

Chapter 329

(House Bill 1593)

AN ACT concerning

Real Property – Mobile Home Parks – ~~Lot Rent Increases~~ Notices to Residents

FOR the purpose of requiring a mobile home park owner to provide certain notice if the park owner enters into a contract of sale for the mobile home park; requiring a park owner who intends to offer the renewal of a certain lease agreement with an increase in rent to provide a certain notice to the resident ~~and make available to the resident a certain option to phase in the rent increase under certain circumstances;~~ providing for the application of this Act; and generally relating to ~~rent increases in mobile home parks~~ notices to residents in mobile home parks.

BY repealing and reenacting, with amendments,
 Article – Real Property
 Section 8A–202
 Annotated Code of Maryland
 (2015 Replacement Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:

Article – Real Property

8A–202.

(a) A park owner shall offer all current and prospective year–round residents a rental agreement for a period of not less than 1 year.

(b) Upon the expiration of the initial term, the resident shall be on a month–to–month term, unless a longer term is agreed to by the parties, subject to the modified provisions relating to the amount and payment of rent.

(c) (1) In this subsection, “qualified resident” means a year–round resident who:

(i) Has made rental payments on the due date or within any grace period commonly permitted in the park during the preceding year;

(ii) Within the preceding 6–month period has not committed a repeated violation of any rule or provision of the rental agreement and, at the time the term expires, no substantial violation exists; and

(iii) Owns a mobile home that meets the standards of the park.

(2) (i) Before the expiration of a 1-year term, or upon request of the resident at any time during a month-to-month term, a park owner shall offer to a qualified resident a rental agreement for a 1-year period.

(ii) An offer of a rental agreement for a 1-year term to a qualified resident shall:

1. Be delivered to the resident no later than 30 days before the expiration of the existing term;

2. Explain, in clear language, a qualified resident's right to the 1-year term; and

3. Contain a statement that, if the resident chooses not to enter into a 1-year agreement, the lease will continue on a month-to-month term that can be discontinued by either party, upon 30 days' notice.

(3) If the use of land is changed:

(i) All residents shall be entitled to a 1-year prior written notice of termination notwithstanding the provisions of a longer term in a rental agreement; and

(ii) The park owner shall send to the local governing body of the county or municipal corporation in which the park is located a copy of the written notice of termination sent to the residents under item (i) of this paragraph.

(4) If a resident's rental agreement is not renewed on the basis that the resident is not a qualified resident, the park owner shall, within 5 days, provide the resident with a written statement of the specific reason for nonrenewal of the rental agreement.

(5) A resident who has been offered a 1-year rental agreement under this section, and who has selected a month-to-month term and has not requested a 1-year rental agreement under this section, is not entitled to a 1-year rental agreement after a notice to terminate is delivered by certified mail to the resident by the park owner.

(d) If any rental agreement contains a provision calling for an automatic renewal of the lease term unless prior notice is given by the party or parties seeking to terminate the rental agreement, that provision shall be distinctly set apart from any other provision of the rental agreement and provide a space for the written acknowledgment of the resident's agreement to the automatic renewal provision. Such provision not specifically accompanied by either the resident's initials, signature, or witnessed mark is unenforceable by the park owner.

(e) A rental agreement may not contain:

(1) A provision whereby the resident authorizes any person to confess judgment on a claim arising out of the rental agreement.

(2) A provision whereby the resident agrees to waive or to forego any right or remedy provided by applicable law.

(3) Any provision whereby the resident waives his right to a jury trial.

(4) Any provision authorizing the park owner to take possession of the leased premises, or the resident's personal property therein unless the rental agreement has been terminated by action of the parties or by operation of law, and such personal property has been abandoned by the mobile home resident without the benefit of formal legal process.

(f) Any rental agreement offered under this section shall contain the same terms, including rent, fees, and conditions, as a rental agreement offered to a resident or prospective resident on a month-to-month term.

(g) (1) Within 30 days after obtaining ownership of a mobile home, a resident as defined under § 8A-101(j)(2) of this title shall:

(i) Offer the mobile home for sale;

(ii) Apply to the park owner to enter into a rental agreement; or

(iii) Take reasonable steps to remove the mobile home from the park.

(2) A park owner may not unreasonably deny an application submitted under paragraph (1)(ii) of this subsection.

(3) Notwithstanding any other provision of law, a resident as defined under § 8A-101(j)(2) of this title shall remove the resident's mobile home from the park:

(i) If settlement on a sale offered under paragraph (1)(i) of this subsection has not occurred within 1 year of the resident's obtaining ownership; or

(ii) Within 6 months after an application submitted under paragraph (1)(ii) of this subsection is denied.

(H) A PARK OWNER THAT ENTERS INTO A CONTRACT OF SALE FOR A MOBILE HOME PARK SHALL, WITHIN 5 DAYS AFTER ENTERING INTO THE CONTRACT:

(1) PROVIDE NOTICE OF THE SALE TO:

(I) EACH RESIDENT IN THE MOBILE HOME PARK BY HAND DELIVERY OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED; AND

(II) THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED; AND

(2) POST NOTICE OF THE SALE IN A PUBLIC AREA OF THE MOBILE HOME PARK.

~~(H)~~ **(1) THIS SUBSECTION APPLIES ONLY TO A RENTAL AGREEMENT THAT HAS A TERM OF NOT LESS THAN 1 YEAR THAT IS OFFERED FOR RENEWAL FOR A TERM OF NOT LESS THAN 1 YEAR.**

(2) IF A PARK OWNER INTENDS TO OFFER THE RENEWAL OF A LEASE AGREEMENT WITH AN INCREASE IN RENT, THE PARK OWNER SHALL:

~~(I) PROVIDE~~ **PROVIDE NOTICE TO THE RESIDENT OF THE RENT INCREASE NO LATER THAN 60 DAYS BEFORE THE EXPIRATION OF THE EXISTING RENTAL AGREEMENT; AND**

~~(II) MAKE AVAILABLE TO THE RESIDENT THE OPTION TO PHASE IN THE RENT INCREASE UNDER THE RENEWED RENTAL AGREEMENT AS FOLLOWS:~~

~~1. 50% OF THE RENT INCREASE DURING THE FIRST HALF OF THE TERM OF THE RENEWED RENTAL AGREEMENT; AND~~

~~2. 100% OF THE RENT INCREASE DURING THE REMAINDER OF THE TERM OF THE RENEWED RENTAL AGREEMENT.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any rental agreement or renewal of a rental agreement between a mobile home park owner and a resident entered into before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, April 24, 2018.