



The Language Of Rentals

BY BILL DAHLIN

Many states, including, for example, California, have statutory schemes where the language of a consumer contract is addressed. An example of a typical statute enacted by many jurisdictions is California Civil Code section 1632. That section provides, in part, as follows:

“(a) the legislature hereby finds and declares all of the following:

(1) . . .

(2) Since 1976 the state’s population has become increasingly diverse and the number of Californians who speak languages other than English as their primary language at home has increased dramatically. . . .

(b) Any person engaged in a trade or business who negotiates primarily in Spanish, Chinese, Tagalog, Vietnamese, or Korean, orally or in writing, in the course of entering into any of the following, shall deliver to the other party to the contract or agreement and prior to the execution thereof, a translation of the contract or agreement in the language in which the contract or agreement was negotiated, that includes a translation of every term and condition in that contract or agreement:

(3) A lease, sublease, rental contract or agreement, or other term of tenancy contract or agreement, for a period of longer than one month, covering a dwelling, an apartment, or mobilehome, or other dwelling unit normally occupied as a residence.”

The manufactured housing industry is painfully aware that the “great recession” commenced in 2008. One of the results of that financial upheaval was the necessity for many manufactured home communities to rent out a

particular mobilehome, as compared with leasing the site. When a mobilehome, as compared with a site, is being leased to an individual for occupancy, the provisions of many statutes like that quoted above, can become operative.

In very early February 2015, the California Court of Appeal issued a decision that directly discussed the impact and ramifications that can arise under Civil Code section 1632. The case involved the purchase and sale of an expensive Mercedes Benz automobile. The buyers, who spoke only Spanish, negotiated for the purchase of the car through their son, who spoke both Spanish and English. The buyer/parents eventually defaulted and lost the car through repossession. A deficiency judgment resulted and the buyers/parents filed suit alleging that the dealer had violated various statutory requirements, including Civil Code section 1632.

The trial court found that the contract was not negotiated in Spanish. Indeed, the trial court found that the son had negotiated the purchase and sale of the automobile in English, and had simply provided his own translation of the negotiations to his parents. The Court of Appeal affirmed the trial court’s ruling and concluded that the negotiations at issue were not within the ambit of Civil Code section 1632 and therefore the buyers/parents could not seek the remedies provided under that Civil Code section.

The lease of a mobilehome space is not, under the statute’s specific language, covered by Civil Code section 1632. However, the rental of a mobilehome is specifically covered. This new case makes it clear that park owners in California who are renting out a mobilehome can follow this decision and make sure they are in compliance with Civil Code section 1632. It is this writer’s thought that while a mobilehome

space is not subject to the constraints of Civil Code section 1632, the tone and tenor of legislators in Sacramento, as well as California’s Governor, would make mobilehome spaces a very “popular” addition to the existing statutory scheme.

The *Lopez v. Asbury Fresno Imports* case discussed above does not directly address the issue just referenced. That issue should be considered. Specifically, one of the issues that can easily arise under some statutory schemes is whether the leasing of a site for placement of a manufactured home is subject to the same types of statutory demands as a lease of the mobilehome itself. In California, the statute refers to the mobilehome itself, as compared with the underlying space. However, statutory schemes do vary from state to state and therefore any manufactured home site in states with statutes similar to Civil Code section 1632 should be analyzed as to whether such a restriction exists. The potential penalties for violation of the type of statute can be dramatic. One singular benefit from this recent court opinion is it certainly helps describe and articulate when conduct and actions of a park operator are *not* subject to this type of statute.



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