

Program Procedures for



A Designation for Manufactured Home Communities



MHI Community of Distinction

Program Procedures

I. Introduction

A manufactured housing community which is certified as having attained the Manufactured Housing Institute's (MHI's) "MHI Community of Distinction" designation demonstrates to members of the manufactured housing industry, the public, and governmental authorities a commitment and interest in maintaining only the highest quality of manufactured home communities. The "MHI Community of Distinction" Program, which is voluntary, provides more than an ordinary assurance of quality services. The designation "MHI Community of Distinction" is recognized as the sign of achievement of excellence. The manufactured home communities who participate in the "MHI Community of Distinction" Program publicly endorse the standards of excellence and ethics espoused in this Program.

To ensure the administration of the "MHI Community of Distinction" Program in a uniform and equitable manner, this Procedural Guide has been prepared for the information and guidance of the participants. The Procedural Guide is designed to describe the basic procedures and administration of the program and may be updated and amended from time to time. Changes relating to program policy matters will be published in Community Connections.

II. Purpose

The purpose of the "MHI Community of Distinction" Program is to promote the development of quality community management services. The "MHI Community of Distinction" designation offers assurance to the industry, the public, and governmental authorities that the manufactured home community maintains high standards of excellence, concentrating on three primary areas: physical property maintenance, resident satisfaction, and manager educational training. Also, the "MHI Community of Distinction" Program strives to enhance the image and professionalism of manufactured home communities nationally by recognizing those communities that meet or exceed standards of excellence.

III. Eligibility

Any manufactured home community may apply for an evaluation for designation by submitting an application and paying the required fees. If the community passes the three components of the evaluation, the physical property inspection, resident satisfaction survey and the manager educational training, and agrees to abide by the

MHI Voluntary Professional Standards of Practice for manufactured home communities, then the community will receive the "MHI Community of Distinction" designation. The community must renew such designation every three years.

IV. Conducting the "MHI Community of Distinction" Program

The Manufactured Housing Institute (MHI) is the sponsor of the "MHI Community of Distinction" Program. The MHI National Communities Council will designate independent entities to conduct the property inspection and resident satisfaction evaluations required by the Program.

The following educational programs and designations will be recognized for fulfilling the requirements of education for the on-site community manager.

- Completion of ACM 101
- MHM Designation Program
- Nevada's Certificate Program
- WMA's certification program
- IREM's Certified Property Manager designation
- IREM's Certified Apartment Manager designation

Once the community has met the criteria of the three elements of the Program along with agreeing to abide by the MHI Voluntary Professional Standards of Practice for manufactured home communities, MHI's Manufactured Housing Educational Institute will issue the "MHI Community of Distinction" designation to the community.

V. "MHI Community of Distinction" Designation Criteria

The "MHI Community of Distinction" Program provides for simple, equitable administration and enforcement through the following procedures. MHI's National Communities Council may develop, periodically review, and publish criteria for the Program.

1. Physical Property Inspection

A professional on-site inspection will be conducted by a national property inspection firm. The property inspection will be evaluated based on an on-site inspection, attached as Attachment A, which sets forth governing criteria for the physical appearance and condition of the exterior and interior of the buildings and other structures, landscape, and streets and sidewalks.

Communities will be required to attain a score of at least ninety percent (90%) to qualify for the "MHI Community of Distinction" designation. If the community does not

attain a ninety percent (90%) score, it will be given six months to correct any deficiencies, and may re-test upon paying the inspection fee.

2. Resident Satisfaction Survey

The resident satisfaction questionnaire, attached as Attachment B, was designed to allow residents the opportunity to rate community features, services, and management.

Communities must receive an overall score of seventy-five percent (75%) to qualify in this area. If a community does not attain a seventy-five percent (75%) score, it will be given six months to obtain another resident satisfaction evaluation, and may be re-evaluated upon paying the required survey fee. Regardless of the percentage score, the community will not meet the survey criteria if a sufficient number of community households do not respond to the survey. The necessary sample size will vary depending on the size of the community based on the number of households:

<i>Community Size¹</i>	<i>Sample Size</i>
150	82
250	104
350	117
450	125
550	132
650	137
750	140

3. Manager Educational Training

At least one on-site manager of the manufactured home community will be required to have completed one of the following education requirements.

- Accredited Community Manager Course 101 (ACM 101)
- MHM Designation Program
- IREM's Certified Property Manager designation
- IREM's Certified Apartment Manager designation
- Nevada's Certificate Program
- WMA's certification program

4. Schedule of Fees

¹ For communities of fewer than 150 households, the required sample size will be approximately 60% of the total number of households in the community.

MHI has and will continue to devote a substantial amount of resources and personnel to the development and administration of the "MHI Community of Distinction" Program. For this reason alone, manufactured housing community owners who maintain membership in MHI or its state association members, are entitled to pay a lower fee. Non-members are encouraged to participate in the program, and the criteria for obtaining designation will not discriminate in any way between members of MHI or its member state associations and non-members.

With submission of the application for participation in the "MHI Community of Distinction" Program, the applicant must submit the following fee:

(STATE ASSOCIATION AND MHI MEMBERS)

\$500 – COMMUNITIES UNDER 750 SITES, \$600 – COMMUNITIES 750 SITES AND OVER

(NON-MEMBERS)

\$1,500 – ALL NON MEMBER COMMUNITIES

The fees charged derive from the cost of program administration, the on-site inspection, resident satisfaction telephone survey, and the designation plaque.

If a community has not attained the required ninety percent (90%) score on the property inspection or the required seventy-five percent (75%) score on the resident satisfaction survey, the community may correct any deficiencies and re-test to obtain certification. The community must pay \$150 for members or \$350 for non-members to schedule re-testing of the physical inspection. The community must pay a fee of \$350 for members or \$1,000 for non-members, to schedule re-testing of the resident satisfaction survey.

VI. Procedures for Re-certification, Renewal and Change in Ownership

1. Re-certification

In the event that the "MHI Community of Distinction" Program receives information that a manufactured home community has failed to comply with the criteria developed by the Program, an ad hoc committee, designated by MHI's National Communities Council will conduct an investigation of the noncompliance claim. If the ad hoc committee determines that the community was not in compliance with the "MHI Community of Distinction" Program criteria, the committee shall send written notification to the community that it is subject to re-certification, and explaining the areas of deficiency.

In order to obtain re-certification, the community must undergo another property inspection and resident satisfaction survey. Though the community may have time to correct any deficiency, the community is not entitled to any time for correction. The community must attain the required scores on both the inspection and the survey, and pay the required fees for both to obtain re-certification.

If the community does not submit to the inspection and survey, or if the community fails to attain the required scores on both, the "MHI Community of Distinction" designation will be revoked, meaning that the community automatically is no longer entitled to claim designation under the "MHI Community of Distinction" Program.

If the community contests the ad hoc committee's determination of noncompliance, within 10 days of receiving notification, it must file a written appeal, described below in Section VII.

2. Renewal

A community must renew the "MHI Community of Distinction" certification every three years. The process for renewal is the same as the process for the initial application.

3. Change in Ownership

The "MHI Community of Distinction" designation is not transferable. In the event that the community is sold or that controlling interest in the community is transferred, the "MHI Community of Distinction" designation becomes void. The new owner(s) may apply to maintain the "MHI Community of Distinction" designation by going through the same initial application process.

VII. Procedures for Appeal

An applicant or participant in the "MHI Community of Distinction" Program may appeal in writing to the "MHI Community of Distinction" Appeals Panel for review of the initial rejection of the application for failure to meet the criteria of either the property inspection or resident satisfaction survey, the ad hoc committee's determination that the community must submit to re-certification, the revocation of the "MHI Community of Distinction" certification, the denial of renewal, or for a review of any other complaint pertaining to the Manufactured Housing Institute's final action. MHI must receive such written appeal within 10 days of notification of any of the above determinations. If any person on the Appeals Panel has any affiliation with the community filing the appeal or with the certification process relating to that community, an alternate shall be selected by the MHI National Communities Council.

The community's written appeal must contain a statement of the facts, together with all documents and evidence supporting its position. Within 30 days, the Appeals Panel will send the community notice of the time and place in which it will meet in person or via conference call to decide the matter under review. The community will have the opportunity to participate in the meeting and/or to be represented by counsel and to present any defense or explanation before the Appeals Panel makes any decision or takes any action. The appeal will be conducted on an informal basis. Then the Appeals Panel will decide the matter under review. The Appeals Panel must have a two-thirds vote of the panel to affirm any action adverse to the community.

Within 30 days after the Appeals Panel's decision, it will send notification of its decision with a brief statement of the rationale for the decision. The decision of the Appeals Panel shall be final.

VIII. Confidentiality of Records

The records of the "MHI Community of Distinction" Program, including the information gathered for the purpose of conducting the property inspections and resident surveys, and including the records of the Appeals Panel used in making decisions on the appeals of communities, and all records relating to the Program, shall be kept confidential, except:

- a. Listings of all designated manufactured home communities are published, as determined by the Manufactured Housing Institute;
- b. Disclosure is made in those instances in which the "MHI Community of Distinction" Program is legally required to disclose information;
- c. At the specific request of the manufactured housing community, information gathered pertaining to that community may be disclosed to such persons as the community designates; and
- d. In the case of an appeal, the Appeals Panel's decision as recorded in the minutes is available to the Executive Committee and Board of Directors of the Manufactured Housing Institute.

Attachment A

Physical Property Inspection

The manufactured home community applying for the MHI Community of Distinction designation will be evaluated based upon the following criteria.

1. Entry to the property (including signage) in good repair, neat, and free of debris?
2. Signage throughout the community in good repair, painted and straight?
3. Common areas mowed, neat and free of debris?
4. Planting beds weeded, clean and edged?
5. Streets in good repair, free of potholes and debris?
6. Information center, office and community center neat and clean?
7. Office hours prominently displayed at the information center/office?
8. Interior signs legible and framed?
9. Management and staff presentable and cooperative?
10. Walkways clean and in good repair?
11. Streets and driveways free of grass?
12. 95% of driveways in good repair and clean?
13. Percentage of homes requiring cutting or noticeable trimming?
14. Percentage of homes in need of exterior painting and/or pressure cleaning?
15. Percentage of homes in need of exterior painting and/or pressure cleaning?
16. Sidewalks/yards & vacant home site free of parked cars?
17. Community free of inoperable and unregistered motor vehicles?
18. Vacant home sites neat and free of debris?
20. Community and/or resident fences straight, in good repair and painted or stained?
21. All workers' safety and mandatory employees notices posted?
22. Security fencing in good repair around the pool area?
23. All bathrooms or changing rooms clean, in good repair and odor-free?
24. Property free of roaming animals?
25. Trees well maintained, with limbs generally clear of homes?
26. Electrical pedestals straight, painted and of good physical appearance?
27. Community owned vehicles well-painted & in good appearance?
28. Fire hydrants easily accessible, painted and free of weeds?
29. Individual or cluster mailboxes in good condition, straight & painted?
30. Trash collection area screened from view?
31. If present, speed bumps painted and in good repair?
32. Workshop or garage neat and orderly?
33. All common area facilities and structures attractively painted and in good repair?
 - a. All well maintained
 - b. Maintained, but could use fresh paint
 - c. Some maintenance required
 - d. Many in poor shape and unpainted
34. Resident's property stored properly outside the home or in storage sheds?
 - a. All items are properly stored
 - b. Some seasonal items are not stored
 - c. Many items improperly stored
 - d. Resident's home site need a major cleanup

Attachment B

Rating and Evaluation Criteria		5	4	3	2	1	0
		Very Satisfied	Somewhat Satisfied	Neither Satisfied nor Unsatisfied	Somewhat Dissatisfied	Very Dissatisfied	Does Not Apply
With regard to the appearance and condition of the community, rate how satisfied are you with the following:							
Overall physical condition of the community							
Cleanliness of the community							
Maintenance of common areas							
Maintenance of recreation areas							
Maintenance of roads							
Exterior signage							
Street lighting							
Mail boxes/Mail box area							
How satisfied are you with each of the following features of the community?							
Safety							
Parking							
Recreational amenities							
Programs and support services for residents							

Rating and Evaluation Criteria	5	4	3	2	1	0
	Very Satisfied or	Somewhat Satisfied	Neither Satisfied nor Unsatisfied	Somewhat Dissatisfied	Very Dissatisfied	Does Not Apply
Rate your satisfaction with the community management in the following areas:						
Overall level and quality of service you are receiving						
Ease of contacting management when questions or problems arise						
Follow-up after problems are reported to be sure they have been resolved						
Willingness to respond to your needs						
Quality of communication between management and residents						
Enforcement of community rules and regulations						
Rent collection process						

Rating and Evaluation Criteria		5	4	3	2	1	0
		Strongly Agree	Somewhat Agree	Neither Agree or Disagree	Somewhat Disagree	Very Strongly Disagree	Does Not Apply
Please indicate how much you agree or disagree with each of the following statements:							
The community managers are doing all they can to make the community appealing to residents							
The maintenance staff are doing all they can to respond to resident needs in a timely manner							
I would recommend this community to a friend							
Based on my feelings today, I would renew my lease							