LOVE RANCH is a new movie about the Mustang Ranch, the first legal brothel in Nevada.

Set in the 1970s, it stars Helen Mirren as the Madam and Joe Pesci as her husband and business partner, and is directed by Ms Mirren’s real-life husband Taylor Hackford, the award-winning film make behind An Officer And A Gentleman and Ray.

Based on the true story of Joe and Sally Conforte and their bordello, it takes in mystery, murder, bankruptcy and tax evasion. All this happens in the dry desert, just eight miles away from the casino lights of Reno, Nevada.

But if the tale doesn’t make for family viewing, it does have a happy twist for the co-operative movement. The demise of the Mustang Ranch led to creation of a unique housing co-operative.

Today, the Lockwood Community Corporation is a thriving 56 acre co-op owned mobile home park with 94 homes serving 180 residents. The co-op seems to be the only good thing to come from the brothel’s colourful existence.

After buying Mustang Ranch in 1967, Joe Conforte set out to gain political control over the sparsely populated Storey County. There were 571 people living there in 1960, and only half of them were voters. The Confortes built a mobile home park for the new Mustang Ranch employees. Joe was also interested in providing favourably priced housing to various other well-placed locals.

According to the Wikipedia account of the Lockwood Mobile Home Park, Conforte gained political influence in Storey County by renting out cheap trailers and telling the renters how to vote, and persuaded county officials to pass a brothel-licensing ordinance, which came into effect in 1971.

Voters seemed continually grateful for Joe’s largesse by electing county officials who were supportive of the Conforte’s bordello-based enterprises.

But federal agencies were less keen. For decades, they pursued wrongdoings at Mustang Ranch but with minimal success. That changed in 1990, when Joe lost a tax fraud case and fled to Brazil where he still lives in self-exile.

Under an assumed name, Joe took back ownership of the ranch but, in 1999, the US Justice Department convicted the owners of Mustang Ranch on the basis of federal fraud and racketeering charges. The Justice Department and the Internal Revenue Service (IRS) took over all of the assets of the Mustang Ranch and Joe and Sally Conforte. The IRS auctioned off the brothel. Some of the Ranch’s fixtures were actually sold on eBay.

As a result, life at the Lockwood Mobile Home Park changed drastically. The new owners moved the Mustang Ranch to another part of Storey County. Many people living in the mobile home park lost their jobs and others feared it would close down and they would lose their homes.

The deal the residents got with the IRS was a good one, allowing space rents to be set at about $100 per month. The share needed from the residents to buy the park was $1,600 each, although the co-op did have to agree to fund a million-dollar upgrade of the water and sewer system.

On December 25, 2002, the Nevada press announced that the IRS had given the residents a great Christmas present with the transfer of park ownership from the IRS to the residents. The park was now completely independent – and more importantly, independent of the Mustang Ranch.

Lockwood Community Corporation is a co-operative organisation that now owns the entire 56 acre park and its infrastructure. Just as before, the households own their homes. The Lockwood Community Corporation is now run by a five-person board elected on a one vote one member basis by the 94 households in the park.

With the stability of a resident owned co-op, Lockwood has become very popular. Turnover at the park is about five per cent annually – just four or five homes per year. There is a long waiting list of households who want to live there.

Dan Bogden, the US Attorney who prosecuted the case, told the press: “This action benefits the citizens of Nevada and is a fine example of what can be accomplished when private interests and the federal government work hand in hand for the betterment of society.”

It just might be the first co-op created by the IRS. But given the co-op’s success let’s hope it is not the last.