile for occupants, other than by the owner, and upon which recreational vehicles, as defined in this section, in excess of 400 square feet, and mobile homes and manufactured homes, as those terms are defined in section 3 of the "Manufactured Home Taxation Act," P.L.1983, c.400 (C.54:4-1.4), in excess of 400 square feet, may not enter;

"Camping trailer" means a recreational vehicle that is mounted on wheels and constructed with collapsible partial side walls that fold for towing and unfold for use;

"Fifth wheel trailer" means a recreational vehicle designed to be towed by a motorized vehicle containing a towing mechanism mounted above or forward of the tow vehicle's rear axle;

"Motor home" means a recreational vehicle built on or permanently attached to a self-propelled motor vehicle chassis, chassis cab or van that is an integral part of the completed vehicle;

"Owner" means the person or persons having legal authority to permit the occupancy of a campground facility;

"Park trailer" means a recreational vehicle that is built on a single chassis mounted on wheels and certified by the manufacturer as complying with the American National Standards Institute (ANSI) standard A119.5;

"Private residential leasehold community" means a community on a parcel of land, or two or more contiguous parcels of land, containing no fewer than ten home sites where such sites are under common ownership and control, other than a cooperative or a campground facility, for the purpose of leasing such sites to the owners of certain homes, including, but not limited to, mobile homes and manufactured homes as those terms are defined in section 3 of the "Manufactured Home Taxation Act," P.L.1983, c.400 (C.54:4-1.4), and specifically including homes constructed entirely or partly on site, the location and use of which may or may not be permanent, and where the owner or owners of the land provide services to the homeowners which are provided by the municipality in which the community is located for the property owners outside the community, which services may include but shall not be limited to:

- (1) The construction and maintenance of streets;
- (2) Lighting of streets and other common areas;
- (3) Garbage removal;
- (4) Snow removal;
- (5) Provisions for the drainage of surface water from home sites and common areas;

"Recreational vehicle" means a vehicular-type unit primarily designed as temporary living quarters

for recreational camping or travel use. The vehicle shall have either its own motive power or be mounted on or towed by another vehicle. Recreational vehicles include, but are not limited to, camping trailers, fifth wheel trailers, motor homes, park trailers, travel trailers, and truck campers;

"Travel trailer" means a recreational vehicle designed to be towed by a motorized vehicle containing a towing mechanism which is mounted behind the tow vehicle's bumper;

"Truck camper" means a recreational vehicle consisting of a roof, floor, and sides, designed to be loaded onto and unloaded from the bed of a pickup truck.

b. As used in sections 2 and 3 of P.L.1991, c.483 (C.46:8C-11 and C.46:8C-12), "notify" means to place in the United States mail a notice addressed to the officers of the homeowners' association. Each such notice shall be deemed to have been given upon the deposit thereof in the United States mail.

c. As used in section 2 of P.L.1991, c.483 (C.46:8C-11), "offer" means any solicitation by the landowner to the general public.

L.1991,c.483,s.1; amended 1995, c.365, s.1; 2005, c.68.

46:8C-11. Rights of homeowners on offer for sale

2. a. If a private residential leasehold community landowner offers private residential leasehold community land for sale, he shall notify the board of directors of the homeowners' association created pursuant to this act of his offer, stating the price and the terms and conditions of sale.

b. The affected homeowners, by and through an association duly formed in accordance with section 6 of this act, shall have the right to purchase such land, provided two-thirds of the unit owners in the private residential leasehold community have approved the purchase, and further provided that the homeowners meet the price and terms and conditions of the private residential leasehold community landowner by executing a contract with the landowner within 45 days of being notified under subsection a., except as an extension of time may be mutually agreed upon by the landowner and the association; provided, however, that if there is no homeowners' association at the time a private residential leasehold community landowner offers private residential leasehold community land for sale and the landowner notifies homeowners individually as required under subsection b. of section 6 of this act, the period within which the terms and conditions of the private residential leasehold community landowner may be met by execution of a contract between the landowner and a homeowners' association shall be 60 days from the date of the notification of individual homeowners and at any time after notification to the landowner that a homeowners' association has been formed, in accordance with the provisions of subsection a. of section 7 of this act. If a contract between the landowner and the association is not executed within that extension period, then, unless the landowner thereafter elects to offer the land at the same price or at a lower price than specified in his notice to the directors or trustees of the association, he shall have no further obligations under this subsection, and his only obligation shall be as set forth in section 3 of this act.

c. If the landowner thereafter elects to offer the land at the same price or at a lower price than specified in his notice to the directors or trustees of the association pursuant to

subsection a. of this section, the homeowners, by and through the association, shall have an additional 10 days after receipt of that offer to meet the price and terms of conditions of the landowner by executing a contract; provided, however, that if more than three months have elapsed since the receipt by the homeowners' association of the previous offer to sell the land under this subsection, the association shall have 30 days after receipt of the subsequent offer to meet the price and terms of conditions of the landowner by executing a contract.

L.1991,c.483,s.2; amended 1995,c.365,s.2.

46:8C-12. Right of homeowners on offer to buy

3. a. If a private residential leasehold community landowner receives a bona fide offer to purchase the land that he intends to consider or make a counter-offer to, he shall notify the directors or trustees of the homeowners' association within 10 business days of receiving the offer, if such an association has been formed in accordance with the provisions of sections 6 through 8 of this act, that he has received the offer. If a homeowners' association has not been formed, the landowner shall, within 10 business days, notify individual homeowners as required under section 6 of this act. The landowner shall not conclude any agreement to sell the land until after the 30-day period therein specified has elapsed.

b. Upon receipt of such notice the board of directors or trustees of the homeowners' association shall appoint from among its members a committee, not exceeding three persons, who may be assisted by such legal and other professional and technical counsel as the board may provide, to receive from the landowner the price and terms of the offer that has been made, and to negotiate the terms upon which the landowner would be willing to sell the private residential leasehold community land to the homeowners' association. Members and assistants to the committee shall be pledged to maintain in confidence any information disclosed to them by the landowner in the course of such negotiations. If any such member or assistant fails to maintain that confidence, the landowner may bring an appropriate action at law for damages or seek an appropriate equitable remedy.

c. Not later than the 30th day next following its receipt of offering terms pursuant to subsection b. of this section, or following a period of extension agreed to by the committee and the landowner, the committee appointed pursuant to subsection b. of this section shall report to the board of directors or trustees of the homeowners' association the price and other material terms upon which the private residential leasehold community landowner has agreed to sell the private residential leasehold community land to the association. In the absence of any agreement between the landowner and the committee, the landowner shall be deemed to agree to such sale upon the identical terms communicated by him to the committee pursuant to subsection a. of this section. The report of the committee shall include such supporting data and documentation as the committee and the landowner have agreed upon to be so submitted and authorized to be disclosed. The price and other terms so agreed upon and reported shall be binding upon the landowner for 10 days next following the submission of the committee's report, and if agreed to by the board of directors or trustees of the homeowners' association and consented to by two-thirds of the homeowners in that private residential leasehold community land shall constitute a contract of sale.

d. During the period provided for negotiations and for consideration by the association's board of directors or trustees under subsection c. of this section the landowner shall not conclude

any agreement for sale of the private residential leasehold community land to any other party, but may negotiate with any other party as to terms and conditions of such an agreement, contingent upon the failure or refusal of the homeowners to exercise their prior right of purchase under this act.

L.1991,c.483,s.3; amended 1995,c.365,s.3.

46:8C-13. Rights not applicable to certain sales, etc.

4. The provisions of sections 2 and 3 of this act shall not apply to:
 - a. Any sale or transfer of the property of a private residential leasehold community which is not made in contemplation of changing that property to a use or uses other than as a private residential leasehold community.
 - b. Any sale or transfer to a person who would be included within the table of descent and distribution if the landowner were to die intestate.
 - c. Any transfer by gift, devise, or operation of law.
 - d. Any transfer by a corporation to an affiliate. As used herein, "affiliate" means (1) any shareholder exercising control, or control through attribution as defined under section 318 of the Internal Revenue Code, of the transferring corporation; (2) any corporation or entity owned or controlled, directly or indirectly, by the transferring corporation; or (3) any other corporation or entity owned or controlled, directly or indirectly, by any shareholder of the transferring corporation. For the purposes of this subsection, control shall mean control as defined in section 304 of the Internal Revenue Code.
 - e. Any transfer by a partnership to any of its partners, whether general partners or limited partners, or partners or individuals to a corporation where the control of the corporation is substantially the same.
 - f. Any conveyance of an interest in a private residential leasehold community incidental to the financing of that community.
 - g. Any conveyance resulting from the foreclosure of a mortgage, deed of trust, or other instrument encumbering a private residential leasehold community, or any deed given in lieu of such foreclosure.
 - h. Any sale or transfer between or among joint tenants or tenants in common owning a private residential leasehold community.
 - i. The purchase of land of a private residential leasehold community by a governmental entity under its powers of eminent domain.
 - j. Any sale which occurs as a result of a condominium or cooperative conversion.
 - k. Any sale of real estate owned by the private residential leasehold community landowner which is adjacent to the private residential leasehold community land, but does not

have appurtenant to it private residential leasehold sites or spaces or related recreational facilities.

L.1991,c.493,s.4; amended 1995,c.365,s.4.

46:8C-14. Compliance as prerequisite to recording

5. In addition to other prerequisites for recording, no deed evidencing transfer of title to a private residential leasehold community land shall be recorded in the office of any county recording officer unless, accompanying the application to transfer the title is an affidavit annexed thereto in which the owner of the private residential leasehold community certifies:

a. with reference to an offer by him for the sale of the land, he has complied with the provisions of section 2 of this act; or

b. with reference to an offer received by him for the purchase of the land, or with reference to a counter-offer which he has made or intends to make to such an offer, he has complied with the provisions of section 3 of this act; or

c. notwithstanding his compliance with section 2 or 3 of this act, as applicable, no contract has been executed for the sale of the land between himself and the homeowners' association; or

d. the provisions of sections 2 and 3 of this act are not applicable to a particular sale or transfer of the land by him, and compliance therewith is not required; or

e. a particular sale or transfer of the land is exempted from the provisions of sections 2 through 5 of this act.

L.1991,c.483,s.5; amended 1995,c.365,s.5.

46:8C-15. Formation of association

6. a. In order to exercise the rights provided in sections 2 and 3 of this act, the owners of homes in a private residential leasehold community shall form an association in compliance with this section and sections 7 and 8 of this act. Such an association shall be organized as a corporation or association either for profit or not for profit, upon the consent, in writing, of two-thirds of the owners of homes in the community to become members or shareholders therein. For the purposes of this act, whenever the consent of homeowners is required on any question, there shall be counted only one vote for each dwelling unit. Upon consent by two-thirds of the homeowners, all consenting homeowners shall become members of the association and shall be bound by the provisions of the articles of incorporation, the bylaws of the association, and such restrictions as may be properly promulgated pursuant thereto. Upon incorporation and service of the notice described in section 7 of this act, the association shall become the representative of the homeowners in all matters relating to the provisions of this act.

b. If at the time when a landowner determines to offer private residential leasehold community land for sale, or receives a bona fide offer from a prospective purchaser, there is no homeowners' association then in being in the private residential leasehold community, the

landowner shall, at least 15 days before proceeding to make such offer of sale, or within 10 business days of receiving such a bona fide offer, as the case may be, notify in writing each owner of a home within the private residential leasehold community that he intends doing so. If, after receipt of such individual notices and within the period fixed by subsection b. of section 2 of this act for execution of a contract, a homeowners' association is formed pursuant to this act, the association so formed shall exercise and perform all the rights, duties and functions provided in this act on and from the day on which notification is made to the private residential leasehold community landowner pursuant to section 7 of this act.

L.1991,c.483,s.6; amended 1995,c.365,s.6.

46:8C-16. Association notice to landowner, recording

7. a. Upon receipt of its certificate of incorporation, or, if the homeowners' association does not incorporate, upon its establishment, the homeowners' association shall notify the landowner in writing of such incorporation, or establishment, as appropriate, and shall advise the landowner of the names and addresses of the officers of the homeowners' association by personal delivery upon the landowner or by certified mail, return receipt requested.

b. The homeowners' association shall file with the clerk of the county in which the private residential leasehold community is located a notice of its rights under sections 2 and 3 of this act. The notice shall contain the name of the association, the name of the landowner, and the address or legal description of the land. Within 10 days of the recording of the notice, the association shall provide a copy of the recorded notice to the landowner, at the address provided by the landowner, by certified mail, return receipt requested.

L.1991,c.483,s.7; amended 1995,c.365,s.7.

46:8C-17. Purpose of association

8. a. The articles of incorporation of a homeowners' association or the bylaws of any unincorporated homeowners' association formed under this act shall provide:

(1) that the association has the power to negotiate for, acquire, and operate the private residential leasehold community on behalf of the homeowners; and

(2) that the association has the power to convert the private residential leasehold community, once acquired by the homeowners, to a condominium, a cooperative, or other type of ownership.

b. Upon acquisition of the property, the association shall be the entity that creates a condominium, or offers condominium parcels for sale or lease in the ordinary course of business, or, if the homeowners choose a different form of ownership, the entity that owns the record interest in the property and is responsible for the operation of property; provided, however, that if the association converts the private residential leasehold community to a cooperative, an election shall be held within 30 days following the establishment of the cooperative to elect a board of directors of the cooperative.

L.1991,c.483,s.8; amended 1995,c.365,s.8.

46:8C-18. Governing bylaws; requisites

9. In order for a homeowners' association to exercise the rights provided in section 2 or 3 of this act, the bylaws of the association shall provide for the following:

a. The directors or trustees of the association and the operation of the association shall be governed by the bylaws.

b. The bylaws shall include, and, if they do not, shall be deemed to include, the following provisions:

(1) The form of administration of the association shall be described, providing for the titles of the officers and for a board of directors or trustees, specifying the powers, duties, manner of selection and removal, and compensation, if any, of the officers, directors or trustees. Unless otherwise provided in the bylaws, the board of directors or trustees shall consist of five members. The board of directors or trustees shall elect from among its members a president, secretary, and treasurer, who shall perform the duties of those offices customarily performed by officers of corporations, and these officers shall serve without compensation and at the pleasure of the board of directors or trustees. The board of directors or trustees may appoint and designate other officers and assign them such duties as it deems appropriate.

(2) Meetings of the board of directors or trustees shall be open to all members of the homeowners' association, and notice of meetings shall be posted in a conspicuous place upon the property at least 48 hours in advance, except in an emergency. Notice of any meeting in which assessments against members are to be considered for any reason shall specifically contain a statement that assessments will be considered, and of the nature of those assessments.

(3) Members of the association shall meet at least once each calendar year, and the meeting shall be the annual meeting. All members of the board of directors or trustees shall be elected at the annual meeting unless the bylaws provide for staggered election terms or for their election at another meeting. The bylaws shall not restrict any member desiring to be a candidate for board membership from being nominated from the floor. The bylaws shall provide the method for calling the meetings of the members, including annual meetings. The method shall provide at least 14 days' written notice to each member in advance of the meeting and require the posting in a conspicuous place on the property of a notice at least 14 days prior to the meeting. Unless a member waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting and of any meeting other than the annual meeting in which acquisition or conversion of the private residential leasehold community as provided under section 8 of this act is to be voted on, shall be sent by mail to each member, and the mailing shall constitute notice. An officer of the association shall provide an affidavit affirming that the notices were mailed or hand delivered in accordance with the provisions of this section to each member at the address last furnished to the association. These meeting requirements shall not prevent members from waiving notice of meetings or from acting by written agreement without meetings, if allowed by the bylaws.

(4) A majority of the members shall constitute a quorum. Decisions shall be made by a majority of members represented at a meeting at which a quorum is present; provided, however, that any decision to acquire the private residential leasehold community shall only be made by not less than two-thirds of all the homeowners and any decision to convert the private residential

leasehold community to a condominium or cooperative or other form of ownership following its acquisition by the homeowners' association shall only be made by not less than a majority vote of all of the members of the homeowners' association. In addition, provision shall be made in the bylaws for definition and use of proxy. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the member executing it.

(5) The board of directors shall mail a meeting notice and copies of the proposed annual budget of expenses to the members not less than 30 days prior to the meeting at which the budget will be considered. If the bylaws provide that the budget may be adopted by the board of directors or trustees, the members shall be given written notice of the time and place at which the meeting of the board of directors or trustees to consider the budget will be held. The meeting shall be open to all members.

(6) The board of directors or trustees may, in any event, propose a budget to the members of the association at a general membership meeting or in writing, and, if the budget or proposed budget is approved by the members at the meeting, or by a majority of their whole number in writing, that budget shall be adopted.

(7) Minutes of all meetings of members and of the board of directors or trustees shall be kept in a businesslike manner and shall be available for inspection by members, or their authorized representatives, and board members at reasonable times. The association shall retain these minutes for a period of not less than seven years.

(8) The share or percentage of, and manner of sharing, expenses for each member shall be stated.

(9) The manner of collecting from the members their shares of the expenses for the maintenance of the private residential leasehold community property shall be stated. Assessments shall be made against members not less frequently than quarterly, in amounts not less than are required to provide funds in advance for payments of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred.

(10) The method by which the bylaws may be amended consistent with the provisions of this act shall be stated. If the bylaws fail to provide a method of amendment, the bylaws may be amended if the amendment is approved by no less than two-thirds of the members. No bylaw shall be revised or amended by reference to its title only.

(11) The officers and directors or trustees of the association have fiduciary relationship to the members.

(12) Any member of the board of directors or trustees may be recalled and removed from office, with or without cause, by the vote of, or agreement in writing by, a majority of all members. A special meeting of the association membership to recall a member or members of the board of directors or trustees may be called by 10 per cent of the members giving notice of the meeting as required for a meeting of members, and the notice shall state the purpose of the meeting.

c. The bylaws may provide the following:

(1) A method of adopting and of amending administrative rules and regulations governing the details of the operation and use of the private residential leasehold community property.

(2) Restrictions on, and requirements respecting, the use and maintenance of homes located within the park, and the use of the private residential leasehold community property, so long as such restrictions and requirements are not inconsistent with the articles of incorporation of the association.

(3) Other provisions not inconsistent with the provisions of this act or with other documents governing the private residential leasehold community property or homes located therein.

d. No amendment to the bylaws may change the proportion or percentage by which members share in the expenses as initially established, unless two-thirds of the members approve the amendment.

L.1991,c.483,s.9; amended 1995,c.365,s.9.

46:8C-19. Powers, duties of the association

10. a. An association may contract, sue, or be sued, with respect to the exercise or non-exercise of its powers. For these purposes, the powers of the association include, but are not limited to, the maintenance, management, and operation of the property. The association may institute, maintain, settle or appeal actions or hearings in its name on behalf of all homeowners concerning matters of common interest, including, but not limited to: the common property; structural components of a building or other improvements; mechanical, electrical and plumbing elements serving the property; and protests of ad valorem taxes on commonly used facilities. If the association has the authority to maintain a class action, the association may be joined in an action as representative of that class with reference to litigation and disputes involving the matters for which the association could bring a class action. Nothing herein limits any statutory or common-law right of any individual homeowner or class of homeowners to bring any action which may otherwise be available.

b. The powers and duties of an association include those set forth in this section, in sections 6 and 9 of this act, and in the articles of incorporation and bylaws and any recorded declarations or restrictions encumbering the property, if not inconsistent with the provisions of this act.

c. An association has the power to make and collect assessments and to lease, maintain, repair and replace the common areas upon purchase of the private residential leasehold community property.

d. An association shall maintain financial records in accordance with generally accepted accounting standards and principles. The records shall be open to inspection by association members or their authorized representatives at reasonable times, and written summaries of such records shall be supplied at least annually to the members or their authorized

representatives. The failure of the association to permit inspection of its accounting records by members or their authorized representatives entitles any persons prevailing in an enforcement action to recover reasonable attorney's fees from the person in control of the books and records who, directly or indirectly, knowingly denied access to the books and records for inspection. The records shall include, but not be limited to:

(1) A record of all receipts and expenditures.

(2) An account for each member, designating the name and current mailing address of the member, the amount of each assessment, the dates on which and amounts in which the assessments come due, the amount paid on the account, and the balance due.

e. An association has the power to purchase, acquire, hold, lease, mortgage and convey any proprietary interest in or affecting the land of the private residential leasehold community.

f. An association shall use its best efforts to obtain and maintain adequate insurance to protect the association and the property upon purchase of the private residential leasehold community. A copy of each policy of insurance in effect shall be made available for inspection by members at reasonable times.

g. An association has the authority, without the joinder of any homeowner, to modify, move, or create any easement for ingress and egress, or for the purpose of utilities, if the easement constitutes part of or crosses the property upon purchase of the property. This subsection does not authorize the association to modify or move any easement created in whole or part for the use or benefit of anyone other than the members, or crossing the property of anyone other than the members, without the consent or approval of such person as required by law or the instrument creating the easement. Nothing in this subsection affects the rights of ingress or egress of any member of the association.

L.1991,c.483,s.10; amended 1995,c.365,s.10.

46:8C-20. Duties of private residential leasehold community owner

11. The owner of the private residential leasehold community land shall notify in writing each owner of a home therein or, if a homeowners' association has been established under the provisions of this act, the directors or trustees of the association, of any application by the owner of the private residential leasehold community land for a variance within 10 days after the filing for such variance with the approving authority, if the granting of such variance would result in the removal of the homes or relocation of the homeowners residing in that private residential leasehold community.

L.1991,c.483,s.11; amended 1995,c.365,s.11.

46:8C-21. Relocations, variances, certain, prohibited

12. No agency of municipal, county or State government, or of any agency or instrumentality thereof, shall approve or take any other final action upon any application for a variance which would result in the removal of homes or relocation of homeowners residing in a private residential leasehold community, without first determining that adequate private residential facilities and circumstances exist for the relocation of those homeowners.

L.1991,c.483,s.12; amended 1995,c.365,s.12.