

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

FIRST REGULAR SESSION-2009

Legislative Document

No. 902

H.P. 620

House of Representatives, March 5, 2009

An Act To Provide the Right of First Refusal to Mobile Home Park Residents

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative HILL of York.
Cosponsored by Senator HOBBS of York and
Representatives: PRESCOTT of Topsham, SMITH of Monmouth, WEAVER of York,
Senators: BOWMAN of York, NASS of York.

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

2 Sec. 1. 10 MRSA §9094-A, sub-§1-A is enacted to read:

3 1-A. Tenants' right of first refusal. In any instance in which the owner of a mobile
4 home park has been sent a certified letter from tenants of the mobile home park that have
5 incorporated as a cooperative affordable housing corporation under Title 13, chapter 85,
6 subchapter 1-A indicating that the corporation has at least 51% of the tenants as members
7 and has articles of incorporation specifying all rights and powers, including the power to
8 negotiate for, acquire and operate the mobile home park on behalf of the member tenants,
9 then, before a mobile home park may be sold for any purpose, the owner shall provide 45
10 days' written notice to the corporation by certified mail, return receipt requested, of any
11 bona fide offer that the owner intends to accept to buy the park. The notice must include
12 the price, terms and conditions of an acceptable offer the owner has received to sell the
13 park or the price, terms and conditions for which the owner intends to sell the park. Any
14 corporation entitled to notice under this section may purchase the park as long as it meets
15 the same price, terms and conditions of any offer of which it is entitled to notice under
16 this section by:

17 A. Executing a contract or purchase and sale agreement with the owner within the
18 45-day notice period of the offer; and

19 B. Obtaining any necessary financing or guarantees within an additional 135 days.
20 Failure of the corporation to obtain a binding commitment for financing or any failure
21 to secure any necessary guarantees within 135 days of execution of a purchase and
22 sale agreement terminates the right of the corporation to purchase the park.

23 The time periods provided in this subsection may be extended by agreement of the
24 corporation and the owner.

25 Nothing in this subsection prevents an owner from deciding not to sell, transfer or take
26 other action that would result in termination of the financial assistance and revoking the
27 notice required by this subsection at any time before its expiration. The withdrawal or
28 revocation extinguishes any right of first refusal held by the corporation.

29 Sec. 2. 10 MRSA §9094-A, sub-§2, ¶B, as enacted by PL 1989, c. 768, is
30 amended to read:

31 B. The option of the owner may not be exercised prior to expiration of the 45-day
32 notice provided for in subsection 1 or 1-A.

33 Sec. 3. 10 MRSA §9094-A, sub-§3, as enacted by PL 1989, c. 768, is amended
34 to read:

35 **3. Exception; no change of use for 2 years.** The owner of a mobile home park may
36 sell the park without notifying tenants in the manner provided by subsection 1 if the
37 purchase and sale agreement for the mobile home park provides for a deed containing a
38 covenant, enforceable by tenants of the mobile home park, that forbids the purchaser
39 from changing the use of the mobile home park for 2 years after the transfer. This
40 subsection does not apply if the tenants of the mobile home park have provided the notice
41 required under subsection 1-A.

SUMMARY

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This bill provides the tenants of a mobile home park that have incorporated as a cooperative affordable housing corporation with the right of first refusal to purchase the mobile home park from the owner within 45 days as long as it meets the same price, terms and conditions of any offer that the owner intends to accept to buy the park.