

HOUSE BILL 1382

N1

8lr0402

By: **Howard County Delegation**

Introduced and read first time: February 8, 2008

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Howard County - Mobile Home Parks - Right of First Refusal**

3 **Ho. Co. 13-08**

4 FOR the purpose of requiring owners of mobile home parks in Howard County to
5 notify all residents of the park and the director of the Howard County
6 Department of Housing and Community Development of an offer to buy or sell
7 the park; establishing notice requirements; establishing the right of the
8 residents or a certain homeowners association to make an offer to buy the park
9 under certain circumstances; requiring the park owner to accept the offer under
10 certain circumstances; requiring the park owner to provide additional notice to
11 certain persons and to accept a certain offer under certain circumstances;
12 providing for certain exemptions from this Act; providing for the application of
13 this Act; prohibiting a certain deed transferring title to certain land from being
14 executed and recorded unless certain conditions are satisfied; and generally
15 relating to the sale of mobile home parks in Howard County.

16 BY repealing and reenacting, without amendments,
17 Article - Real Property
18 Section 8A-101(d), (e), and (j)
19 Annotated Code of Maryland
20 (2003 Replacement Volume and 2007 Supplement)

21 BY adding to
22 Article - Real Property
23 Section 8A-802
24 Annotated Code of Maryland
25 (2003 Replacement Volume and 2007 Supplement)

26 Preamble

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 WHEREAS, Mobile home parks provide a significant source of homeownership
2 opportunities for Howard County residents; and

3 WHEREAS, The increasing rate of closure and conversion of mobile home parks
4 to other uses, combined with increasing mobile home lot rents, low vacancy rates in
5 existing mobile home parks, and the extremely high cost of moving homes when
6 mobile home parks close, make mobile home park living insecure for mobile home park
7 residents; and

8 WHEREAS, Many mobile home park residents are low- or fixed-income
9 households or seniors who are most in need of reasonable security in the siting of their
10 manufactured homes because of the adverse impacts on their health, safety, or welfare
11 if they are forced to move due to closure, change of use, or discontinuance of their
12 mobile home park community; and

13 WHEREAS, The preservation of mobile home parks is a more economical
14 alternative than providing new replacement units for homeowner residents who
15 otherwise might be displaced and is a strategy by which Howard County also may
16 meet some of the affordable housing needs of its residents; and

17 WHEREAS, Homeownership, including ownership of a mobile home, is an
18 important policy that deserves public protection; and

19 WHEREAS, Owners of mobile homes often do not have access to accurate
20 information about the likelihood of park closure at the time they place their homes in
21 mobile home parks; and

22 WHEREAS, The grant of a right to notice and opportunity for residents to
23 purchase the mobile home park should it be offered for sale or transfer is a necessary
24 step in balancing the rights and needs of mobile home owners against the desire of
25 park owners to receive market value for their investments; now, therefore,

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

28 **Article - Real Property**

29 8A-101.

30 (d) "Park owner" means any person who has interest in the park and
31 includes any person acting as the agent of a park owner as to the managerial or
32 operations acts taken as the agent of the owner.

33 (e) "Park" means any property leased or held out for lease to two or more
34 residents or prospective residents.

35 (j) (1) "Resident" means a mobile home owner who leases or rents a site
36 for residential use and resides in a mobile home park.

1 (2) "Resident" includes a person who maintains a permanent residence
2 with the mobile home owner, and who obtains title to the mobile home after the death
3 of the owner under the terms of a will or by operation of law.

4 **8A-802.**

5 (A) (1) **THIS SECTION APPLIES ONLY TO MOBILE HOME PARKS IN**
6 **HOWARD COUNTY.**

7 (2) **THIS SECTION DOES NOT APPLY TO:**

8 (I) **A TRANSFER MADE TO ANY PROSPECTIVE HEIR OF A**
9 **PARK OWNER;**

10 (II) **A TRANSFER BY GIFT, DEVISE, OR OPERATION OF LAW;**

11 (III) **A TRANSFER BY A PARTNERSHIP TO ANY OF ITS**
12 **PARTNERS;**

13 (IV) **ANY CONVEYANCE OF AN INTEREST IN A PARK**
14 **INCIDENTAL TO THE FINANCING OF THE PARK;**

15 (V) **ANY CONVEYANCE RESULTING FROM FORECLOSURE OF**
16 **A MORTGAGE, DEED OF TRUST, OR OTHER INSTRUMENT ENCUMBERING A PARK**
17 **OR ANY DEED GIVEN INSTEAD OF FORECLOSURE;**

18 (VI) **A SALE OR TRANSFER BETWEEN OR AMONG JOINT**
19 **TENANTS OR TENANTS IN COMMON OWNING A PARK; OR**

20 (VII) **ACQUISITION OF A PARK BY EMINENT DOMAIN.**

21 (B) **AT LEAST 60 DAYS BEFORE OFFERING A PARK FOR SALE, THE PARK**
22 **OWNER SHALL NOTIFY THE RESIDENTS AND THE DIRECTOR OF THE HOWARD**
23 **COUNTY DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT OF THE**
24 **PARK OWNER'S INTENT TO SELL THE PARK.**

25 (C) **WITHIN 10 DAYS AFTER RECEIVING A BONA FIDE OFFER TO BUY A**
26 **PARK, THE PARK OWNER SHALL NOTIFY THE RESIDENTS AND THE DIRECTOR OF**
27 **THE HOWARD COUNTY DEPARTMENT OF HOUSING AND COMMUNITY**
28 **DEVELOPMENT OF THE PARK OWNER'S RECEIPT OF THE OFFER.**

29 (D) **NOTICE BY THE PARK OWNER UNDER SUBSECTIONS (B) AND (C) OF**
30 **THIS SECTION SHALL:**

1 (1) **BE GIVEN TO EACH RESIDENT BY:**

2 (I) **PERSONAL DELIVERY TO THE RESIDENT; OR**

3 (II) **FIRST-CLASS MAIL TO THE RESIDENT'S LAST KNOWN**
4 **ADDRESS;**

5 (2) **BE GIVEN TO THE DIRECTOR OF THE HOWARD COUNTY**
6 **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT BY:**

7 (I) **PERSONAL DELIVERY; OR**

8 (II) **FIRST-CLASS MAIL TO THE MAIN OFFICE OF THE**
9 **DEPARTMENT;**

10 (3) **EXPLAIN THAT THE PARK OWNER INTENDS TO SELL THE**
11 **PARK;**

12 (4) **STATE THE PRICE, TERMS, AND CONDITIONS OF SALE;**

13 (5) **INCLUDE A DESCRIPTION OF THE PROPERTY BEING BOUGHT**
14 **OR SOLD;**

15 (6) **EXPLAIN THAT DURING THE PERIOD SPECIFIED IN**
16 **SUBSECTION (E) OF THIS SECTION, AN OFFER SUBSTANTIALLY SIMILAR IN**
17 **PRICE, TERMS, AND CONDITIONS TO THE ORIGINAL OFFER MAY BE MADE BY THE**
18 **RESIDENTS OR A HOMEOWNERS ASSOCIATION MEMBERSHIP OF WHICH IS OPEN**
19 **TO ALL THE RESIDENTS; AND**

20 (7) **EXPLAIN THAT THE PARK OWNER MUST ACCEPT THE**
21 **RESIDENTS' OFFER IF THE MONETARY VALUE OF THE OFFER IS EQUAL TO OR**
22 **GREATER THAN THE ORIGINAL OFFER OR ASKING PRICE AND THE OTHER**
23 **TERMS AND CONDITIONS ARE SUBSTANTIALLY SIMILAR.**

24 (E) (1) **ON RECEIPT OF THE NOTICE UNDER SUBSECTION (C) OF THIS**
25 **SECTION, THE RESIDENTS OR THE HOMEOWNERS ASSOCIATION SHALL HAVE**
26 **THE RIGHT TO MAKE AN OFFER TO PURCHASE THE PARK.**

27 (2) **THE PARK OWNER SHALL ACCEPT THE OFFER IF:**

28 (I) **THE OFFER TO PURCHASE THE PARK IS SUBSTANTIALLY**
29 **SIMILAR IN PRICE, TERMS, AND CONDITIONS TO:**

1 **1. THE ORIGINAL OFFER TO BUY THE PARK; OR**

2 **2. THE PRICE, TERMS, AND CONDITIONS SET BY THE**
3 **PARK OWNER FOR THE SALE OF THE PARK; AND**

4 **(II) THE OFFER IS MADE WITHIN 60 DAYS AFTER THE DATE**
5 **OF NOTICE, UNLESS OTHERWISE AGREED BY THE PARK OWNER AND RESIDENTS.**

6 **(F) IF THE PARK OWNER SUBSEQUENTLY OFFERS THE PARK FOR SALE**
7 **OR RECEIVES A BONA FIDE OFFER TO BUY THE PARK AT A PRICE LOWER THAN**
8 **THE PRICE SPECIFIED IN THE PARK OWNER'S FIRST NOTICE TO THE RESIDENTS:**

9 **(1) THE PARK OWNER SHALL PROVIDE ADDITIONAL NOTICE TO**
10 **THE RESIDENTS AND THE DIRECTOR OF THE HOWARD COUNTY DEPARTMENT**
11 **OF HOUSING AND COMMUNITY DEVELOPMENT UNDER SUBSECTION (D) OF THIS**
12 **SECTION; AND**

13 **(2) THE RESIDENTS SHALL HAVE AN ADDITIONAL 10 DAYS AFTER**
14 **RECEIPT OF NOTICE OF THE REDUCED PRICE TO MEET THE PRICE, TERMS, AND**
15 **CONDITIONS OF THE PARK OWNER BY MAKING AN OFFER SUBSTANTIALLY**
16 **SIMILAR IN PRICE, TERMS, AND CONDITIONS TO THE PRICE, TERMS, AND**
17 **CONDITIONS SET BY THE PARK OWNER FOR THE SALE OF THE PARK.**

18 **(G) A DEED EVIDENCING TRANSFER OF TITLE TO THE LAND OF A**
19 **MOBILE HOME PARK SUBJECT TO THIS SECTION MAY NOT BE EXECUTED AND**
20 **RECORDED UNDER THIS ARTICLE UNLESS THE PARK OWNER CERTIFIES IN AN**
21 **AFFIDAVIT THAT IS ATTACHED TO THE DEED THAT THE PARK OWNER HAS**
22 **COMPLIED WITH ALL APPLICABLE REQUIREMENTS OF THIS SECTION.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2008.