

HOUSE BILL NO. 1397

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws

on _____)

(Patron Prior to Substitute--Delegate Krizek)

A BILL to amend and reenact §§ 55.1-1308.1 and 55.1-1308.2 of the Code of Virginia, relating to Manufactured Home Lot Rental Act; manufactured home park; notice of sale and relocation expenses.

Be it enacted by the General Assembly of Virginia:

1. That §§ 55.1-1308.1 and 55.1-1308.2 of the Code of Virginia are amended and reenacted as follows:

§ 55.1-1308.1. Sale of manufactured home park to developer; relocation expenses.

~~If the termination of a rental agreement is due to the sale of the manufactured home park to a buyer that is going to redevelop the park and change its use, the landlord shall provide to each manufactured home owner in the park \$2,500 \$5,000 in relocation expenses within the 180-day notice period provided for in subsection B of § 55.1-1308 for the purpose of removing the manufactured home from the park. For manufactured home parks located in Planning District 8, the landlord shall provide to each manufactured home owner in the park \$3,500 in relocation expenses within the 180-day notice period provided for in subsection B of § 55.1-1308 for the purpose of removing the manufactured home from the park. Such relocation expenses shall be subject to a written agreement between the landlord and the manufactured home owner to remove the manufactured home from the park. Notwithstanding any other provision of law, a landlord shall not be subject to any other requirement under a zoning ordinance or conditional use or other permit under Title 15.2 to pay additional funds or provide additional financial assistance to a manufactured home owner if a rental agreement is terminated due to the sale of the manufactured home park to a buyer that is going to redevelop the park and change its use.~~

§ 55.1-1308.2. Notice of sale.

27 A. This section does not apply to the sale of a manufactured home park to the manufactured home
28 park owner's family by blood or marriage or to a person or entity that owns a portion of the manufactured
29 home park at the time of the offer or listing of such manufactured home park for sale.

30 B. A manufactured home park owner who offers or lists the park for sale to a third party shall
31 provide written notice containing the date on which the notice is sent and the price for which the park is
32 to be offered or listed for sale. Such notice shall be sent to the Department of Housing and Community
33 Development, which shall make the information available on its website within five business days of
34 receipt. Such written notice shall also be given to each tenant of the manufactured home park, in
35 accordance with § 55.1-1202, accepts an offer to purchase the manufactured home park from a third party
36 shall accept such offer contingent upon providing the notice and opportunity to purchase required by this
37 section. The manufactured home park owner shall provide notice of the sales contract containing such
38 contingency at least 90 days prior to accepting an offer finalizing the contract for sale. A manufactured
39 home park owner shall consider any offers to purchase received during such 90-day notice period. For
40 purposes of this section, "third party" does not include a member of the manufactured park owner's family
41 by blood or marriage or a person or entity that owns a portion of the park at the time of the offer or listing
42 of such manufactured home park. Nothing shall be construed to require any subsequent. Such notice by
43 the manufactured home park owner after the written notice provided in this section shall describe the terms
44 of the sales contract, including the price and all material terms and conditions of the contract. Such notice
45 shall be given by certified mail at least 90 days before the closing date on such purchase contract to the
46 Department of Housing and Community Development, which shall place the information on its website
47 within five business days of receipt. Such written notice shall also be given by certified mail to the locality
48 in which the manufactured home park is located and to each manufactured home park tenant and by
49 personal delivery to each manufactured home in the manufactured home park. If the contract contains any
50 provision penalizing the manufactured home park owner for accepting an alternative offer from any
51 potential buyers described in subsection C, such penalty provision shall be void and unenforceable.

52 B. If a manufactured home park owner receives an offer to purchase the park, acceptance of that
53 offer shall be contingent upon the park owner sending written notice of the proposed sale and the purchase

54 ~~price in the real estate purchase contract at least 60 days before the closing date on such purchase contract~~
55 ~~to the Department of Housing and Community Development, which shall place the information on its~~
56 ~~website within five business days of receipt. Such written notice shall also be given to each tenant of the~~
57 ~~manufactured home park.~~

58 C. During the 90-day notice period provided by subsection B, the park owner shall consider
59 additional offers to purchase the park made by an entity, formal or informal, including one formed after
60 the issuance of the notice required by this subsection, that provides documentation that it represents at
61 least 25 percent of the tenants with a valid lease in the manufactured home park at the time any such offer
62 is made, but shall not be obligated to consider additional offers after the expiration of the 60-day notice
63 period. Nothing shall be construed to require any subsequent notice by the manufactured home park owner
64 after provision of the written notice required by this section or by a nonprofit organization to which such
65 an entity has assigned its rights under this section, may make an offer to purchase the park.

66 D. If the locality in which the manufactured home park is located delivers to the manufactured
67 home park owner a proposed purchase agreement containing the same price and substantially similar terms
68 and conditions as the purchase agreement of which the owner provided notice pursuant to subsection B,
69 the locality shall have the right to purchase the manufactured home park at the price, terms, and conditions
70 stated in its proposed purchase agreement, provided that the purchase agreement contains a commitment
71 from the locality to preserve the property as a manufactured home park for at least 30 years following the
72 sale.

73 E. If a potential buyer described in subsection C makes an offer to purchase the manufactured
74 home park, the manufactured home park owner shall consider such offer and negotiate with such potential
75 buyer in good faith. If the manufactured home park owner declined to accept such offer, the manufactured
76 home park owner shall do so in writing and shall state the good faith reasons for such rejection.

77 F. If a potential buyer described in subsection C enters into a purchase agreement with the
78 manufactured home park owner to buy the manufactured home park, such potential buyer shall have 60
79 days from the date of the agreement to arrange all necessary financing and a commercially reasonable
80 time to close on the sale. If the potential buyer fails to arrange all necessary financing during such 60-day

81 period, or such longer period as agreed to by the parties, or fails to close on the sale within a commercially
82 reasonable time agreed to by the parties, the manufactured home park owner shall have no further duties
83 under this section with respect to the proposed sale, lease, or transfer of the manufactured home park. No
84 manufactured home park owner shall unreasonably delay the execution or closing on a purchase agreement
85 with a potential buyer described in subsection C.

86 G. The Department of Housing and Community Development shall publish a plain-language notice
87 in English and Spanish that complies with subsection B.

88 H. The manufactured home park owner shall not be obligated to consider additional offers after
89 the expiration of the 90-day notice period set forth in subsection B.

90 I. The requirements of this section shall apply separately to each substantially different offer to
91 sell or purchase the manufactured home park.

92 J. 1. A purchaser of a manufactured home park shall record in the circuit court clerk's office of the
93 locality in which the manufactured home park is located an affidavit submitted by the seller in which the
94 seller has certified that he has complied with the requirements of this section. Such affidavit shall include
95 a copy of the notice sent pursuant to subsection B.

96 2. Such affidavit shall be presumptive evidence of compliance for purposes of good title in the
97 hands of a bona fide purchaser.

98 3. Failure of a purchaser of a manufactured home park to record an affidavit shall be presumptive
99 evidence of noncompliance with this section.

100 K. The provisions of this section shall be liberally construed to achieve the purpose of preserving
101 affordable housing and expanding the opportunities for owners of manufactured homes to purchase the
102 manufactured home park in which their manufactured homes are located. The provisions of this section
103 shall be severable and if any provision or its application to any person or circumstance is held invalid, the
104 validity of the remainder of the section or the application of the provision to other persons or circumstances
105 shall not be affected thereby.

106 L. If a manufactured home park owner fails to comply with the provisions of this section, any
107 person with a valid lease for a lot in the manufactured home park may file an action in the circuit court

108 for the locality in which the manufactured home park is located seeking injunctive relief, damages, or
109 both. The prevailing party shall also be entitled to an award of attorney fees.

110 M. If a manufactured home park owner fails to comply with any requirement set forth in this
111 section, a locality may bring an action in the circuit court for the locality in which the manufactured home
112 park is located to enforce the manufactured home park owner's obligations under this section provided
113 that the manufactured home park is located within the jurisdictional boundaries of the locality and the
114 locality has notified the manufactured home park owner of its intent the enforce the manufactured home
115 park owner's obligations under this section. Such enforcement action may include seeking an injunction,
116 damages, or both.

117 N. If a locality that purchased a manufactured home park pursuant to the right to purchase provided
118 in subsection D, gives notice of its intent to change the use of all or part of the manufactured home park,
119 pursuant to subsection B of § 55.1-1308, in violation of the commitment made in the purchase agreement
120 provided to the manufactured home park owner under subsection D, any person with a valid lease for a
121 lot in the manufactured home park may file an action in the circuit court for the locality in which the
122 manufactured home park is located seeking injunctive relief, damages, or both. The prevailing party shall
123 also be entitled to an award of attorney fees.

124 **2. That the provisions of this act shall not become effective unless reenacted by the 2025 Session of**
125 **the General Assembly.**

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