

# Proposal favors homeowners

By JOHN HENDERSON  
of the Leesburg/Commercial

## TAVARES

In an apparent victory for homeowners in the Continental Country Club trial, a judge has proposed maintenance fees which could result in homeowners receiving most of a \$1 million escrow account.

Circuit Judge Ernest Aulls Jr. ruled in his proposed final judgment that evidence is "uncontroverted" that park owners imposed an unreasonable increase in maintenance and operations fees beginning in June 1985.

The judge has not signed the document and is scheduled to meet with attorneys on Aug. 24 to work out its fine points.

"The language (of the ruling) may change somewhat, but I'm not going to change my mind as far as the ruling goes," Aulls said.

Continental, located between Wildwood and Leesburg, contains about 700 manufactured homes, a restaurant, country club and golf course.

In June 1985 then-park owner Donald W. Freeman informed residents that maintenance and operation fees for the park were increasing from \$65 to \$135 a month. A few months later, as Freeman

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entered into bankruptcy proceedings, the fee was upped to \$137.50.

The increase prompted homeowners to file a lawsuit saying the increase was "unconscionable."

The suit was inherited by Redman Homes, a Dallas-based mobile home manufacturer, when it bought Continental Country Club.

Soon after the case began, the court put the \$72.50 increase in the escrow account until the case went to trial.

In June, the four-day trial was heard in a Tavares courtroom as accountants debated what should be included in a maintenance fee.

The ruling fees in Aull's proposal are virtually identical with those recom-

mended at the trial by the homeowner's accountant, David Logan.

Aulls states that from June 1985 through August 1986, a reasonable monthly fee based on "actual expenses incurred" should be \$57.93.

From Sept. 1, 1986, to the present date, the period in which Redman purchased all of the stock of Continental, a "reasonable" monthly fee is \$84, he said.

Tom Wiley, the park owner's accountant for the case, testified that \$127 is a reasonable fee. Wiley, however, included in his calculations interest on park-related loans and depreciation on the park's water and sewer system — items Aulls ruled should not be included.

Barring any major revisions, homeowners should be granted the accumulated difference between Aull's figures and the \$137.50.

"They (residents) should get back over \$1 million," said homeowner's attorney John T. Allen Jr. "It's a landmark decision, and extremely precedential. We're elated. We look at it as a total victory for the tenants."

Continental Country Club attorney David Eastman could not be reached for comment Friday.