



**Office of
Rent Control Board**
Town House
26 Evergreen Street
Kingston, MA 02364

**BUSINESS MEETING MINUTES
RENT CONTROL BOARD
November 20, 2008**

MEMBERS PRESENT: Jim Farrell; Tom Calter; David Gavigan; Joseph Casna; Shawn O'Donnell

Mr. O'Donnell opened the meeting at 7:00 pm.

Town & Country Estates

Robert Kraus was present on behalf of the applicant and stated that the accountant for the park, Fred Katz, will be coming later this evening to make a presentation. Mr. Kraus referenced his letter of November 18, 2008, he handed out a Motion to Amend the Petition dated November 17, 2008. Mr. Kraus referenced the appraisal that was done and compared the rates of other parks compared to this park and further discussed comparable rents. Mr. Kraus stated that he objected to the appraisal submitted by Attorney Creed. He further stated that the rents have been static at \$350/month since 2002.

He stated that Town and Country is undervalued as a rental return asset.

There were discussions concerning the entity who filed the petition and co-mingling of expenses between the various entities which the principal of the park is involved in. There were discussions concerning 5 or 6 Notices to Quit that were served on residences for violation of the rules, mostly for minor children's extended visits.

Mr. Kraus provided an affidavit of Arthur Wyman, the park renovator. Mr. Creed objected to the submission of the affidavit because it had blanks filled in, Mr. Wyman's opinion is not germane and relevant and the signature page is not attached to the rest of the affidavit.

Mr. Kraus provided a hand out of a map. Mr. Calter moved to accept the map into the record. Mr. Casna seconded. The vote carried unanimously.

Mr. Fred Katz, the accountant for Town and Country for 26 years, reviewed the history of his CPA and discussed the corporate structure of the park. He is a principal of the CPA firm, Baver and Company. He explained that at the time of creation there was the parent company, Town & Country Mobil Homes, Town & Country Construction a subsidiary, Town & Country Sanitation, a subsidiary and Town & Country Estates, a sister corporation. All of the land was owned by Duxton Realty Trust. In 2005 there was a corporate merger of T&C Sanitation, T&C Construction and T&C Estates into T&C Mobil Homes, which ended up into one entity, except for Duxton Realty Trust which held the land. Currently, Robert and Linda Benea and two daughters are owners. Mr. Katz went over the reports.

Mr. Calter asked if the two corporations have transactions back and forth. Mr. Katz responded that they do and referenced page 4 of the report. Mr. Katz explained that financials for the periods of 2005-2006 and 2007-2008 are reviewed financials by his firm and added that he does not know where the financials for the third year are. His firm can not review the financials for the third year but did review for the past two years. He explained that the applicant hasn't provided the information and the bookkeeper can not accurately answer the inquiries that are required to do a review. Mr. Calter questioned why he couldn't do the review when they are the firm of record. There were further discussions concerning the procedures for reviewing financials. Mr. O'Donnell questioned why the operating expenses increased 20% for the year 2007-2008. Mr. Katz responded that part of it is the timing of receiving bills, he stated that certain water bills came late. Mr. O'Donnell stated that he would like to see the last three years of tax returns. Mr. Kraus stated that it is beyond the scope to have to provide tax returns. Mr. Calter stated he would like to see confirmation for the \$200k increase from 2006 to 2007. Mr. Katz responded that the increase was due to Cable TV, chemicals for the sewer and excise taxes.

There were discussions concerning the appraisals and the value of the park. Mr. Creed stated that he feels there is an overlap between the real estate trust and Town & County. He feels there is not enough financial information from Duxton and whether there are other real estate trusts involved. Mr. Kraus stated he would be happy to provide the information.

There was a recess and 9:15 and the Board reconvened at 9:22.

Harvey Smith of Rockland, MA stated that the sister parks to Town and Country are not rent controlled, he stated that there are others that have two car garages and more amenities

Bill Cavall, 38 Mt. Ash Drive, spoke in opposition to the increase

Joseph Morello, of 6 Bayberry Lane, stated that this park does not have the amenities of those parks that Mr. Kraus referenced earlier

Bob Denardo, President of the Tenants Association also spoke in opposition of the increase and reiterated that the park does not have the same amenities as those of other parks

Mr. O'Donnell stated that the Board will act fairly and impartially and if the rent increase is justified then it would be in the best interest for the park not to lose money.

The Board discussed that they would like to see more information on the appraisal and the 2006 financials. Attorney Kraus indicated that he would do his best to comply with the request.

The Board voted to continue the hearing to December 18, 2008 at 7:00 pm.

General Business

The minutes of August 7, 2008, August 25, 2008, September 18, 2008 and October 16, 2008 were approved.

It was voted to adjourn at 9:55 pm