Mobile Home Park Conversion Discussion Summary

Mobile Home Park Conversion Discussion

Steve Nikoloff discussed the legal and practical considerations of converting the mobile home park into individually owned lots. He explained that such a conversion would require each existing mobile home to comply with current building codes, including hurricane wind-load standards and flood zone regulations. Depending on the age and condition of each home, this could require extensive renovations or rebuilding at significant cost.

Mr. Nikoloff advised that a new Declaration of Covenants, Conditions, and Restrictions (CC&Rs) would need to be drafted and recorded while the cooperative still owns the property. Attempting to obtain individual consent from every future lot owner after the conversion would be impractical and could create substantial legal complications.

He further clarified that because this process would involve terminating the existing leases and redeveloping the property rather than selling the park, the statutory 75% approval threshold for a sale would not apply. Instead, the conversion would require **100% approval** from all shareholders and leaseholders.

Cooperative to Individual Lot Ownership

Mr. Nikoloff explained that transferring ownership from a cooperative structure to individually deeded lots presents significant legal and administrative challenges. The process could require restructuring the cooperative and would likely create substantial financial obligations for residents.

He noted that under Florida law, ownership in a cooperative is already considered an interest in real property, meaning there are relatively few legal advantages to converting to individual lot ownership. As an alternative, he recommended exploring financing opportunities through lenders experienced in manufactured housing, such as 21st Mortgage, and consulting with a qualified land use attorney to evaluate available options.

Subdivision Planning and Legal Considerations

Mr. Nikoloff recommended consulting a land use attorney to determine whether a subdivision plat could be approved while the cooperative remains in existence. He cautioned that the subdivision process could take several years to complete and may cost approximately **$100,000** or more in legal, engineering, surveying, and governmental review expenses.

He expressed concern that converting the property into individually owned lots could create complex ownership issues and administrative challenges. He emphasized that the process is far more involved than simply obtaining a membership vote.

When asked about the current effort to market the property for sale as a whole, Mr. Nikoloff stated that the listing process remains ongoing and that member opinions continue to be mixed. However, he reiterated that converting the cooperative into individually owned lots should not be viewed as a simple alternative.

Approval Requirements

Mr. Nikoloff concluded by reiterating that converting the cooperative into individually owned lots would require **unanimous (100%) approval** from all shareholders and leaseholders because it constitutes a redevelopment rather than a sale of the property.

He also noted that while recent storm damage could potentially strengthen an argument for proceeding under the existing 75% approval provisions applicable to a sale, that argument would likely become less persuasive as repairs are completed and the community continues to recover.

Finally, Mr. Nikoloff clarified that the cooperative corporation itself would not necessarily be dissolved. Instead, it could continue to exist as the underlying landowner or governing entity within the newly redeveloped subdivision, depending on how the redevelopment is ultimately structured.