MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1199

H.P. 843

House of Representatives, March 26, 2013

An Act Regarding Mobile Home Ownership

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

> Millient M. Mac Failand MILLICENT M. MacFARLAND Clerk

Presented by Representative HERBIG of Belfast. Cosponsored by Senator CAIN of Penobscot and Representatives: CAREY of Lewiston, DAUGHTRY of Brunswick, FREY of Bangor, GOODE of Bangor, LUCHINI of Ellsworth, MOONEN of Portland, ROTUNDO of Lewiston, TIPPING-SPITZ of Orono.

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

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Sec. 1. 10 MRSA §9094-A, as enacted by PL 1989, c. 768, is amended to read:

§9094-A. Restrictions on sale when a mobile home park is sold

- 1. Notice of offer to purchase the mobile home park. Except as provided in subsection 3. if If the owner of a mobile home park receives an offer to purchase the mobile home park and the park owner intends to accept that offer, the owner shall give 45 120 days' written notice to tenants of the mobile home park and to the Maine State Housing Authority. The notice must indicate that the owner has received an offer to purchase the mobile home park, the price, terms and any other conditions of the offer and that the owner intends to accept that offer. During the 45 day notice period, the owner may not execute a contract for the purchase and sale of the mobile home park. The notice must state that a mobile home owners' association has 30 days from the mailing date of the notice to inform the owner in writing of intent to purchase the mobile home park and, if a mobile home owners' association has informed the owner of intent to purchase under this section, the mobile home owners' association has an additional 90 days from the date of informing the owner of its intention to purchase the mobile home park to make a competing offer to purchase the mobile home park. The owner must mail by regular mail a separate notice to each park tenant and to the Maine State Housing Authority. The Maine State Housing Authority shall send a copy of or provide electronic access to a notice received under this subsection to any person or organization that has requested to be placed on a list to receive the notice.
- 1-A. Intent to purchase by mobile home owners' association. To exercise its intent to purchase a mobile home park, a mobile home owners' association must be open for membership to all tenants of the mobile home park. If a mobile home owners' association receives a notice of offer to purchase the mobile home park by the owner of the mobile home park under subsection 1, the mobile home owners' association has 30 days from the mailing date of the notice to inform the owner in writing of intent to purchase the mobile home park. During the 30-day period in which a mobile home owners' association may inform the owner of the mobile home park of intent to purchase the mobile home park, the owner may not execute a contract for the purchase and sale of the mobile home park with another party unless the mobile home owners' association informs the owner in writing of its intention not to purchase the mobile home park. If a mobile home owners' association informs an owner of a mobile home park of its intention to purchase the mobile home park under subsection 1 within the time limits of this subsection, the mobile home owners' association has an additional 90 days from the date of informing the owner of its intention to purchase the mobile home park to make a competing offer to purchase the mobile home park. During the additional 90-day period in which a mobile home owners' association may make a competing offer to purchase the mobile home park, the owner may not execute a contract for the purchase and sale of the mobile home park with another party unless the mobile home owners' association informs the owner in writing of its intention not to purchase the mobile home park. If a mobile home owners' association makes a competing offer to purchase the mobile home park within the time limits under this subsection, the owner of the mobile home park must

consider the offer and negotiate the purchase and sale of the mobile home park by the mobile home owners' association in good faith.

- **2. Option contract.** Nothing in this subsection prohibits the owner of a mobile home park from obtaining at any time from a buyer an option to sell the mobile home park if:
 - A. The option does not bind the owner who obtains the option to sell the park to the buyer; and
 - B. The option of the owner may not be exercised prior to expiration of the 45-day 120-day notice provided for in subsection 1.
- 3. Exception; no change of use for 2 years. The owner of a mobile home park may sell the park without notifying tenants in the manner provided by subsection 1 if the purchase and sale agreement for the mobile home park provides for a deed containing a covenant, enforceable by tenants of the mobile home park, that forbids the purchaser from changing the use of the mobile home park for 2 years after the transfer.
- **4. Enforcement.** A mobile homeowner home owner, group of mobile homeowners home owners or a mobile homeowners' home owners' association aggrieved by a violation of this section may bring an action in Superior Court against the violator for injunctive relief, damages and attorney's fees. A violation of this section is an unfair trade practice under Title 5, chapter 10.
- **5. Supplemental notice and use restrictions.** Nothing in this section prohibits the owner of a mobile home park from providing notice or establishing use restrictions in addition to those required under this section.
- Sec. 2. 10 MRSA §9097, sub-§4, as amended by PL 1991, c. 738, is further amended to read:
- **4. Rules.** A mobile home park owner may adopt reasonable rules governing the conduct of tenants, if the rules are reasonably related to preserving the order and peace of other tenants and the mobile home park. A park rule may not be unreasonable, unfair or unconscionable. A rental agreement or park rule may not forbid a tenant, mobile home owners' association, public official or candidate for public office from peacefully organizing, assembling, canvassing, petitioning or distributing leaflets within the mobile home park. Any rule or change in rent that does not apply uniformly to all park tenants creates a rebuttable presumption that the rule or change in rent is unfair unless the rule or change in rent is made by majority vote of all the members in a resident-owned cooperative. Any park rule that does not comply with this section is void. For purposes of this subsection, "resident-owned cooperative" means a corporation or other legal entity that owns the mobile home park, the ownership interest in which is held only by residents of the mobile home park.

Sec. 3. 10 MRSA §9097, sub-§13 is enacted to read:

1 13. Mobile home owners' associations. A rental agreement may not forbid a tenant 2 from organizing, joining or attending meetings of a mobile home owners' association. A mobile home park owner or operator or rule under this section: 3 4 A. May not prevent a mobile home owners' association comprising tenants from the mobile home park from organizing, meeting, existing or hosting a guest speaker; 5 B. Shall allow meetings of the mobile home owners' association in common areas 6 and facilities of the mobile home park; and 7 8 C. May not impose a fee or a condition for a mobile home owners' association meeting other than a fee or condition normally imposed for the use of a common area 9 or facility of the mobile home park. 10

11 SUMMARY

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18 19 This bill provides a mobile home owners' association with the right to make a competing offer to purchase a mobile home park upon notice from the owner of the mobile home park that the owner has received an offer to purchase the park and the owner intends to accept that offer. This bill also limits restrictions mobile home park rules may place on the activities of tenants and certain other people within the mobile home park and prohibits mobile home park rental agreements and rules from forbidding the formation of mobile home owners' associations or tenants joining those associations and from limiting certain activities of those associations.