
**Housing, Human Services & Veterans
Committee**

HB 1100

Brief Description: Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit.

Sponsors: Representatives Duerr, Kloba, Bateman, Ramel, Ortiz-Self, Gregerson, Valdez, Macri and Chopp.

Brief Summary of Bill

- Requires landlords to provide written notices of opportunity to purchase with respect to the sale or lease of a manufactured/mobile home community (MHC).
- Provides certain organizations and associations a fixed period of time within which to express intent to purchase or lease and make an offer, during which time the landlord shall not make a final unconditional acceptance of an offer from others.
- Requires good faith negotiations between landlords and qualified tenant organizations and eligible organizations when a landlord sells or leases an MHC or the property on which it sits.
- Imposes civil penalties for failure to comply.

Hearing Date: 1/14/21

Staff: Lena Brodsky (786-7192).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Under the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA), within 14 days after the date on which any advertisement, multiple listing, or public notice advertises that a manufactured/mobile home community (MHC) is for sale, a landlord must provide a written notice of sale of an MHC by certified mail or personal delivery to:

- each tenant in the MHC;
- the officers of any known qualified tenant organization, defined as a formal organization of tenants within a manufactured/mobile home community, with the only requirement for membership consisting of being a tenant;
- the Office of Mobile/Manufactured Home Relocation Assistance, in the Department of Commerce;
- the local government and the local housing authority within whose jurisdiction all or part of the MHC exists; and
- the Washington State Housing Finance Commission.

The notice must include a statement that the landlord intends to sell the MHC and the contact information of the landlord or landlord's agent who is responsible for communicating with a qualified tenant organization or eligible organization regarding the sale of the property.

- An "eligible organization" includes local governments, local housing authorities, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes in the state, and regional or statewide nonprofit housing assistance organizations.
- "Qualified tenant organization" means a formal organization of tenants within an MHC, with the only requirement for membership consisting of being a tenant.

A landlord intending to sell an MHC is encouraged to negotiate in good faith with qualified tenant organizations and eligible organizations, such as local governments, local housing authorities, nonprofit community organizations, tribes, and nonprofit housing assistance organizations.

Summary of Bill:

Notice of Opportunity to Purchase.

In addition to requirements related to the notice of sale, a landlord must provide a written notice of opportunity to purchase a mobile home community (MHC) to each tenant, the Department of Commerce (Commerce), and the Housing Finance Commission by certified mail or personal delivery within 14 days after the date any advertisement, listing, or public notice is first made that the MHC, or property on which it sits, is for sale or lease.

A notice of opportunity to purchase must include:

- a statement that the landlord intends to sell or lease the MHC or the property on which it sits;
- a statement that:
 - qualified tenant organizations and eligible organizations have 45 days from the date of delivery or postmark to provide the landlord with notice of intent to consider purchasing or leasing the manufactured/mobile home park (park), during which time

the landlord shall not make a final acceptance of an offer to purchase or lease the park;
if notice of intent is provided to the landlord within that time that the landlord shall not make a final unconditional acceptance of an offer to purchase or lease the park from a person or entity other than a qualified tenant organizations or eligible organization for an additional 90 days;
a signed affidavit that discloses the advertised or listed selling price; and
the contact information for the landlord or agent who is responsible for communication regarding the opportunity to make an offer.

If notice of intent expressing intent to consider purchase or lease of the MHC from the qualified tenant organization or eligible organization is provided to the landlord within 45 days, the landlord must wait 90 days before making a final unconditional acceptance of an offer to purchase or lease the MHC from a person or entity other than the qualified tenant organization or eligible organization. If the notice of intent is not provided to the landlord within 45 days, the landlord is not subject to the 90-day waiting period.

Notice of opportunity to purchase is not required with respect to a sale or lease of an MHC or the property on which it sits if the transaction is:

- due to foreclosure, eminent domain, or a tax sale;
- incidental to MHC financing;
- between joint tenants in common;
- among partners that own the MHC; or
- to a member of the landlord's family or to a landlord's family trust.

A landlord is required, rather than encouraged, to negotiate in good faith with qualified tenant organizations and eligible organizations when selling or leasing an MHC or the property on which it sits. Likewise, qualified tenant organizations and eligible organizations that submit a notice of intent to purchase or lease an MHC or the property on which it sits must negotiate in good faith with the landlord. Eligible organizations are expanded to include community land trusts and resident nonprofit cooperatives.

Commerce must maintain a registry of all eligible organizations submitting a written request to receive notices of opportunity to purchase or lease an MHC, including the name and mailing address of the eligible organization and a statement the organization wishes to purchase or lease the MHC. Commerce must provide the eligible organizations with such notices received from landlords, as well as provide copies of the registry upon request.

A landlord who sells or leases an MHC and willfully fails to comply with the notice, waiting period, or good faith negotiation requirements is liable to the state for a civil penalty of \$10,000. The attorney general may bring a civil action in the name of the state against the landlord.

Appropriation: None.

Fiscal Note: Preliminary Fiscal Note Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.