

SPRINGFIELD MOBILE HOME PARK RENT CONTROL BOARD

c/o LAW DEPARTMENT

36 COURT STREET

SPRINGFIELD, MA 01103

OWNER PETITION FOR RENT ADJUSTMENT

In the matter of:

Bircham Bend Mobile Home Park  
Name of Mobile Home Park

93 Grochnal Ave.  
Street

Springfield  
City

01151  
Zip

I HEREBY PETITION FOR ADJUSTMENT OF RENTS  
AT THE ABOVE NAMED PROPERTY.

THIS PETITION, INCLUDING THE ACCOMPANYING  
SCHEDULES AND ATTACHMENTS, SIGNED UNDER  
THE PAINS AND PENALTIES OF PERJURY.

X [Signature]  
Signature of Owner

6 JAN 25  
Date

NAME OF OWNER: Haystack Industries Inc.  
First M Last

ADDRESS OF OWNER: 64 Cedar St.  
Street

Foxboro  
City

MA  
State

02035  
Zip

TELEPHONE NUMBER: 508-740-2092

FILING FEE \$ 2,250.00

Refer to Section 5(G) of the Rules and Regulations for Mobile  
Home Park Accommodations and Rents, Dated October 22, 1987

PRELIMINARY QUESTIONNAIRE

1. Have there been increases in services, operating or maintenance expenses since December 31, 1986? Yes X No      (If yes, describe and attach additional sheets if necessary.)

See Attached

2. Have there been decreases in services, operating or maintenance expenses since December 31, 1986? Yes      No X (If yes, describe and attach additional sheets if necessary.)

3. Has there been substantial deterioration of the mobile home accommodations other than as a result of ordinary wear and tear since December 31, 1986? Yes      No X (If yes, describe and attach additional sheets if necessary.)

4. Is there any ordinary repair, replacement or maintenance presently necessary? Yes X No      (If yes, describe and attach additional sheets if necessary.)

See Attached

5. Do the affected mobile home accommodations comply with the State Sanitary Code, the State Building Code and Zoning Code? Yes X No      (If No, describe and attach additional sheets if necessary.)

6. State all arguments and reasons for your seeking a rent increase and state any additional information that you think should be considered by the Springfield Mobile Home Park Rent Control Board in setting the rent. (Attach additional sheets if necessary.)

See Attached

I. **PROPERTY FINANCIAL STATEMENT**

A. **ACQUISITION AND FINANCING DATA:**  
Date Property was acquired;

5 / 1 / 2000  
month/day/year

Name and address of prior owner (if acquired after 12/31/86.)

Estate of Stanley R. & Patricia Grochmal

First M Last MA Street 01151  
City Springfield State Zip

Pyramid Corporation  
Corporation

City Wilbraham State MA Zip 01095  
Street


B. **FINANCING AT TIME OF ACQUISITION:**

Name of Mortgagee or Creditor Company or person	Face Amount	Date Executed	Term Years	Interest Rate %	Monthly Payment
1. <u>Ampten Bank</u>	<u>\$ 520,000</u>	<u>5/1/00</u>	<u>15 (varies)</u>		<u>\$ 4,665</u>
2. _____	\$ _____				\$ _____
3. _____	\$ _____				\$ _____
4. Total Mortgage & Other Loans	<u>\$ 520,000</u>				\$ _____
5. Equity	<u>\$ 25,000</u>				
6. Purchase Price	<u>\$ 545,000</u>				

C. **CURRENT FINANCING (if unchanged, write "same"):**

Name of Mortgagee or Creditor Company or person	Face Amount	Date Executed	Term Years	Interest Rate %	Monthly Payment
7. <u>None</u>	\$ _____				\$ _____
8. _____	\$ _____				\$ _____
9. _____	\$ _____				\$ _____
10. Total Mortgage & Other Loans	\$ _____				\$ _____

- III. OPERATING EXPENSES. (Maintenance, repairs and miscellaneous expenses must be itemized on page 4.)  
(Expenditures having a useful life of more than one year must be amortized on page 7 Item VI.)

- | MANAGEMENT FEES (Select [(a) or (b)])                          |          |
|--|----------|
| 1. (a) Actual monies paid to a separate management firm        | \$ _____ |
| 2. (b) 10% of gross income for self-management (10% of line 3) | \$ _____ |
| 3. Heating Fuel if Owner Provided (specify type _____)         | \$ _____ |
| 4. Electricity If Owner Provided (other than electric heat)    | \$ _____ |
| 5. Gas if Owner Provided (other than heating fuel)             | \$ _____ |
| 6. Water and Sewer   | \$ _____ |
| 7. Insurance (fire and liability)                              | \$ _____ |
| 8. Total Maintenance (itemize on page 4)                       | \$ _____ |
| 9. Total Repairs (itemize on page 4)                           | \$ _____ |
| 10. Miscellaneous (itemize on page 5)                          | \$ _____ |
| 11. SUB TOTAL (ADD LINES 1-10)                                 | \$ _____ |
| 12. Real Estate Taxes (after abatement)                        | \$ _____ |
| 13. Capital Improvements (amortized, from page 7)              | \$ _____ |
| 14. TOTAL (ADD 11, 12, & 13)                                   | \$ _____ |
- See Attached 

IV. ITEMIZED EXPENSES FOR MAINTENANCE, REPAIRS AND MISCELLANEOUS EXPENSES.

INSTRUCTIONS: Where work is done by owner or employee of the owner, state the total cost for supplies and labor and indicate by an "\*" next to the amount; also a schedule listing the work performed, date performed, and hourly rate claimed must be attached to this form. Where work is done by contractor; state the contractor and contract amount. Expenditures having a useful life or more than one year must be amortized on page 7, Item VII.

Calendar Year  
19\_\_\_\_

A. MAINTENANCE

- |  |          |
|--|----------|
| 1. Janitorial Payroll (all maintenance performed by janitor) | \$ _____ |
| 2. Cleaning  | \$ _____ |
| 3. Extermination   | \$ _____ |
| 4. Rubbish Removal   | \$ _____ |
| 5. Snow Removal  | \$ _____ |
| 6. Landscaping Costs   | \$ _____ |
| 7. Other Maintenance (describe)                              | \$ _____ |
| 8. Total Maintenance (transfer to page 3 line 8)             | \$ _____ |

*See Attached* →

B. REPAIRS

- |   |          |
|---|----------|
| 9. Plumbing                                   | \$ _____ |
| 10. Electrical                                | \$ _____ |
| 11. Heat Plant (if applicable)                | \$ _____ |
| 12. Other Repairs (describe)                  | \$ _____ |
| 13. Total Repairs (transfer to page 3 line 9) | \$ _____ |

*See Attached* →

C. MISCELLANEOUS

14. Advertising \$  
15. Brokerage \$  
16. Legal \$  
17. Accountant/Audit \$  
18. Other Expenses (describe) \$  
19. Total Miscellaneous (transfer to page 3 line 10) See Attached → \$

V. REAL ESTATE TAX INFORMATION:

1. Assessed value as per current tax bill: 2024  
Property: \$ 1,742,600
2. Year assessment last changed: 19\_\_\_\_  
Previous Assessment: \$ 1,696,100 Year 2023  
Previous Assessment: \$ 2,654,600 Year 2022
3. Property tax paid for: Current year \$ 39,327.69  
Previous year \$ 40,030.42  
Previous year \$ 50,073.51
4. Abatements Received:  
Abatement for 19\_\_\_\_ \$\_\_\_\_ Current year \$\_\_\_\_  
Abatement for 19\_\_\_\_ \$\_\_\_\_ Previous year \$\_\_\_\_  
Abatement for 19\_\_\_\_ \$\_\_\_\_ Previous year \$\_\_\_\_
- List any abatement proceedings presently pending indicating the amounts and years for which claimed None

**VI. SALES AT PARK; ITEMIZED EXPENSES FOR MAINTENANCE, REPAIRS AND MISCELLANEOUS EXPENSES.**

INSTRUCTIONS: Where work is done by owner or employee of the owner, state the total cost for supplies and labor and indicate by an "X" next to the amount; also a schedule listing the work performed, date performed, and hourly rate claimed must be attached to this form. Where work is done by contractor, state the contractor and contract amount. Expenditures having a useful life or more than one year must be amortized on page 7, Item VII.

Calendar Year  
19\_\_\_\_\_

**A. MAINTENANCE**

- |  |         |
|--|---------|
| 1. Janitorial Payroll (all maintenance performed by janitor) | \$_____ |
| 2. Cleaning  | \$_____ |
| 3. Extermination   | \$_____ |
| 4. Rubbish Removal   | \$_____ |
| 5. Snow Removal  | \$_____ |
| 6. Landscaping Costs   | \$_____ |
| 7. Other Maintenance (describe)                              | \$_____ |
| 8. Total Maintenance   | \$_____ |

See Attached →

**B. REPAIRS**

- |                                |         |
|--------------------------------|---------|
| 9. Plumbing                    | \$_____ |
| 10. Electrical                 | \$_____ |
| 11. Heat Plant (if applicable) | \$_____ |
| 12. Other Repairs (describe)   | \$_____ |
| 13. Total Repairs              | \$_____ |

See Attached →

C. MISCELLANEOUS

14. Advertising	
15. Brokerage	\$
16. Legal	\$
17. Accountant/Audit	\$
18. Other Expenses (describe)	\$
19. Total Miscellaneous	\$

See Attached → \$

VII. CAPITAL IMPROVEMENTS

A. CURRENT

INSTRUCTION: Description (indicate capital improvements made up to the present date that are currently being amortized. Where improvements benefits less than all mobile home accommodation, list accommodations benefited.

Describe:	Mobile Home Accomo. Benefited	Date Work Started Mo/Yr	Date Completed Mo/Yr	Cost \$	Estimated Life	Yearly Amortization Cost By Life \$
		/ /	/ /	\$		\$
		/ /	/ /	\$		\$
		/ /	/ /	\$		\$
See Attached		/ /	/ /	\$		\$

Describe:	Mobile Home Accomo. Benefited	Date Work Started Mo/Yr	Date Completed Mo/Yr	Cost \$	Estimated Life	Yearly Amortiza- tion Cost By Life \$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
TOTAL				\$		\$

B. PROPOSED

INSTRUCTION: Description (indicate capital improvements you plan to make in the next three (3) years. Where improvements benefits less than all mobile home accommodation, list accommodations benefited.

Describe:	Mobile Home Accomo. Benefited	Date Work Started Mo/Yr	Date Completed Mo/Yr	Cost \$	Estimated Life	Yearly Amortiza- tion Cost By Life \$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
		/ /	/	\$		\$
See Attached		/ /	/	\$		\$
TOTAL				\$		\$

This financial statement including all accompanying schedules and attachments are signed under the pain and penalties of perjury.

X Steve Miller  
Signature of Owner

6 JAN 25  
Date

## PRELIMINARY QUESTIONNAIRE

1. Services, operating and/or maintenance expenses have increased in proportion to the attached Northeast CPI Index since the last application for maximum allowable rent increase made on January 12, 2022 (which used 2021 expenses) and approved on August 25, 2022, copy of decision also attached. A thumb drive of the January 12, 2022 submission is also attached and submitted herewith in support of the current base rent, which the applicant seeks to increase by the Northeast CPI Index percentage increases since said application. Yearly percentage increases based upon CPI are as follows as supported by the evidence attached hereto:

- 2022- 7%
- 2023- 3.5%

4. The applicant continues to undertake ordinary repairs, replacement and maintenance at Bircham Bend such as landscaping, snow/ice removal, and general upkeep.
6. Applicant seeks an increase from the current maximum allowable rent approved in the amount of \$376.48 per month per accommodation by the Springfield Mobile Home Rent Control Board effective October 1, 2022. That approval was based upon expenses from 2021 and effectively brings the maximum allowable rent in line in line with those expenses to produce a "fair net operating income" (as defined in the City of Springfield Rules and Regulations for Mobile Home Park Accommodations and Rents) in the year 2021.

By way of this application the applicant seeks to raise the maximum allowable rent to \$416.93 per month per accommodation, consistent with a CPI cost of living increase for the Northeast area all items for the years following its application on January 12, 2022 (which used 2021 expenses). Applying these increases to the approved base line rent will achieve the fair net operating income sought by the Mobile Home Rent Control Board Regulations. The general adjustment of maximum rent increases sought pursuant to Springfield Mobile Home Rent Control Board Rules and Regulations Paragraph 5(B) are as follows:

- 2022-  $(\$376.48 \times 1.07) = \$402.83$ ; and
- 2023-  $(\$402.83 \times 1.035) = \$416.93$ .



## Databases, Tables & Calculators by Subject

Change Output Options:

From:  To:

☒ include graphs ☐ include annual averages

[More Formatting Options](#) ➔

[Special Notices 4/25/2024](#)

Data extracted on: November 19, 2024 (11:17:34 AM)

### Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUUR0100SA0, CUUS0100SA0

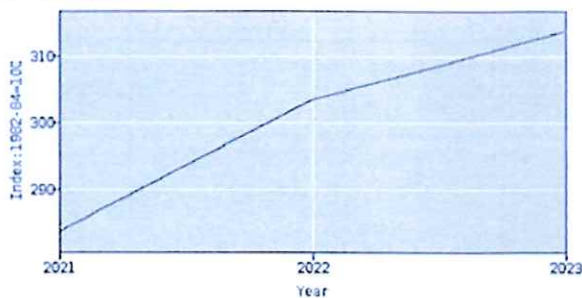
Not Seasonally Adjusted

Series Title: All items in Northeast urban, all urban consumers, not seasonally adjusted

Area: Northeast

Item: All items

Base Period: 1982-84=100



Download: [.xlsx](#)

Year	Annual
2021	283.557
2022	303.320
2023	313.786

### 12-Month Percent Change

Series Id: CUUR0100SA0, CUUS0100SA0

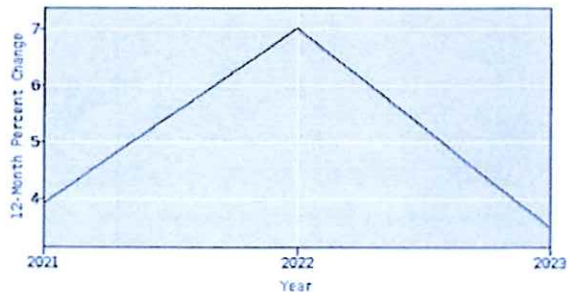
Not Seasonally Adjusted

Series Title: All items in Northeast urban, all urban consumers, not seasonally adjusted

Area: Northeast

Item: All items

Base Period: 1982-84=100



Download: [.xlsx](#)

Year	Annual
2021	3.9
2022	7.0

Year	Annual
2023	3.5

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

Telephone: 1-202-691-5200 Telecommunications Relay Service: 7-1-1, [www.bls.gov](http://www.bls.gov) [Contact Us](#)

**COMMONWEALTH OF MASSACHUSETTS  
SPRINGFIELD MOBILE HOME RENT CONTROL BOARD**

HAMPDEN, ss.

DOCKET NO.:

In Re: )  
HAYASTAN INDUSTRIES, INC., d/b/a )  
BIRCHAM BEND MOBILE HOME PARK )  
Petitioner )  
 )

**RATE SETTING DECISION**

**I. PROCEDURAL BACKGROUND:**

The Springfield Mobile Home Rent Control Board (the "Board") approved a petition for rent increase filed by Hayastan Industries, Inc. d/b/a Bircham Bend Mobile Home Park (the "Petitioner") on July 6, 2022 increasing the maximum allowable rents from \$214.87 per month per accommodation to \$376.48 per month per accommodation. A copy of said petition is attached hereto and incorporated here in as Exhibit A. The Board held a public meeting on June 23, 2022 to discuss the petition for rent increase. The Petitioner presented the fiscal 2020 expense report to the board. Tenants of Bircham Bend Mobile Home Park as well as Attorney Dan Ordorica who represents two of the tenants appeared to offer remarks regarding the petition for rent increase.

**II. DISCUSSION**

At its July 6, 2022 meeting the Board decided to implement a generally used and accepted formula for considering applications for rent increase, which formula has been in use by the Board on more recent petitions before it:

$$((\text{Fair Market Value} \times \text{Rate of Return}) + \text{Approved Expenses} / \text{Total Accommodations}) / 12$$

The Board adopted the following numbers, which it approved in its July 6, 2022 decision:

1. Fair Market Value – \$2,775,700
2. Rate of Return – 6.5%
3. Total accommodation – 136

To determine the fair market value of the property the Board reviewed and discussed the City of Springfield assessment of the property, which was valued at \$2,775,700 in 2020. The Petitioner submitted an appraisal, which was completed by Commercial Appraisal Services in 2022. Commercial Appraisal Services appraisal report from March 18, 2022 appraised the property at \$4,525,000. The Board did not accept the appraisal as it was assessing the value of the Bircham Bend now rather than the value of the park in 2020. The Board approved the use the City of Springfield assessed value of \$2,775,700 as the fair market value of the property.

Rate of Return: The rate of return is based upon the letters submitted by Berkshire Bank (3/20/20); TD Bank (2/19/20), and Westfield (2/20/20). These letters make it clear that a 6.5% rate of return is well within the range allowed. The Petitioner submitted letters from these same institutions that the rate as of 2022 would be even higher, although we decline to use those higher rates.

With respect to expenses, the Board approved for inclusion in the above formula expenses in the amount of \$433,996. In our analysis, we accept the management fee of \$35,067 as a reasonable fee (along with the secretarial expenses of \$3,963). This amount equals 10% of the lower adjusted income from the gross income collected after the Appeals Court upheld the Housing Court's lower rent per unit. This 10% is justified as the owner was actually paid \$50,000 for his service for the year, but Petitioner is only seeking this lower amount. Moreover, this amount is justified from the submissions by the Petitioner from Witman Properties, and the other on-line sources cited by Petitioner in its supporting material.

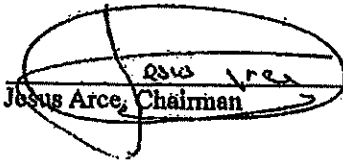
Wither respect to the Total Accommodations, the Petitioner testified that in 2020 there were 136 Mobile Home Accommodations as defined in the City of Springfield Rules and regulations for Mobile Home Park Accommodations and Rents.

The Board applied the above formula with the approved numbers as follows:  
$$\$2,775,700 \times .065 = \$180,420.50 + \$433,996 = \$614,416.50 / 136 = \$ 4,517.76 / 12 = \$376.48$$

### III. RENT INCREASE

Based on the forgoing the Board find and approves a maximum allowable rent of \$376.48 per accommodation per month. The Applicant shall notify and deliver a copy of this decision to each tenant in writing no later than September 16, 2022. The Petitioner will certify to the Board's Attorney Alesia H. Days by September 23, 2022, that all decisions were delivered to each tenant. Tenants with financial hardship may apply to the Board for relief as set forth in Exhibit B.

**DATED August 25, 2022**

  
Jesus Arce, Chairman

  
Daniel Baro, Member

  
Katherine Garvey, Member

**APPEAL PROCESS:** Interested parties may appeal this Decision to the Hampden County, Superior Court, District Court, or Housing Court pursuant to Section 14 of Chapter 30A of the Massachusetts general Laws, within (30) days of receipt of notice of this decision.