

MAINE STATE LEGISLATURE

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118th MAINE LEGISLATURE

FIRST REGULAR SESSION-1997

Legislative Document

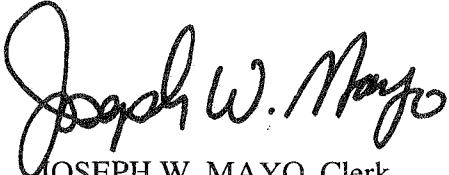
No. 1463

H.P. 1046

House of Representatives, March 11, 1997

An Act to Regulate Camp Lot Leases.

Reference to the Committee on Inland Fisheries and Wildlife suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative SIROIS of Caribou.
Cosponsored by Senator PARADIS of Aroostook and
Representatives: BROOKS of Winterport, CLARK of Millinocket, DESMOND of Mapleton,
O'NEAL of Limestone, SKOGLUND of St. George, STANLEY of Medway, VIGUE of
Winslow, Senator: MICHAUD of Penobscot.

Be it enacted by the People of the State of Maine as follows:

2
4 Sec. 1. 33 MRSA c. 42 is enacted to read:

6 CHAPTER 42

8 CAMP LOT LEASES

10 §2001. Definitions

12 As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

14 1. Camp lot. "Camp lot" means a parcel of land, 2 acres or less in size, that is used or occupied or is developed, devoted, intended or permitted to be used or occupied as a seasonal, recreational residence or a full-time residence in an area normally associated with seasonal recreational activities.

20 2. Fair market value. "Fair market value" means the amount of money that a purchaser willing, but not obliged, to buy an interest in land would pay an owner willing, but not obliged, to sell it, taking into consideration all uses to which the land is adapted or might in reason be applied, but not including uses that are not permitted by law or by the terms of the lease.

26 3. Lease. "Lease" means a conveyance of land or an interest in land by a fee simple owner as lessor or by a lessee or sublessee as sublessor to any person in consideration of a return of rent or other recompense for a term measured from the initial date of the conveyance of 5 years or more, including any periods for which the lease may be extended or renewed at the option of the lessee.

34 4. Lessee. "Lessee" means any person to whom land is leased and the lessee's heirs, successors, legal representatives and assigns.

38 5. Lessor. "Lessor" means any person who leases land to another and the lessor's heirs, successors, legal representatives and assigns.

42 §2002. Applicability

44 This chapter applies to all leases of camp lots executed, renewed or extended after the effective date of this section.

48 Notwithstanding any term, condition or provision in a lease to the contrary, the lessee of a camp lot has all of the rights enumerated in this chapter.

50 §2003. Term of lease

2 The term of a lease of a camp lot executed after the
4 effective date of this section may not be less than 5 years.

6 **§2004. Extension of lease**

8 1. Extension. During the term of a lease, the lessee has
10 the right to extend the lease term for an additional 5 years
12 beginning on the first day of the month in which the lessee gives
14 written notice to the lessor of intention to extend subject to
16 the following conditions:

18 A. At the time the right to extend the lease is exercised,
20 the unexpired term of the lease is less than 1 year; and

22 B. The lessee is not then in default in any respect under
24 the lease.

26 2. Lease rental fee. In every case of an extension under
28 this section, the annual lease rental must be based on the fair
30 market value of the land as determined by:

32 A. Mutual agreement of the lessor and the lessee; or

34 B. Arbitration in accordance with Title 14, chapter 706, if
36 the lessor and the lessee fail to reach an agreement at
38 least 90 days before the commencement of the extension.

40 **§2005. Limitation on increases in rent**

42 A lease of a camp lot may provide for annual increases in
44 the amount of rent. Annual increases may not exceed a percentage
46 equal to the average annual increase in valuation of residential
48 property in the unorganized territory as determined annually by
50 the State Tax Assessor.

52 **§2006. Option to purchase**

1. First option. A fee simple owner of a camp lot under a
 lease may not sell the leased-lot fee interest to the lot to any
 3rd party unless the fee simple owner has first given a written
 30-day notice and the first option to purchase at fair market
 value to the lessee.

2. At option of lessee. Each lease must contain a
 provision permitting the lessee to purchase the camp lot at the
 expiration of the lease at a price to be mutually agreed to
 between the lessee and the lessor or, if agreement can not be
 reached, at the fair market value of the property determined in
 accordance with Title 14, chapter 706.

SUMMARY

2 This bill establishes conditions for the leasing of camp
4 lots executed, extended or renewed after the effective date of
the Maine Revised Statutes, Title 33, chapter 42. Leases must be
6 for 5 years and be renewable at the option of the lessee. The
lessee may purchase the camp lot at the expiration of the lease
8 or, if the lessor sells the camp lot, the lessee must have the
first option to purchase the camp lot at fair market value. The
10 bill limits rental increases on camp lots to the average
percentage in increase in the valuation of residential property
12 in the unorganized territory.