



Promoting Resident Ownership of Manufactured Home Communities: A Policy Guide

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Resident ownership of manufactured home communities is a proven method of stabilizing, improving, and preserving this important yet threatened form of affordable housing. This guide walks through the benefits of resident ownership and the elements of an effective state policy to give owners of homes in manufactured home communities the opportunity to purchase the land on which their homes sit.

This policy guide is intended as an accompaniment to NCLC's [Model Manufactured Home Community Stability and Preservation Act](#), which provides model statutory language to create an effective purchase opportunity in a state. The [appendix](#) to this guide summarizes existing state purchase opportunity statutes. A full-text compendium of these laws is available on NCLC's [website](#).

Resident Ownership Is a Proven Strategy That Transforms Manufactured Home Communities

Residents of manufactured home communities are uniquely vulnerable because, unlike any other form of housing, they own their homes but not the land on which their homes sit. As a result, they are vulnerable to unaffordable rent increases, disinvestment, and closure of the community due to a change of use for the property, which can result in loss of the home. Traditionally, these communities have been locally owned and managed, but in recent years they have been targeted by regional and national investment conglomerates.

Opportunity to purchase laws give homeowners in manufactured home communities the opportunity to buy the land on which their homes sit. Typically the homeowners do so by incorporating a cooperative or similar organization that takes title to the land. (The exact form of the organization will depend on state law). The homeowners are members of the cooperative organization, and elect its governing board, which typically hires an independent, third-party property management company, approves budgets, and sets overall policies. Homeowners then rent their lots from the co-op organization, with a non-terminating lease.

Once a manufactured home community is resident-owned, the homeowners—and the community at large—know that their homes are secure. The danger of closure of the community, leaving hundreds of families without housing and creating a local affordable housing crisis, is gone. With stable land tenure, the manufactured home becomes a true asset for a family and a means to build wealth. The stable land tenure and stable rent that come with resident ownership also provide the groundwork for residents to secure mainstream mortgage financing for the purchase, replacement, or improvement of their homes.

Experience has shown that, when residents own their manufactured housing community, they invest in their homes and the property. Income from rent goes directly to expenses and capital improvements. They repave the roads, replace or repair systems ensuring clean drinking water and safe sanitation, repair and repaint outbuildings, and add landscaping and amenities. The enhanced manufactured housing community benefits the community at large. Being able to make decisions about the community also increases civic engagement and reduces societal conflict.

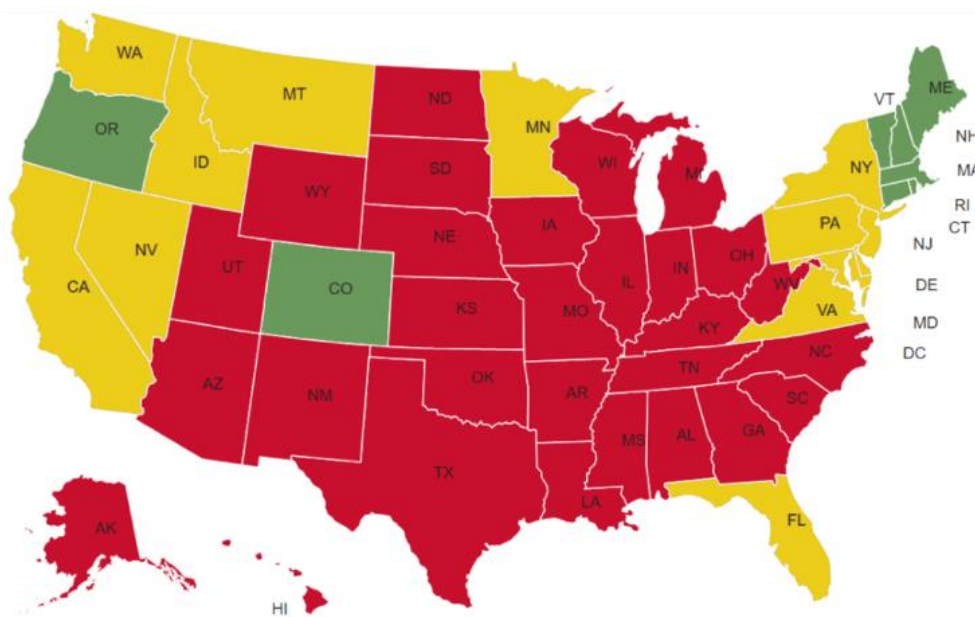
Opportunity to purchase laws represent an appropriate balancing of the rights of the owners of manufactured homes and the owners of the land on which their homes sit. These laws do not require the community owner to sell the land, but only to give the homeowners an opportunity to purchase it if the community owner decides to sell it. Purchase opportunity laws ensure that the community owner receives the same market-set price for the property, whether it is sold to the residents or a third-party buyer.

Hundreds of resident-owed communities, spread across the country, are currently thriving. For example, in New Hampshire, 146 manufactured home communities—over 30% of the 425 to 450 in the state—are resident-owned. Over 20% of manufactured home communities in Massachusetts, Vermont, and Rhode Island are resident-owned. These states all have effective purchase opportunity laws, and demonstrate how the existence of such a law enables resident ownership to take off.

The growth in resident ownership over the past fifteen years has also been fostered by the work of ROC USA, LLC, a national non-profit social enterprise that makes technical assistance and financing available to homeowner groups across the country that seek to purchase their communities. In addition, state and federal housing agencies, recognizing the public interest in preserving manufactured home communities as affordable housing assets, are increasingly supporting resident homeowner purchases with technical and financial assistance.

Twenty-one states have policies that require or encourage community owners to give homeowners the opportunity to purchase the land on which their homes sit. However, some state purchase opportunity laws are effective in promoting resident ownership but others are not.

Does Your State Have an Effective Purchase Opportunity Law?



- Strong protection when community is sold
- Some protection when community is sold
- This state has no laws giving manufactured home community residents the opportunity to purchase their communities

The version on this map on NCLC's purchase opportunity [website](#) includes summaries of each of the state purchase opportunity laws.

Key Elements of a Strong Purchase Opportunity Policy

The most basic elements necessary to make a purchase opportunity law effective are that the law must:

- Apply **whenever a community is being sold**, whether for continuation as a manufactured home community or for change in use.
- Require **notice to all residents**, without any preconditions, and to a **state agency**.
- Require residents to be told the **price, terms, and conditions** of the third-party offer.
- Provide an **overall commercially reasonable time frame** for the residents to present their own purchase and sale agreement, reach an agreement with the community owner, lock down their financing, and close on the sale.
- Require the community owner to at least **consider the residents' offer and negotiate in good faith** with them. (This provision can be strengthened by a provision that, if the residents match the price and essential terms and conditions of the third-party offer, they have the right to purchase the community).
- Provide an effective means of **enforcement**.

All of these elements, which are discussed in more detail in the next sections, are found in NCLC's [Model Manufactured Home Community Stabilization and Preservation Act](#) (2023). The [Appendix](#) to this guide includes summaries of the existing state laws. NCLC's [website](#) also includes all of this material plus a full-text compendium of all the state purchase opportunity laws.

An Opportunity to Purchase Whenever a Community Is Being Sold

Effective purchase opportunity laws require notice whenever the community is being sold. A common requirement is notice whenever the community owner receives a bona fide offer from a third party or an offer that the owner intends to consider or accept. Typically the community owner must send notice to the residents at least a certain number of days before finally and unconditionally accepting such an offer.

Some states, however, require notice to residents only when the community is being sold for a change in use. This self-defeating policy makes the purchase opportunity illusory. Nine out of ten sales are for continuation as a manufactured home community, so exempting these sales means eliminating a majority of opportunities for the residents to purchase their communities.

Moreover, when a developer is prepared to buy the community and change its use, it is usually the hardest time for residents to buy it. Sometimes a new buyer is planning a change in use because the community's land and infrastructure have been allowed to deteriorate. At that point, it is often too late to save the community. It is much more likely to remain a healthy, vibrant source of affordable housing if the residents have an opportunity to buy it before it deteriorates.

Other times a new buyer is planning a change in use because the place where the community is located has become a hot real estate market and a developer wants to turn it into condos or a strip mall. Again, at this point it is often impossible to save the community as affordable housing because the sale price will be based on a speculative or prospective use. The residents need an

opportunity to buy it when its value, and therefore its sale price, is based on the cash flow generated by its current use as a manufactured home community. In a commercially-owned manufactured home community, the homeowners' rents (operating revenue) typically cover the community owner's operating expenses, debt service, and profit. Therefore, the residents are, almost by definition, able to match a sales price based on current use cash flow. Fostering resident ownership and avoiding closures for redevelopment requires making purchase opportunities available whenever the community is being sold, not just when it is sold for a change in use.

Another flaw in some states' purchase opportunity laws is that they only require notice to residents when the community owner lists the community for sale. Most manufactured home communities are sold without ever being listed or advertised for sale. Investors, brokers, developers, and consolidators routinely make unsolicited offers to community owners and target properties for purchase long before a community owner is even thinking about a sale. Limiting notice to situations where the property is listed effectively eliminates resident homeowners' opportunity to even know that their community is about to be sold and certainly significantly reduces their opportunity to purchase the community.

Exceptions for transfers within the community owner's family, for transfers by inheritance, or within a corporation or partnership, are reasonable, but should be carefully drafted to avoid being used as an evasion. These exceptions recognize community owners' desires to continue a family business. It is also reasonable for the law to make it clear that it does not apply to a purchase by a governmental entity pursuant to its power of eminent domain.

Both sellers and buyers of real estate investment properties have concerns about tax implications. Some states have tried to exempt certain transactions from the notice provisions recommended here in order to address those concerns. (The most common device to minimize federal tax obligations is known as a "1031 exchange" and is governed by 26 U.S.C. § 1031, a section of the Internal Revenue Code.) However, an exemption is unnecessary, as resident groups are typically able to accommodate a community owners' need to delay or accelerate a sale in order to accomplish a 1031 exchange or other tax-related aspect of the purchase transaction. Since the homeowners are buying the land on which their homes sit, they are a uniquely motivated and accommodating buyer.

NCLC's [Model Manufactured Home Community Stabilization and Preservation Act](#) (2023) includes appropriately narrow exemption language that can be adapted for state laws.

Notice to All Residents, Without Preconditions, and to a State Agency

A second key element of a purchase opportunity law is a requirement that the residents and a state agency receive the notice of the potentially impending sale of the community. Every homeowner deserves to know that the community is being sold and to have the opportunity to participate in the evaluation of whether to purchase the community.

Sending notice to all the homeowners is not a burden on the community owner. The community owner has a rent roll with the residents' names and contact information, and is already regularly contacting resident homeowners to collect rent, renew leases, enforce community rules, and provide other periodic notices.

Some state laws, however, require notice only to a resident association. If a resident association does not exist, the residents are not entitled to notice, and the community can be sold without warning. Others create even more impediments, by providing that an existing resident association is entitled to notice only if it sends a notice—sometimes an annual notice—to the

community owner, expressing the residents' interest in purchasing the community, outlining its authority to do so, and listing the names of the association's officers.

A law that requires notice to residents only if they have formed a resident association and complied with paperwork requirements means that many communities—probably most communities in the United States—can be sold without notice to residents. Yet a pre-existing resident association is entirely unnecessary for residents to purchase their community. Experience has shown that, residents can successfully organize a resident association and enlist residents as members while they are preparing their purchase offer. A formal association is not even necessary—any group with identified members is sufficient.

In addition to notice to residents, notice to at least one governmental agency, typically the state housing finance agency, is a highly effective and important part of a purchase opportunity law. Once the state housing finance agency learns that a community may be sold, it may reach out to residents or make the information available to technical assistance providers that work with residents to evaluate the potential purchase and, if the residents are interested, help them put their proposed purchase and sale agreement together. Notice to local governments is also helpful, as they are most affected by the loss of affordable housing and may have a unique ability to assist residents.

As for the content of the notice, it should include at least enough information—the price, terms, and conditions of the offer the community owner is considering or has conditionally accepted—so that the homeowners can determine whether it is realistic to make a purchase offer. This requirement means that the residents will know what a fair market price is from the community owner's point of view. If they decide to propose a purchase and sale agreement, it will be one that will give the community owner the price the community owner wants.

An Overall Commercially Reasonable Timeframe to Propose and Close on a Sale

A third key element of an effective policy is an overall commercially reasonable time frame for the residents to learn about the impending sale of their community, meet as a group, engage an attorney and present and execute a purchase and sale agreement with the community owner. The purchase and sale agreement will typically address due diligence, financing and closing terms. NCLC's model law proposes 90 days for the residents to present a proposed purchase agreement, and then 90 additional days to complete due diligence on the property, secure a financing commitment, and close. These time frames are consistent with those for similar commercial real estate transactions in most states.

The key is to make sure that the time frame is consistent with what works for other commercial transactions in the state, given the state's laws and resources. As long as the statute is constructed so that homeowners and potential technical assistance providers get timely notice with complete information, and the community owner has a duty to accept a matching offer or at least consider the residents' offer and negotiate in good faith with them, the process can proceed speedily and efficiently.

Many state laws set a time period for the residents to present their proposed purchase and sale agreement to the community owner, and then an additional period of time to obtain and finalize the financing for the purchase of the community and close on the sale. A reasonable time to obtain financing is a standard term in commercial real estate transactions, so providing for a reasonable time period to obtain financing and close is consistent with market practices. Residents are generally able to finalize their financing arrangements and close on the sale within the same time frame as commercial buyers.

Duty to Consider the Residents' Offer and Negotiate in Good Faith with Them

The fourth important element of an effective purchase opportunity law is a duty on the part of the community owner to at least respond fairly and seriously to the homeowners' proposed purchase and sale agreement. New Hampshire is a good example of this approach. It requires the community owner to consider any offer made by the residents and negotiate in good faith with them. Its law has been highly effective, resulting in 148 resident-owned communities out of the approximately 425 to 450 in the state. This approach has also been successful in Vermont and Colorado.

This approach creates a very simple, non-burdensome requirement for the community owner. It doesn't mandate sale to residents, but just requires the community owner to consider their offer and negotiate with them in good faith. It requires the community owner to treat the residents just like any commercial buyer.

"Good faith" is a very common concept in the law. As two random examples, New Hampshire statutes use the term "good faith" 493 times, and Indiana uses it 710 times. Good faith is a standard that business owners are already required to abide by in almost all their commercial dealings. It is part of the Uniform Commercial Code, in effect in 49 states, which governs all sales of goods, leases of goods, repossession, and every time a business writes a check. The Uniform Commercial Code's definition of the term is "honesty in fact and observance of reasonable commercial standards of fair dealing."

An even stronger approach is to require the community owner not just to consider the residents' offer and negotiate in good faith with them, but to require the sale to be to them if they match or substantially match the price, terms, and conditions of the third-party offer. Connecticut, Florida, Massachusetts, Minnesota, New Jersey and Rhode Island are examples of states that take this approach, at least in some circumstances.

This type of law, while harder to enact, provides the strongest protection to homeowners and gives them the most realistic opportunity to purchase the community. Granting the homeowners a right to purchase the community codifies the state's commitment to homeownership opportunities. It is an important step toward overcoming any preconception on the part of community owners that residents are incapable of owning and running their own communities. Giving residents a right to purchase the community—for the same price and on substantially the same terms as a third-party offer that the community owner is prepared to accept—represents an equitable balancing of two property rights: the rights of the homeowners and the rights of the owner of the land on which their homes sit. It provides predictability and certainty for both homeowners and community owners, ensures that the community owner will receive the exact price the community owner is seeking, and increases the speed and efficiency of the entire process.

However, a duty to sell to the homeowners if they match the third-party offer should always be coupled with a duty to consider the homeowners' offer and negotiate with them in good faith. Whether the homeowners' proposed purchase and sale agreement matches or substantially matches the third-party offer can be disputed, and sometimes the third-party offer will contain an element, such as an exchange of a specific plot of land that the third party owns, that the residents cannot match. In such cases, the community owner should have a duty at least to negotiate with the residents to determine whether their offer is or can be made financially equivalent to the third-party offer.

An Effective Means of Enforcement

It is often said that a right without a remedy is no right at all. A policy that encourages the sale of the community to residents but does not have reasonable enforcement provisions is unlikely to be successful. An effective law will at least:

Give the residents the right to obtain a substantial civil penalty—for example, \$100,000 or 20 percent of the total sales price, whichever is greater—from a community owner that fails to comply with the law, plus the right to sue for an injunction requiring a community owner to obey the law, reimbursement for damages caused by the non-compliance, and reasonable attorney fees.

Give public officials—at least the attorney general and an appropriate local official—the authority to go to court to force a community owner to comply with the law, pay a substantial civil penalty for non-compliance, and pay the costs and attorney fees that the government agency incurred.

In some states, some of these objectives can be accomplished simply by placing the new law in a section of the state code that already provides strong remedies. They can also sometimes be accomplished by providing that a violation of the new law is a violation of the state deceptive practices statute. However, in some states the deceptive practices statute is limited in ways that would make this an awkward fit.

Other Policies that Support Resident Ownership

Tax incentives

The sale of a manufactured home community to the owners of the homes located there benefits not just the residents living there but also the larger community. When a family not only owns the home in which they live but also controls the land where that home is placed, the family gains stability and so does the community surrounding the manufactured home community. Such a purchase also ensures the preservation of affordable housing. Recognizing the importance and benefit of such transfers, some states provide tax incentives to increase the likelihood that residents will be able to purchase their community.

One form of tax incentive reduces or eliminates the community owner's tax liability for capital gains upon the sale of a community to the residents. Others reduce or forgive a real estate transfer tax. These incentives act as an inducement to the community owner to sell to the residents and may also make it easier for the residents to make a competitive offer.

NCLC's [Model Manufactured Home Community Stabilization and Preservation Act](#) (2023) includes sample tax incentives from several states.

Zoning

Closure of a manufactured home community and conversion of the land to some other use often requires a zoning change. A number of states, including Florida, Idaho and South Carolina, have specific laws requiring community owners to notify residents of any application for a zoning change. These laws give residents an opportunity to participate in the local government's decision-making process that will determine whether they lose their homes—a matter of fundamental fairness. Preserving the existing zoning may also make it easier for the residents to purchase the community. NCLC's [Model Manufactured Home Community Stabilization and Preservation Act](#) (2023) includes a zoning notice provision based on Florida's law.

Appendix: Summary of State Manufactured Home Community Purchase Opportunity Laws

California..... 9
Colorado..... 10
Connecticut..... 11
Delaware..... 13
Florida..... 14
Idaho..... 16
Maine..... 17
Maryland..... 18
Massachusetts..... 19
Minnesota..... 21
Montana..... 23
Nevada..... 24
New Hampshire..... 25
New Jersey..... 26
New York..... 28
Oregon..... 29
Pennsylvania..... 30
Rhode Island..... 31
Vermont..... 33
Virginia..... 34
Washington..... 35

California

Cal. Civ. Code § 798.80

What events trigger the notice requirement? The owner of the community must provide written notice of his or her intention to sell the community.

When must the owner provide the notice? Notice must be provided not less than 30 days or more than one year prior to the owner entering into a written listing agreement with a licensed real estate broker to sell the community; or offering to sell the community to any party. The offer to sell a community must be initiated by the community owner or his agent.

To Whom? The owner must provide written notice of his or her intention to sell the community to the president, secretary and treasurer of any resident organization.

Must notice always be sent to the residents, without preconditions? No, the resident association must first provide the community owner or manager with written notice of: (1) the name and address (including changes of names or addresses) of the president, secretary and treasurer of the organization; and (2) residents' interest in purchasing the community. The initial notice of residents' interest in purchasing the community must be made prior to the community owner listing or offering the community for sale, and residents must give notice once each year thereafter.

Do residents have a right of first refusal? No.

Any exceptions to the requirements? Yes, notice is not required for any sale or transfer: (1) by the community owner to relatives; (2) by gift, devise or operation of law; (3) by a corporation to an affiliate; (4) by a partnership to a partner; (5) any conveyance resulting from foreclosure of the mortgage or deed of trust; (6) between or among joint tenants or tenants in common; and (7) under eminent domain.

Is there a tax incentive? No.

Penalty: Sale of community in violation of the law is not invalid. Residents or the resident association can bring an action against the seller.

Colorado

Colo. Rev. Stat. § 38-12-217

What events trigger the notice requirement? The owner of the community must provide notice within 14 days after any triggering event. Triggering events include listing the community for sale; making a conditional acceptance of an offer for sale or transfer of the community; accepting an earnest money promissory note or deposit from a potential buyer; receiving certain specified notices regarding foreclosure or levy on the community, and several other occurrences

When must the owner provide the notice? Notice must be mailed within 14 days of any of the triggering events.

To Whom? The owner must mail the notice to each home owner, the municipality (or, if the community is in an unincorporated area, the county) where the community is located, the division of housing in the department of local affairs, and each homeowners' or residents' association or similar body that represents the residents. The community owner must also send it in English and Spanish to each resident for whom the community owner has an email address, and post it in English and Spanish in a clearly visible common area of the community. If at least 51% of the homeowners in the community approve, they then have 120 days to either 1) submit to the community owner a proposed purchase and sale agreement and obtain a commitment for financing, or 2) submit to the community owner an assignment of their purchase right to a local government, tribal government, housing authority, nonprofit with expertise related to housing, or to the state or an agency of the state, for the purpose of continuing the use of the community.. The residents or their assignee have an additional 120 days to close on the purchase.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? No, but community owner must provide documents, data, and other information in response to reasonable requests, and negotiate in good faith with a group or association of homeowners or their assignees. The statute prohibits a community owner from making a final, unconditional acceptance of any offer for the sale or transfer of the park without having considered an offer made by the residents. In addition, if the residents assign their purchase rights to a public entity, that entity has a right of first refusal.

Any exceptions to the requirements? Yes, notice is not required for any sale or transfer to certain relatives of the community owner; to a trust whose beneficiaries are certain relatives of the community owner; to certain business entities or trusts controlled by the community owner; between joint tenants or tenants in common; or pursuant to eminent domain or inheritance.

Is there a tax incentive? No.

Penalty: A private right of action for actual economic damages and attorney fees, plus a statutory penalty, with a minimum of \$20,000 and a maximum of 30% of the purchase or listing price, is provided by § 38-12-220. A court may also suspend the time periods, stay or cancel a closing, or grant other equitable relief. The rights afforded to residents by the statute are property rights, and any title that is transferred without securing those rights or providing an equitable remedy is defective. The statute also provides for public enforcement by the division of housing and the attorney general.

Connecticut

Conn. Gen. Stat. § 21-70

Connecticut has two statutes that give residents a purchase opportunity: § 21-70, which applies when the community owner intends to change the use of the land or sell the land to someone who will change its use; and a new provision, enacted by P.A. 23-125 and effective October 1, 2023, but not yet given a statute number, that applies to other sales, leases, or transfers.

What events trigger the notice requirement? Under § 21-70, the owner of the community must provide written notice of his intention to discontinue the use of the land as a manufactured housing community or his intention to sell the land to a person who intends to discontinue such use.

Under P.A. 23-125, any park owner who intends to sell, lease or transfer land used as a mobile manufactured home park, other than a sale, lease or transfer governed by § 21-70, must give written notice to the owner of each dwelling unit in the park.

When must the owner provide the notice? Under § 21-70, the notice should be mailed or delivered 120 days prior to discontinuance of use of the land as a manufactured home community.

Under P.A. 23-125, the notice must be provided at least 45 days before sale or lease of the park (60 days if before October 1, 2025). A park owner may accept an offer for the sale, lease or transfer of the land before providing a copy of such notice as long as the agreement is conditioned upon giving the residents the notice and opportunity to purchase required by the statute.

To Whom? Under § 21-70, notice must be provided to each unit in the community. If the owner of the unit does not reside in the community then notice should be sent to the owner's address, provided the owner sent a written notice to the community owner with his or her address. The notice must also be sent to the resident association if the association made written request for the notice. The resident association can be formed after notice was received to pursue the sale of the community. § 21-70(f)(3).

Under P.A. 23-125, written notice must be given to the owner of each dwelling unit in the park; any association of residents in the park that has made a written request to the park owner for such notice; the state department of housing; the Connecticut Housing Finance Authority; and the Department of Consumer Protection.

Must notice always be sent to the residents, without preconditions? Under § 21-70, notice will be provided automatically to all residents, but notice will be sent to the resident association only if the association made written request for the notice.

P.A. 23-125 is the same, and in addition the notices to the state agencies are all required without any preconditions.

Do residents have a right of first refusal? Under § 21-70, residents have a right of first refusal. Within 120 days after the notice was mailed, any association representing at least 25% of the units in the community may notify owner that it is interested in purchasing community. A copy of this statement of intent to purchase the community may be filed with the land records. The association has 365 days after the notice of intent to sell the community was mailed to purchase the community through negotiation or other method (see below). Upon request, the Department of Economic & Community Development will assist with developing financing to purchase the community.

If negotiations fail and the association and the community owner cannot agree on the purchase price, then the association shall have the right to purchase the community if: (1) the association

can match a bona fide offer by a third party which the community owner was prepared to accept; or if no such offer, (2) the association must match a purchase price established by an appraiser chosen by the community owner and the association. If the association and the community owner cannot agree on an appraiser then either party must notify the other in writing and each party chooses an appraiser, then the two appraisers choose a third appraiser, and the three appraisers will establish the value of the community.

Under P.A. 23-125, an association representing more than 50% of the units in the park that are occupied by its owners or one or more of the owner's immediate family members may, within 45 days (60 days if before October 1, 2025) of the notice, notify the park owner that it is interested in purchasing the park. If the association and the park owner cannot otherwise agree upon a purchase price for the park, the association has the right to purchase it on the same price, terms, and conditions of any existing bona fide offer made by another potential purchaser if the park owner has accepted such offer or intends to do so. The association shall have 180 days after the mailing of the notice to purchase and close upon the sale.

If the offer for which notice is required to be given involves the sale of more than one park or the purchase of a controlling interest in the park by a stock transfer or other non-cash instrument, and the resident association cannot match the offer, the park owner must consider the association's offer but shall not be required to sell to it.

At all times the park owner and the park residents have a duty to act and bargain in good faith with each other.

Any exceptions to the requirements? Under § 21-70, if the majority of residents in a community with 200 or more units have been given written notice of an intent to discontinue the use of the land as a community before June 10, 1999, then any subsequent notice of discontinuance required by the law, and any notice given or action taken by the association under the law will be subject to the time limitations that were in effect prior to June 23, 1999.

Under P.A. 23-125, there are several exceptions:

- A sale, lease, or transfer to an immediate family member, a family trust, by a partnership or limited liability company to one or more of its partners or members, between joint tenants or tenants in common, or by a business entity to its subsidiary or affiliate;
- A transfer by gift, devise, or operation of law;
- A conveyance incident to the financing of the park;
- A transfer by eminent domain; a lease of a lot within the park to a person who will live in a mobile manufactured home on the lot; and
- A park that is comprised of fewer than 15 lots.

Is there a tax incentive? Yes. Effective October 1, 2023, P.A. 23-125, § 3 exempts the community owner from any state or municipal conveyance tax that would otherwise be due on a qualifying sale, but requires the buyer to pay the municipal portion of the conveyance tax and half of the state portion.

Penalty: None specified.

Delaware

Del. Code tit. 25, §§ 7026 to 7036

What events trigger the notice requirement? The owner of a manufactured home community must provide notice upon reaching a decision to sell, transfer, or convey all or part of a community.

When must the owner provide the notice? Notice must be provided when the community owner reaches a decision to sell, transfer, or convey all or part of a manufactured home community. The home owner association has 30 calendar days to respond to the notice by indicating that it intends to accept the offered price or by making a counteroffer. If the home owner association accepts the offered price, or the community owner accepts the counteroffer, the parties have an additional 30 days to formalize the contract, and the sale must close within 90 days. If the home owner association makes a counteroffer, the community owner cannot sell the community for less than that price for 12 months, unless the association has withdrawn its counteroffer or the community owner gives the association 30 days to match the lower price and all the terms and conditions of the lower offer. The community owner may sell the community for a higher price, but must give the home owner association seven business days to match that price if it is within 4.5% to 6% (depending on the sale price) of the association's counteroffer.

To Whom? The community owner must send notice to the Delaware Manufactured Home Relocation Authority, the Consumer Protection Unit of the state Department of Justice, and to the statewide manufactured home owners association. In addition, if the Authority has informed the community owner that a registered home owner association exists in the community, the community owner must send notice directly to the association. If the Authority has not informed the community owner of a registered home owner association, then the community owner's notice to the Authority must include a list of the names and addresses of all the home owners, and the Authority must, within five business days, send notice to all the home owners.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? The home owners have a right of first offer and a right to match certain competing offers, as described above. In addition, if the community owner has decided to sell, transfer, or convey all or part of the community, the law requires the community owner and the home owner association to negotiate in good faith for the sale, transfer, or conveyance of the community to the home owner association. There are also special provisions for auctions.

Any exceptions to the requirements? Yes, notice is not required for any sale or transfer: (1) by the community owner to certain specified relatives; (2) by gift, devise or operation of law; (3) to an affiliate; (4) by a partnership to a partner; (5) by a bank, mortgage company, or other mortgagee in connection with a foreclosure; (6) between joint tenants or tenants in common; (7) under eminent domain; (8) as part of an exchange for other real property under Section 1031 of the Internal Revenue Code; or (9) a change in use of the community by the existing community owner.

Is there a tax incentive? No.

Penalty: Either the community owner or the home owner association may seek equitable relief. The offending party is liable for actual damages. A willful violation is a per se violation of the state consumer fraud statute and the aggrieved party may be entitled to treble damages. In any action, the court may award reasonable attorney's fees.

Florida

Fla. Stat. §§ 723.061, 723.071, 723.075, 723.076

What events trigger the notice requirement? Notice is required in three instances.

First, the owner of the community must provide notice to the officers of the homeowners' association if he or she offers the community for sale. The notice must contain the price and the terms and conditions of the sale.

Second, the owner of the community must provide notice to the officers of the homeowners' association if he or she receives a bona fide offer from a third party to purchase the community and the owner intends to consider the offer or make a counteroffer. This notice must contain the price and the material terms and conditions under which the owner would consider selling the community.

Third, if a community is closing because of change of use, residents cannot be evicted unless the community owner has given written notice to the homeowners' association of its right to purchase the community at the price and under the terms and conditions set forth in the notice.

When must the owner provide the notice? If the community is offered for sale, notice must be given at least 45 days before the owner sells the community. If the community owner receives a bona fide offer from a third party to purchase the community that he or she intends to consider or make a counteroffer to, notice must be given before the community owner accepts the offer, but no delay period is required. If the community owner is closing the community because of change of use, the community owner must give the residents 45 days to sign and deliver a contract to purchase the community at the price and under the terms and conditions set forth in the notice.

To Whom? Notice must be provided to the officers of the homeowners' association created pursuant to state law. See §§ 723.075, 723.076. To form an association, residents need the written consent of two-thirds of all home owners; the association must be incorporated.

Must notice always be sent to the residents, without preconditions? No, notice is required only if the homeowners form an incorporated homeowners' association, and notify the community owner by personal delivery or certified mail, return receipt requested, of its existence and the names and addresses of its officers. The association must also notify the community owner by certified mail, return receipt requested, of any change of the names and addresses of the association's president or registered agent, and must file a notice with the local clerk of the circuit court of its right to purchase the community, and send a copy of this notice to the community owner by certified mail, return receipt requested.

Do residents have a right of first refusal? Yes, but only if the community owner offers the community for sale. In that case, the residents, through the homeowners' association, have the right to purchase the community provided that they meet the price and the terms and conditions of the sale. They must enter into a contract with the community owner within 45 days of the mailing of the notice. If a contract is not signed within 45 days, the community owner has no further obligations unless he offers to sell the community for a lower price than the price specified in the notice.

If the community owner offers to sell the community for a lower price than the price specified in the notice, the association will have an additional 10 days to meet the price and the terms and conditions of the sale by signing a contract.

If the community owner receives a bona fide offer from a third party to purchase the community, the owner is obligated to notify the homeowners' association and consider any offer from the association. The community owner is not required to sell the community to residents or to

interrupt or delay negotiations with third parties, and they may enter into a contract with third parties at any time to sell the community.

Any exceptions to the requirements? Yes, the law does not apply to any sale or transfer: (1) to the community owner's heirs; (2) by gift, devise or operation of law; (3) by a corporation to an affiliate; (4) by a partnership to a partner; (5) any conveyance of an interest in the community incidental to the financing of the community; (6) any conveyance resulting from foreclosure of the mortgage or deed of trust or a deed in lieu of foreclosure; (7) between or among joint tenants or tenants in common; (8) any exchange of a community for other real property; and (9) under eminent domain.

Is there a tax incentive? No.

Penalty: None specified.

Idaho

Idaho Code § 55-2013A

What events trigger the notice requirement? Notice is required if the owner of the community enters into a listing agreement with a licensed real estate broker to effect the sale of all or part of the community.

When must the owner provide the notice? Notice must be given within fifteen days of entering into a listing agreement.

To Whom? The owner must provide written notice of his or her intention to sell the community to three officers of the resident association designated in writing by the association.

Must notice always be sent to the residents, without preconditions? No, the residents must first form an association for the purpose of purchasing the community and must give the community owner notice of their interest in purchasing the community and the names and addresses of three designated officers.

Do residents have a right of first refusal? No.

Any exceptions to the requirements? Yes, notice is not required for: (1) a government taking by eminent domain; (2) a forced sale by foreclosure or a deed given in lieu of foreclosure; (3) a transfer by gift, devise or operation of law; (4) a transfer by a corporation to an affiliate; (5) a conveyance incidental to financing the community; (6) an exchange of the community for other real property; (7) a transfer of by a partnership to one or more of its partners; or (8) a sale or transfer to a person who would be an heir, or to a trust the beneficiaries of which would be heirs, if the community owner died intestate.

Is there a tax incentive? No.

Penalty: None stated.

Maine

Me. Rev. Stat. Ann. Tit. 10 § 9094-A

What events trigger the notice requirement? The owner of a mobile home park must give notice of intent to sell the park. The notice must state that a group of mobile home owners or a mobile home owners' association of the park may make an offer to purchase the park within 60 days of the mailing date of the notice. It must also state the price, terms, and conditions for which the park owner intends to sell the park, or the price, terms, and conditions of an acceptable offer that the owner has received for a park, including a signed copy of the written offer that contains a description of the property.

When must the owner provide the notice? The park owner cannot make a final unconditional acceptance of an offer earlier than 60 days after mailing the notice.

To Whom? The owner must provide written notice, by regular mail, to each owner of a mobile home in the park and to the Maine State Housing Authority.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? No. Instead, park owner must consider any offer received within the 60-day period from a group of homeowners or a mobile home owners' association, as long as the owners of at least 51% of the homes in the park that are occupied by the mobile home owner or a family member indicate in writing that they support making the offer, and must negotiate in good faith with them. If the park owner accepts the offer, the group of mobile home owners or the mobile home owners' association must obtain appropriate financing within 90 days of the execution date of the purchase and sale agreement.

Any exceptions to the requirements? Yes, there are exceptions for a sale after foreclosure by a bank, mortgage company or other mortgagee at a foreclosure sale, or a sale after purchase at a foreclosure sale; a sale or transfer to a family member or family trust; a sale or transfer by a partnership to one of its partners, or between owners of the park who are joint tenants or tenants in common; a conveyance of an interest in the park incidental to the financing of the park; a sale pursuant to eminent domain; or a transfer by gift, devise, judicial decree, or operation of law.

Is there a tax incentive? No.

Penalty: Home owners or an association may bring an action for injunctive relief, damages and attorneys' fees for violation of the statute. A violation of the statute is also prima facie evidence of an unfair or deceptive practice under the state Unfair Trade Practices Act.

Maryland

Md. Real Prop. Code §§ 8A-1801 through 8A-1806

What events trigger the notice requirement? Acceptance of an offer to sell the community is conditioned upon the community owner giving the manufactured home owners notice and a purchase opportunity. The notice must state the price and material terms and conditions of the offer the community owner has conditionally accepted, with copies of any documents evidence the price, terms, and conditions, describe the residents' right to make an offer, and a list of organizations that can assist homeowners in financing the purchase.

When must the owner provide the notice? The notice must give the residents 60 days to make an offer containing substantially similar material terms to the offer the community owner has conditionally accepted.

To Whom? Each homeowner in the community, the Department of Housing and Community Development, and the appropriate housing agency.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? No, but the community owner must consider their offer in good faith. If the community owner and the homeowners enter into an agreement for sale of the community, the homeowners shall have up to 105 days to obtain financing and close on the sale unless the parties agree to a different time period.

Any exceptions to the requirements? Yes, statute is inapplicable to:

- Sales in which the purchaser records an affidavit in the land records that the purchaser will allow continued use of the land as a manufactured home community for five years, and will not raise the rent by more than 10% a year for three years.
- A foreclosure sale or a sale by a mortgagee, grantee, or secured party after a foreclosure sale
- A sale by a community owner to a family member or a family trust
- A sale by a community owner that is a partnership, limited liability company or similar business entities to one or more of the partners or members of the business entity
- A sale between joint tenants or tenants in common
- A sale resulting from the exercise of eminent domain
- A conveyance incident to financing of the manufactured home community
- A sale that involves a merger, recapitalization, or similar transaction, where at least one community owner remains an owner after the transaction and the community owner files an affidavit in the land records affirming that the owner will allow continued use of the land as a manufactured home community for at least six months
- A sale involving a like-kind exchange
- A sale of more than one manufactured home community to a single buyer

Is there a tax incentive? No.

Penalty: \$10,000 penalty.

Massachusetts

Mass. Gen. Laws ch. 140, § 32R

What events trigger the notice requirement? Notice is required in three instances.

First, notice is required if the owner intends to sell or lease all or a part of the land on which the community is located for any purpose.

Second, notice is required if the owner of the community receives a bona fide offer to purchase or lease the community that the owner intends to accept, if the sale of the community would result in a change of use or discontinuance of the community. Third, notice is required if the owner of the community receives other offers to purchase or lease the community, other than leases of single lots to individual residents. However, this notice will only be provided if residents request it in writing. See below.

When must the owner provide the notice? The first notice, of the intention to sell the land, must be mailed within 14 days after any advertising, listing or public notice is made that the community is for sale or lease, but no less than 45 days before the sale or lease occurs.

The second notice, of the receipt of a bona fide offer that would result in a change of use or discontinuance of the community, is required when the owner receives an offer he or she intends to accept. The time period is not specified in the statute, but residents have 45 days after receipt of the notice to submit a proposed purchase and sale or lease agreement to the owner. The notice must include the price and the terms and conditions of the offer.

The third notice, of other offers to purchase or lease the community, must be given before any sale or lease of the land. The time period is not specified in the statute, but residents have 45 days after receipt of the notice to submit a proposed purchase and sale or lease agreement to the owner. The notice must include the price and the terms and conditions of the offer. Other limitations apply. See summary below.

To Whom? The first notice, of the intention to sell the land, must be mailed, by certified mail, to each resident, with copies to the attorney general, director of housing & community development, and the local board of health.

The second notice, of the receipt of a bona fide offer that would result in a change of use and which the owner intends to accept, must be mailed, by certified mail, to each resident, with copies to the attorney general, director of housing & community development, and the local board of health.

The third notice, of other offers to purchase or lease the community, must be sent to each resident only if more than 50% of tenants residing in the community or an incorporated home owners' association or group of tenants representing more than 50% of tenants living in the community notifies the owner or operator in writing of their desire to receive information regarding the proposed sale or lease. They can provide this notice after receiving the notice of intention to sell the community.

Must notice always be sent to the residents, without preconditions? Yes as to the first and second notices. The third notice will be sent only if a resident association or more than 50% of the residents notify the owner or operator in writing.

Do residents have a right of first refusal? Yes, in limited circumstances. A group or association representing at least 51% of the home owners shall have the right to purchase if the owner received a third party bona fide offer to sell or lease. The group or association must: (1) submit evidence that at least 51% of home owners have approved the purchase; (2) submit a proposed purchase & sale agreement on substantially equivalent terms within 45 days of receiving (the second or third) notice; (3) obtain financing within an additional 90 days after

signing the purchase & sale agreement or lease; and (4) close on the purchase & sale agreement within 90 days after the period to obtain financing expires. Failure of residents to meet the timeline will terminate the right to purchase or lease the community. The time period may be extended by agreement.

The owner must negotiate in good faith. The owner cannot unreasonably refuse or delay the process where residents have made a bona fide offer to meet the price and substantially equivalent terms and conditions of the offer.

Residents can assign their right to purchase the community to a city, town, housing authority, or state agency for purpose of continuing the use of the land as a community.

The right of first refusal does not apply if the owner receives an offer as a result of listing the community for sale.

Any exceptions to the requirements? The right of first refusal does not apply to the sale or transfer of the land: (1) to heirs; (2) by gift, devise or operation of law; (3) foreclosure; and (4) under eminent domain.

Other requirements? If the community is not sold to residents then seller or lessor must file an affidavit of compliance with the attorney general, the director of housing & community development, the local board of health, and the registry of deeds, within 7 days of the sale or lease. Any lease for 5 years or less must require that the lessee cannot discontinue or change the use of the community during the term of the lease.

Is there a tax incentive? No.

Penalty: Under regulations adopted by the Attorney General, it is an unfair and deceptive act, in violation of the state consumer protection statute, M.G.L. c. 93A, for an owner or operator to not comply with laws governing manufactured housing communities.

Minnesota

Minn. Stat. §§ 327C.095 to 327C.097

What events trigger the notice requirement? In three situations:

First, if a prospective purchaser intends to close the community or convert it to another use within one year of purchase, the community owner must give written notice of the purchaser's intent to close the community and must offer the community to the residents for purchase. (§ 327C.095, subd. 6)

Second, notice is required if an owner offers the community for sale through newspaper advertisement or by listing it with a licensed real estate broker. (§ 327C.096)

Third, notice is required if an owner receives an unsolicited bona fide offer to purchase the park that the owner intends to consider or make a counteroffer to. (§ 327C.097) The provisions regulating unsolicited offers go into effect on 7/1/2024.

When must the owner provide the notice? The community owner's notice of the prospective purchaser's intent to close the community or convert it to another use must be provided 45 days before any agreement to purchase the community is signed.

A new owner who decides to close the community or convert it to another use within one year of purchase must give notice that allows the residents 45 days to execute an agreement to purchase the community.

If an owner offers the community for sale, notice must be provided concurrently with the newspaper advertisement or listing with a licensed real estate broker. Notice of sale may be provided once per year. The statute does not require any delay period after the notice.

The statute does not specify when a community owner who receives an unsolicited offer must provide the notice, but there is no requirement that the community owner give the residents a period of time to propose their own purchase agreement; the community owner can accept the unsolicited offer at any time.

To Whom? The community owner must provide a resident of each home with notice of the purchaser's intent to close the community or convert it to another use. The notice must state that upon request, the community owner will provide residents with the cash price and the terms and conditions of the purchaser's offer.

If a new owner decides to close the community or convert it to another use within one year after the purchase, he must give written notice of his intent to close the community to a resident of each home.

If an owner offers the community for sale, notice must be provided to a resident of each home.

If an owner receives an unsolicited offer, notice must be provided to each park resident household and to the Minnesota Housing Finance Agency.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? Yes, but only where the purchaser intends to or decides to close the community or convert it to another use within one year of purchase.

Intent to Convert Use of Community at time of Purchase (§ 327C.095, subd. 6)

Once the community owner sends notice of the purchaser's intent to close the community or convert it to another use, the residents have 45 days to meet the cash price and the terms and conditions of the offer and sign a contract with the owner to purchase the community. The owner must accept the offer if the residents meet the cash price and the same terms and

conditions of the offer. During the 45 day notice period, a representative acting on behalf of the residents (i.e. one who has obtained authorization from at least one resident of at least 51% of the occupied homes in the community) has the right to make an offer to meet the cash price and agree to the material terms and conditions set forth in the purchaser's offer and to execute an agreement to purchase the park. The park owner must in good faith negotiate a purchase agreement with the residents but is not obligated to provide owner financing. There are special provisions regarding the treatment of earnest money.

Owner's Advertisement or Listing of Community for Sale (§ 327C.096)

While the community owner is required to notify the residents that the community has been advertised in a newspaper or listed for sale with a real estate broker, the law does not require the owner to sell the community to the residents even if they match the price, terms, and conditions. Nor does it require any delay period to enable the residents to put together an offer.

Unsolicited Offer (§ 327.097)

While the community owner is required to notify the residents of an unsolicited offer, , the law does not require the owner to sell the community to the residents even if they match the price, terms, and conditions. Nor does it require any delay period to enable the residents to put together an offer.

Any exceptions to the requirements? Yes, the right of first refusal does not apply to a conveyance of an interest in the community (1) incidental to financing; (2) by foreclosure; or (3) under eminent domain.

If an owner offers the community for sale, the notice of sale does not apply to: (1) the community owners' heirs; (2) by a corporation to an affiliate; (3) by a partnership to a partner; (4) under eminent domain.

The requirement that an owner who receives an unsolicited offer give notice to the residents does not apply to:

- A purchase of a manufactured home park by a nonprofit or a representative acting on behalf of residents pursuant to a bona fide offer to purchase the park
- A purchase by a governmental entity under its powers or threat of eminent domain
- A transfer by a corporation or limited liability company to an affiliate or by a partnership to any of its partners;
- A sale or transfer between or among joint tenants or tenants in common
- An exchange of a manufactured home park for other real property
- A conveyance incidental to the financing of the manufactured home park
- A conveyance resulting from the foreclosure of a mortgage, cancellation of a contract for deed, or other instrument encumbering a manufactured home park or any deed given in lieu of such foreclosure or cancellation
- A sale or transfer to a person who would be included within the intestate table of descent and distribution of the park owner
- A park owner who, within the past year, has provided written notice pursuant to [section 327C.096](#).

Is there a tax incentive? No.

Penalty: The attorney general may bring an action.

Montana

Mont. 2009 Session Laws, Ch. 389 (H.B. 636); Mont. Code § 15-30-111

Is there a tax incentive? Yes. 50% or 100% (depending on the size of the park) of the gain recognized from the sale or exchange of a mobile home park is excluded from adjusted gross income or gross income for state tax purposes if the sale is to a tenants' association, a mobile home park residents' association, a nonprofit § 501(c)(3) organization that purchases a mobile home park on behalf of such an association, or a county or municipal housing authority.

Nevada

Nev. Rev. Stat. §§ 118B.173, 118B.180

What events trigger the notice requirement? The community owner must provide written notice if he or she lists all or a part of the community for sale with a licensed real estate broker.

When must the owner provide the notice? The notice of the listing of the community for sale must be provided not less than 10 days nor more than 30 days before the community is listed for sale.

To Whom? The owner must provide written notice of the listing to any association of tenants that requested the notice.

Must notice always be sent to the residents, without preconditions? No. The association must: (1) send the landlord a written request for the notice; (2) provide the landlord with a written list of the names and addresses of three members of the association; and (3) give written notice to the landlord of the tenants' interest in buying the community and renew that notice at least once a year after the initial notice.

Do residents have a right of first refusal? No.

Any exceptions to the requirements? Yes, notice is not required if the listing is not initiated by the owner (or his agent). The law does not apply to corporate cooperative communities.

Is there a tax incentive? No.

Penalty: None specified.

New Hampshire

N.H. Rev. Stat. Ann. §§ 205-A:21; 205-A:22, 205-A:23, 205-A:24

What events trigger the notice requirement? The community owner must provide written notice to each tenant and the New Hampshire housing finance authority before making a final unconditional acceptance of an offer to sell or transfer the community.

When must the owner provide the notice? The community owner must provide the notice 60 days before accepting the offer.

To Whom? The written notice must be provided to each tenant. The notice to the tenants must state that the owner intends to sell the community, and the price, terms and conditions of the offer, that he or she intends to accept; or the terms and conditions on which the owner intends to sell the community. The notice must include a copy of the offer setting forth a description of the property to be purchased, and the price, terms and conditions of the offer. The notice must also be provided to the New Hampshire housing finance authority and the New Hampshire Manufactured Housing Association, but without the price, terms, and conditions.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? No.

The community owner must consider any offer received from the tenants or the tenants association and negotiate in good faith during the 60 day notice period. The tenants must put their offer in writing (purchase & sale agreement) during the 60 days. The tenants will have a reasonable time beyond the 60 days to obtain financing during for the purchase.

Any exceptions to the requirements? Yes, notice is not required for any sale or transfer: (1) by the community owner to relatives; (2) by a partnership to a partner; (3) by a bank, mortgage company, or other mortgagee at a foreclosure sale, or after having acquired the property at a foreclosure sale; (4) conveyance of an interest incidental to the financing of the community; (5) between joint tenants or tenants in common; and (6) under eminent domain.

Penalty: An owner that sells or transfers the community and willfully fails to comply with the law will be liable to tenants in the amount of \$10,000 or 10% of the total sales price. The total damages to all tenants (in the aggregate) may not exceed \$10,000 for 10% of the total sales price, whichever is greater. The sale or transfer will be valid, and tenants cannot bring an action to have it set aside.

New Jersey

N.J. Rev. Stat. §§ 46:8C-11-46:8C-11-13, 46:8C-15, 46:8C-16, 46:8C-21

What events trigger the notice requirement? Notice is required in two circumstances.

First, notice is required when the community owner puts the community up for sale.

Second, notice is required when the community owner receives a bona fide offer to purchase the community if he intends to consider it or make a counter-offer to it.

Note: the requirements of notice and the right of first refusal do not apply to a sale or transfer which is not made in contemplation of changing the use of the property.

When must the owner provide notice? If the community owner offers the community for sale, written notice must be sent to the board of directors of the homeowners' association with the price and the terms and conditions of sale. After receiving the notice, the residents have 45 days to exercise their right of first refusal. If no homeowners' association exists, then notice must be sent to individual homeowners 15 days before putting the community on the market, and they have 60 days to exercise the right of first refusal. See § 46:8C-15 (b)

A community owner who receives a bona fide offer must give written notice to the board of directors or trustees of the homeowners' association or individual residents if no association exists within 10 business days.

To Whom? Notice that the community is being offered for sale must be sent to the board of directors of any homeowners' association created pursuant to the law. If there is no homeowners' association at the time a community is put up for sale, the community owner must notify residents individually.

A community owner who receives a bona fide offer must give written notice to board of directors or trustees of homeowners' association or individual residents if no association exists.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? Yes, the owner's responsibilities differ according to the circumstances.

Community Owner Responsibility When Put Community on Market (§ 46:8C-11)

The homeowners, through the association have a right to purchase the community, if: (1) 2/3 of unit owners approve the purchase; (2) meet the price and terms and conditions of community owner; and (3) sign a contract with community owner within 45 days (can mutually extend this time).

If there is no homeowners' association at the time a community is put up for sale, the community owner must notify residents individually; residents have to form an association, and sign a contract within 60 days.

If the contract is not executed within the time period allowed, the community owner has no further obligations, unless the community owner offers the land for sale at the same price or a lower price (than specified in the notice) to the association. If so, the homeowners' association has an additional 10 days to meet the price, terms and conditions of that offer and execute a contract. But if this new offer comes more than three months after the original offer (in the notice) then the parties have 30 days to execute the contract.

Community Owner Responsibility After Receipt of a Bona fide Offer (§ 46:8C-12)

There is a 30-day delay before the community can be sold. After the association receives notice, the association should appoint a three person panel. The three-member panel has 30 days (after receiving notice of the price & terms of a third party offer) to review the third party offer and negotiate the terms of a sale of the community to the association. If the three-member panel and the community owner negotiate but could not agree, the community owner is bound to sell the community to the association on the same terms as the offer it received from the third party.

The directors or trustees of the association have 10 days to consider the offer, and the community owner is bound by the terms reported to the association for that time. If the directors or trustees of the association and 2/3 of residents agree, then the price and terms agreed upon and reported will constitute the contract for sale.

Any exceptions to the requirements? Yes, notice is not required for transfers : (1) not made in contemplation of a change in use (2) to the owners' heirs; (3) by gift, devise or operation of law; (4) by a corporation to an affiliate; (5) by a partnership to a partner; (6) incidental to the financing of the community; (7) any conveyance resulting from foreclosure of the mortgage; (8) between joint tenants or tenants in common; (9) under eminent domain; (10) as a result of condominium or co-op conversion; and (11) any sale of land adjacent to the community which is owned by the community owner, and the land does not have sites, or spaces or related recreational facilities.

Is there a tax incentive? No.

Penalty: None Specified.

New York

N.Y. Pers. Prop. Law § 233-1

What events trigger the notice requirement? The park owner must provide notice of the price, terms, and conditions of a bona fide offer that the park owner intends to accept (or a counteroffer made by the park owner). Until April 22, 2024, this duty applies only if the prospective buyer intends to discontinue using the property for manufactured home lot rentals within 60 months after closing.

When must the owner provide the notice? The park owner must give the residents a 140-day period after the notice to meet the price, terms, and conditions of the existing offer. A new notice is required if, after the 140-day period, the park owner elects to offer to sell the park for a lower price or on substantially different terms, in which case there is an additional ten-day period for a homeowners association to meet the new price or terms.

To Whom? If there is a homeowners association in the park that meets certain requirements, including membership by at least 51% of the homeowners (more than 50% as of April 22, 2024), the park owner must notify its officers. If there is no homeowners association, the park owner must give notice to each homeowner. In either case, the park owner must also notify the state commissioner of housing and community renewal.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? Yes. If, within 140 days of receipt of the notice, a homeowners association delivers an offer to the park owner to purchase the park on the identical price, terms, and conditions as the prospective purchaser's offer, it has the right to purchase the park. Effective April 22, 2024, the homeowners association must also, within the first 60 days of the 140-day period, deliver to the park owner a notice of intent to make an offer. If there was no homeowners association at the time the park owner provided notice, the residents may form one and, if it includes at least 51% of the homeowners (more than 50% as of April 22, 2024), it may exercise the same right to purchase the park. As of April 22, 2024, if there was not a homeowners association at the time notice was given, the homeowners must also, within the first 60 days of the 140-day period, deliver to the park owner a notice of intent to make an offer, signed by more than 50% of the homeowners.

Any exceptions to the requirements? Yes, notice is not required for: (1) any conveyance of an interest in the park incidental to financing of the park; (2) the purchase of a park by a governmental entity under its powers of eminent domain. In addition, the statute applies only if the purchaser certifies to the owner that the purchaser intends, within 60 months of the sale, to convert the park to a purpose other than manufactured home lot rentals, but this exception has been repealed effective April 22, 2024.

Is there a tax incentive? No.

Penalty: None stated.

Oregon

Or. Rev. Stat. §§ 90.842 to 90.850

What events trigger the notice requirement? The owner of the community must provide written notice before the owner markets the park for sale or when the owner receives an offer to purchase the park that the owner intends to consider, whichever occurs first.

When must the owner provide the notice? The owner must give notice and comply with the other requirements before selling the park to an entity that is not formed by or associated with the tenants.

To Whom? The owner must provide written notice to all tenants of the park, or a tenants committee, if one exists, formed for purposes including the purchase of the park and with which the owner has met during the previous 12 months. In addition, the owner must give notice to the Office of Manufactured Dwelling Park Community Relations of the Housing and Community Services Department.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? No. They are entitled to notice. Within 15 days of delivery of the notice, the tenants must notify the community owner of their interest in purchasing the community and of the formation or identification of a tenants' committee formed for the purpose of purchasing the community. During this 15-day period, the tenants may request specified information from the community owner. Within 45 days after receipt of this information, if the tenants choose to continue competing to purchase the park, they must form a corporate entity or associate with a nonprofit corporation or housing authority that is legally capable of purchasing real property or is advising the tenants about purchasing the park, and must submit a written purchase offer. The parties are required to act in a commercially reasonable manner, which includes a duty of the owner of the facility to consider in good faith any offer from the tenants or an entity formed by or associated with the tenants and to negotiate with the tenants or the entity in good faith.

Any exceptions to the requirements? Yes, notice is not required for any sale or transfer: (1) to the owner's heirs; (2) by gift, devise or operation of law; (3) by a corporation to an affiliate; (4) by a partnership to a partner; (5) by a limited liability company to any of its members; (6) that is a conveyance of an interest incidental to financing; (7) that is a conveyance resulting from foreclosure of the mortgage or deed of trust; (8) between or among joint tenants or tenants in common; (9) that is a sale or transfer in which the park satisfies the purchaser's requirement to make a like-kind exchange under the Internal Revenue Code (10) under eminent domain; and (11) to a charitable trust.

Is there a tax incentive? Yes. Proceeds from the sale of a community to a tenants' or facility purchase association, a tenants' association supported nonprofit, a CDC, or a housing authority are exempt from taxation.

Penalty: Injunction; recovery of 10% of the sale price.

Pennsylvania

68 Pa. Stat. §§ 398.11.1(a), 398.11.2(b), 398.16.1

What events trigger the notice requirement? Notice is required within 60 days of deciding to close a community and 30 days after an agreement to sell the community is signed, but notice is not required that a community is for sale or that the community owner is considering selling the community.

When must the owner provide the notice? There is no requirement of notice that a community is for sale.

To Whom? The notices that a community is closing and that a sale agreement has been signed must be sent to all residents and to the Pennsylvania Housing Finance Agency. The former notice must also be sent to the municipality where the community is located.

Must notice always be sent to the residents, without preconditions? The notices are automatically sent to all residents.

Do residents have a right of first refusal? No. The only requirements relating to a resident opportunity to purchase the community are that the community owner must: 1) consider any offer to purchase the community made by a resident association representing at least 25% of the manufactured home spaces or by a non-profit corporation, including a community development corporation, housing authority or redevelopment authority acting at the request of the residents of at least 25% of the spaces; and 2) negotiate in good faith with the entity submitting the offer.

Any exceptions to the requirements? No.

Other requirements? No.

Is there a tax incentive? No..

Penalty: None stated.

Rhode Island

R.I. Gen. Laws § 31-44-3.1

What events trigger the notice requirement? Notice is required in two circumstances. First, notice is required if the community owner receives a bona fide offer that he or she intends to accept, to sell the community for any purpose or to lease of the community for a use that would result in a discontinuance of the community.

Second, the community owner is also required to provide notice if he offers the community for sale or lease for a use that would result in a discontinuance of the community.

When must the owner provide the notice? The notice that the community owner has received an offer must be sent sufficiently in advance so that the resident association can exercise its right of first refusal. The notice that the community owner has offered the community for sale must be sent to the resident association within 14 days of any advertisement or other public notice.

To Whom? Notice must be sent to an incorporated home owners' association representing at least 51% of home owners in the community.

The notice of a pending sale should contain the following information about the transaction if applicable: (1) price or lease payment; (2) terms of seller financing; (3) terms of assumable financing; (4) appraised value of any property included in a land trade; (5) proposed improvements by owner; (6) an assurance of reasonable access to the property; (7) any easements, permits, or licenses; (8) a survey, a legal description of community, and a list of operating expenses; (9) the rent roll; (10) hazardous waste; (11) data on water, sewer, electrical systems; (12) income & operating expenses.

Must notice always be sent to the residents, without preconditions? No. An incorporated home owners' association representing at least 51% of home owners must first send a certified letter to the community owner indicating that the association has the requisite number of members and has the authority, given by the articles of incorporation, to negotiate for, acquire, and operate the community on the residents' behalf.

Do residents have a right of first refusal? Yes. An incorporated association representing 51% of the home owners shall have the right to purchase or lease the community if it meets the same price and terms and conditions of any bona fide third party offer to which it received notice.

The association must: (1) sign a purchase & sale agreement within 45 days of receiving notice; (2) obtain financing within an additional 135 days.

Failure of residents to meet the timeline outlined above will terminate their right to purchase the community. The time period may be extended by delay of the community owner or litigation or by agreement.

The owner must negotiate in good faith. The owner cannot "unreasonably" refuse or delay the process where residents have made a bona fide offer to meet same price and terms and conditions of offer. The deposit must be returned if the association made a reasonable effort but could not find financing.

Any exceptions to the requirements? No right of first refusal for transfers: (1) to heirs; (2) by gift, devise or operation of law; (3) by foreclosure; and (4) to a government by negotiated purchase or under eminent domain.

Other requirements? Yes. If the land is not sold to residents then the seller must file an affidavit of compliance.

Is there a tax incentive? Yes. The qualified sale of a community to a resident-owned organization is exempt from real estate conveyance tax.

Penalty: None stated.

Vermont

Vt. Stat. Ann. Tit. 10, § 6242, tit. 32, § 5828.

What events trigger the notice requirement? The owner of the community must provide written notice of his intention to sell the community.

When must the owner provide the notice? Notice must be provided at least 45 days before the owner accepts an offer to purchase the community.

To Whom? The owner must provide written notice of his or her intention to sell the community to each home owner and the commissioner of the department of housing and community affairs by certified mail.

The notice must state: (1) that the owner intends to sell the community; (2) the price, terms and conditions under which the owner offers the community for sale; (3) a list of affected home owners and the number of leaseholds held by each; (4) whether the owner is in compliance with relevant statutes, regulations and permits; (5) the 45- and 90-day periods for the home owners to buy the community.

Must notice always be sent to the residents, without preconditions? No.

Do residents have a right of first refusal? No. But the home owners do have 45 days to decide whether they want to purchase the community and provide written notice to the owner. They can purchase the community through a group representing the majority of the home owners or a nonprofit corporation approved by a majority of the home owners. During the 45 day period the community owner cannot enter into a contract to sell the community. If the owner receives no notice from the home owners or if the home owners decide they do not want to purchase the community, the community owner has no further restrictions on the sale for one year as long as the sale price is no less than the price stated in the notice to the home owners or is substantially higher than an offer made by the home owners or a nonprofit corporation approved by the home owners.

If the community owner receives written notice that a majority of the home owners intend to purchase the community, then the community owner is barred from entering into a contract with anyone (except the home owners) to sell the community for 90 additional days. The community owner must negotiate in good faith and consider any offer made by the home owners.

Any exceptions to the requirements? Yes, the law does not apply to any sale, transfer or conveyance: (1) by the community owner to relatives; (2) among partners who own the community; (3) by a foreclosure sale; (4) incidental to the financing of the community; (5) between joint tenants or tenants in common; and (6) under eminent domain.

Is there a tax incentive? Yes. The owner will receive a tax credit for selling the community to a group representing the majority of the home owners or a nonprofit corporation approved by a majority of the home owners. The credit is 7% of the taxpayer's gain.

Penalty: An owner that sells the community without complying with the law will be liable to residents in the aggregate amount of \$10,000 for 50% of the gain realized by the owner from the sale, whichever is greater; and actual and punitive damages.

Virginia

Va. Code § 55.1-1308.1

What events trigger the notice requirement? The owner of the community must provide notice in two circumstances: 1) if the owner lists the community for sale to a third party, and 2) if the owner receives an offer to purchase the community.

When must the owner provide the notice? If the owner lists the community for sale to a third party, notice must be provided at least 90 days prior to accepting an offer. If the owner receives an offer to purchase the community, acceptance of the offer must be contingent on the owner sending written notice at least 60 days before the closing date.

To Whom? To each tenant and to the Department of Housing and Community Development.

Must notice always be sent to the residents, without preconditions? Yes.

Do residents have a right of first refusal? No, but community owner must consider offers made during the 60- or 90-day notice period.

Any exceptions to the requirements? No.

Is there a tax incentive? No.

Penalty: None specified.

Washington

Wash. Rev. Code §§ 59.20.030, 59.20.300 to 59.20.355, and 82.45.010

What events trigger the notice requirement? The owner of the community must provide written “notice of sale” when any advertisement, multiple listing, or public notice advertises that a community is for sale. §§ 59.20.030(17). 59.20.300. In addition, a community owner must provide a “notice of opportunity to compete to purchase” before the owner markets the community for sale or includes the sale of the manufactured/mobile home community in a multiple listing, and when the owner receives an offer to purchase that the owner intends to consider. § 59.20.325. (This notice can also serve as compliance with the requirement of a “notice of sale.” § 59.20.030(17).

When must the owner provide the notice? The “notice of sale” must be provided within 14 days after the advertisement, multiple listing, or public notice. The “notice of opportunity to compete to purchase” must be given “before the owner markets the [community] for sale or includes the sale of the [community] in a multiple listing, and when the owner receives an offer to purchase that the owner intends to consider.”

To Whom? The owner must provide the “notice of sale” by certified mail or personal delivery to each tenant, the officers of any known qualified tenant organization, the state office of manufactured housing, the local government, the local housing authority, and the state housing finance commission.

The notice must state: (1) that the owner intends to sell the community; and (2) the contact information for the owner or the owner’s agent who is responsibility for communicating with a qualified tenant organization or eligible organization (i.e. a local government, local housing authority, nonprofit community or neighborhood-based organization, a federally recognized Indian tribe, or a regional or statewide nonprofit housing assistance organization) regarding sale of the property.

The owner must provide the “notice of opportunity to compete to purchase” in writing by certified mail or personal delivery to each tenant, a qualified tenant organization if one exists in the community, the state department of commerce, and the state housing finance commission. This notice must state that:

- The owner is considering selling the community;
- The tenants, through a qualified tenant organization representing a majority of the tenants in the community, based on home sites, or an eligible organization (defined by § 59.20.030(4) to include community land trusts, a variety of non-profit organizations, and government entities), have an opportunity to compete to purchase the community
- In order to compete to purchase the community, within 70 days after delivery of the notice, the tenants must form or identify a single qualified tenant organization for the purpose of purchasing the community and notify the owner in writing of their interest and the contact information for their representative; and
- Information is available from the department of commerce.

The same rules and time limits and conditions apply to an eligible organization that seeks to purchase the community. § 59.20.325.

Must notice always be sent to the residents, without preconditions? Yes, for both notices.

Do residents have a right of first refusal? No, but under the “notice of opportunity to compete to purchase” provision, the tenants have 70 days to notify the community owner of their interest in competing to purchase the community; their formation of a qualified tenant organization made up of a majority of the tenants in the community, based on homesites; and contact information for their representative. The community owner then has 15 days to give the tenants’ representatives information about the community, and the residents then have 21 days to form a nonprofit cooperative and submit a written offer to purchase the community, along with evidence that the buyer has the legal capacity to purchase real property. The community owner must then respond to the offer within ten days. A community owner that rejects the offer must provide a written explanation and state the terms, if any, that might be acceptable. § 59.20.330.

The notice of sale provision does not place any duty on the community owner in response to an offer from the residents, nor does it give the residents a period of time to put together an offer. § 59.20.300.

A community owner that intends to sell or lease a community is required to negotiate in good faith with qualified tenant organizations and eligible organizations. § 59.20.305. In addition, under the “notice of opportunity to purchase provision, the parties must act in good faith and in a commercially reasonable manner, which includes a requirement that the residents promptly inform the community owner if they do not intend to purchase the community. § 59.20.335.

Any exceptions to the requirements? None for the “notice of sale” provision. The “notice of opportunity to compete to purchase provision exempts:

- Sale or transfer to an individual who would inherit if the community owner died without a will
- A transfer by gift, devise, or operation of law, by a corporation to an affiliate, by a partnership to any of its partners, among the shareholders who own the community, or between or among joint tenants or tenants in common
- A transfer to a family member or a family trust;
- Sale or transfer of less than a controlling interest in the legal entity that owns the community;
- Conveyance of an interest incidental to the financing of the community
- A bona fide exchange under section 1031 of the internal revenue code, as long as, at the time the community owner lists the property or receives an offer for the community, the owner has already commenced the exchange by the purchase of a property through a qualified exchange agent;
- A purchase by a governmental entity pursuant to eminent domain;

§ 59.20.340. In addition, a sale or transfer to a county in order to reduce conflicting residential uses near military installations is exempted from both provisions. § 59.20.360.

Is there a tax incentive? Yes. A qualified sale of a manufactured/mobile home community is exempt from excise tax on real estate sales. § 82.45.010. (This provision sunsets on January 1, 2030).

Penalty: The tenants or eligible organization have the right to seek an injunction, plus damages up to twice the monthly rent for each tenant. § 59.20.335(5). The state may seek a civil penalty of up to \$10,000.