

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0771.01 Christopher McMichael x4775

HOUSE BILL 26-1224

HOUSE SPONSORSHIP

Velasco and Boesenecker,

SENATE SPONSORSHIP

Cutter and Roberts,

House Committees

Transportation, Housing & Local Government
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING FINANCIAL PROTECTIONS FOR MOBILE HOME PARK**
102 **RESIDENTS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill establishes and clarifies financial protections for mobile home park residents. A landlord of a mobile home park is required to notify residents that the landlord is temporarily prohibited from increasing rent. Under current law, a landlord is required to send notice to residents when the landlord intends to sell the mobile home park. The bill clarifies what information must be included in the notice that the landlord sends

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

to residents of the park. The notice must include financial and maintenance information related to the rental and operation of the mobile home park and information related to the buyer's offer to purchase the mobile home park. The bill requires the landlord and any potential buyer to conduct the sale of the mobile home park at arms-length and in good faith. The bill establishes certain parameters related to the registration fee that must be paid by a landlord of a mobile home park and limits the amount that the landlord may charge each resident to cover the registration fee at \$17.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 38-12-203, **amend**
3 (1)(a) as follows:

4 **38-12-203. Reasons for termination.**

5 (1) The management of a mobile home park may terminate a
6 tenancy only for one or more of the following reasons:

7 (a) Except in the case of a home owner who cures a
8 noncompliance as described in section 38-12-202 (3), failure of the home
9 owner to comply with local ordinances and state laws and rules relating
10 to mobile homes and mobile home lots. A LANDLORD MAY PURSUE THE
11 TERMINATION OF A TENANCY ON THESE GROUNDS ONLY IF A LOCAL
12 GOVERNMENT, THE STATE, OR AN AGENCY OR DIVISION OF A LOCAL
13 GOVERNMENT OR THE STATE HAS ISSUED A FINAL ORDER FINDING THAT A
14 VIOLATION OF A LOCAL ORDINANCE OR A STATE LAW OR RULE RELATED TO
15 MOBILE HOMES AND MOBILE HOME LOTS HAS OCCURRED.

16 **SECTION 2.** In Colorado Revised Statutes, 38-12-204, **add** (4.5)
17 as follows:

18 **38-12-204. Nonpayment of rent - notice required for rent**
19 **increase - limitation on rent increases - notice of rent increase**
20 **prohibition - definition.**

1 (4.5) A LANDLORD THAT IS TEMPORARILY PROHIBITED FROM
2 INCREASING RENT OR ISSUING A NOTICE OF RENT INCREASE PURSUANT TO
3 SUBSECTION (4) OF THIS SECTION SHALL NOTIFY ALL RESIDENTS THAT
4 THEIR RENT SHALL NOT BE INCREASED WHILE THE PROHIBITION IS
5 EFFECTIVE AND THE REASON FOR THE TEMPORARY PROHIBITION. THE
6 LANDLORD SHALL PROVIDE THE NOTICE IN WRITING, IN ACCORDANCE WITH
7 SECTION 38-12-212.9, AND WITHIN FOURTEEN DAYS AFTER THE DATE THE
8 LANDLORD IS NOTIFIED THAT THEY ARE TEMPORARILY PROHIBITED FROM
9 RAISING RENT.

10 **SECTION 3.** In Colorado Revised Statutes, 38-12-217, **amend**
11 (2)(a) introductory portion, (2)(a)(II), (3), (5)(a), (5)(b), (6)(b), and (13);
12 and **add** (14.5) as follows:

13 **38-12-217. Notice of change of use - notice of sale or closure of**
14 **park - opportunity for home owners to purchase - procedures -**
15 **exemptions - enforcement - private right of action - definitions.**

16 (2) **Notice - requirements.**

17 (a) To provide notice as required by subsection (1)(a) or (1)(b) of
18 this section, ~~the~~ A landlord shall mail the notice in both English and
19 Spanish by certified mail to:

20 (II) The CLERK OF THE municipality or, if the park is in an
21 unincorporated area, the COUNTY CLERK OF THE county within which the
22 park is located;

23 (3) **Contents of notice.**

24 (a) EXCEPT AS PROVIDED IN SUBSECTION (3)(f) OF THIS SECTION,
25 the notice given pursuant to subsection (1)(a) of this section must include
26 notice of home owners' rights and remedies under this section.

27 (b) If the triggering event involves a potential sale, the notice must

1 also include:

2 (I) A description of the property to be purchased;

3 (II) The price, terms, and conditions of an acceptable offer the
4 landlord has received to sell the mobile home park or the price or terms
5 and conditions for which the landlord intends to sell the park; and

6 (III) A STATEMENT THAT THE LANDLORD MUST PROVIDE THE
7 FOLLOWING INFORMATION AND DOCUMENTATION THAT IS IN THE
8 LANDLORD'S POSSESSION OR CONTROL TO A HOME OWNER UPON REQUEST:

9 (A) AN EXPLANATION AND DOCUMENTATION OF THE BASIS FOR
10 THE PURCHASE PRICE, SUCH AS AGGREGATE RENTAL DATA, RENT
11 PROJECTIONS, RECENT APPRAISALS OF THE PROPERTY, OR FORMULAS THAT
12 USE NONPUBLIC MARKET DATA;

13 (B) DISCLOSURE OF THE AGE OF MAJOR INFRASTRUCTURE IN THE
14 MOBILE HOME PARK, INCLUDING THE PARK'S WATER LINES, SEWER LINES,
15 WASTEWATER TREATMENT EQUIPMENT, DRINKING WATER TREATMENT
16 EQUIPMENT, PLUMBING, AND ELECTRICAL EQUIPMENT AND ELECTRICAL
17 INFRASTRUCTURE;

18 (C) DOCUMENTATION OF INFRASTRUCTURE INSPECTIONS,
19 MAINTENANCE, AND REPAIR SERVICES THAT HAVE OCCURRED IN THE
20 MOBILE HOME PARK IN THE PREVIOUS THREE YEARS;

21 (D) THE MOST UP-TO-DATE RENT ROLL AND ANY DOCUMENTATION,
22 WITH PERSONAL IDENTIFYING INFORMATION REDACTED, THAT SHOWS
23 CURRENT RENTS, CHARGES, OUTSTANDING BALANCES, INFORMATION
24 REGARDING LANDLORD OWNERSHIP OF ANY MOBILE HOMES IN THE MOBILE
25 HOME PARK, AND THE CURRENT VACANCY RATE OF THE MOBILE HOME
26 PARK; AND

27 (E) OPERATING EXPENSES AND INCOME FOR THE MOBILE PARK FOR

1 THE PREVIOUS THREE YEARS ON A YEAR-BY-YEAR BASIS WITH SPECIFIC
2 LINE ITEMS FOR RENTS; FEES; ANY ELECTRIC, GAS, WATER, SEWER, OR
3 SOLID WASTE DISPOSAL UTILITY BILLS; ANY OTHER RECURRING BILLS; AND
4 ANY INVOICES OVER FIVE HUNDRED DOLLARS; AND

5 (IV) Any other terms or conditions which, if not met, would be
6 sufficient grounds, in the landlord's discretion, to reject an offer from a
7 group of home owners or their assignees.

8 (c) The price, terms, and conditions stated in the notice must be
9 universal and applicable to all potential buyers and must not be specific
10 to and prohibitive of a group or association of home owners or their
11 assignees making a successful offer to purchase the park.

12 (d) (I) IF THE POTENTIAL SALE IS A PORTFOLIO SALE THAT
13 INCLUDES REAL PROPERTY OR STRUCTURES NOT LOCATED IN THE MOBILE
14 HOME PARK IN ADDITION TO THE MOBILE HOME PARK, THE NOTICE MUST
15 INCLUDE ANY CHANGE OR DISCOUNT IN THE PRICE, TERMS, OR CONDITIONS
16 OF A PROPOSED SALE THAT INCLUDES MORE THAN ONE PIECE OF REAL
17 PROPERTY OR STRUCTURES NOT LOCATED IN THE MOBILE HOME PARK.

18 (II) ANY CHANGE OR DISCOUNT DISCLOSED PURSUANT TO
19 SUBSECTION (3)(d)(I) OF THIS SECTION MUST ALSO BE MADE AVAILABLE
20 TO HOME OWNERS OF THE MOBILE HOME PARK ON THE SAME TERMS AND
21 WITH THE SAME PROPORTIONATE DISCOUNT, EVEN IF THE HOME OWNERS
22 SUBMIT AN OFFER TO PURCHASE ONLY THE MOBILE HOME PARK.

23 (III) FOR THE PURPOSE OF DETERMINING THE PROPORTIONATE
24 DISCOUNT REQUIRED BY SUBSECTION (3)(d)(II) OF THIS SECTION, THE
25 TOTAL DISCOUNT THAT APPLIES TO THE PORTFOLIO SALE REPRESENTED AS
26 A PERCENTAGE MUST BE APPLIED PRO RATA TO THE PRICE OF ANY
27 INDIVIDUAL MOBILE HOME PARK INVOLVED IN THE PORTFOLIO SALE.

1 (e) The information regarding the proposed sale and the price,
2 terms, and conditions of an acceptable offer may be shared for the
3 purposes of evaluating or obtaining financing for the prospective
4 transaction, but all persons ~~who~~ THAT receive the information shall
5 otherwise keep it confidential if the landlord or the landlord's agent so
6 requests.

7 [REDACTED]
8 (f) IF A TRIGGERING EVENT DESCRIBED IN SUBSECTION
9 (1)(a)(II)(H) OF THIS SECTION OCCURS, THE NOTICE PROVIDED BY THE
10 LANDLORD PURSUANT TO SECTIONS 38-12-217 (2) AND (3) MUST ALSO
11 DISCLOSE IF A PURCHASE AND SALE AGREEMENT HAS BEEN EXECUTED AND
12 INCLUDE A STATEMENT THAT A LANDLORD MUST PROVIDE A COPY OF THE
13 PURCHASE AND SALE AGREEMENT TO A HOME OWNER UPON REQUEST
14 PURSUANT TO SECTION 38-12-217 (5)(a)(I)(B). [REDACTED] [REDACTED]

15 (5) **Landlord's duty to consider offer.** A landlord that has given
16 notice as required by subsection (1)(a) of this section shall:

17 (a) (I) Provide documents, data, and other information in response
18 to reasonable requests for information from a group or association of
19 home owners or their assignees participating in the opportunity to
20 purchase that would enable them to prepare an offer, WHICH DOCUMENTS,
21 DATA, OR INFORMATION MUST INCLUDE:

22 (A) THE INFORMATION, DOCUMENTATION, AND DATA DESCRIBED
23 IN SUBSECTION (3)(b)(III) OF THIS SECTION;

24 (B) AN UNREDACTED COPY OF THE PURCHASE AND SALE
25 AGREEMENT; AND

26 (C) ANY OTHER DUE DILIGENCE INFORMATION. [REDACTED]

27 (II) The documents, data, and other information provided

1 PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION may be shared for
2 the purposes of evaluating or obtaining financing for the prospective
3 transaction, but ~~all persons who receive~~ A PERSON THAT RECEIVES the
4 information shall otherwise keep it confidential if the landlord or the
5 landlord's agent so requests.

6 (III) A LANDLORD SHALL PROVIDE THE DOCUMENTS, DATA, AND
7 OTHER INFORMATION DESCRIBED IN SUBSECTION (5)(a)(I) OF THIS SECTION
8 WITHIN SEVEN CALENDAR DAYS AFTER THE LANDLORD RECEIVES THE
9 REQUEST FOR INFORMATION.

10 (b) (I) Negotiate in good faith with a group or association of home
11 owners or their assignees.

12 (II) For purposes of this subsection (5)(b), negotiating in good
13 faith includes, but is not limited to:

14 (A) Evaluating an offer to purchase from a group of home owners
15 or their assignees without consideration of the time period for closing; the
16 type of financing or payment method; whether ~~or not~~ the offer is
17 contingent on financing or payment method; ~~or whether or not~~ the offer
18 is contingent on INSPECTIONS, financing, an appraisal, ~~or~~ title work, OR
19 THE DUE DILIGENCE PERIOD REQUIRED BY THE HOME OWNERS OR THEIR
20 LENDERS OR DONORS; and

21 (B) Providing a written response within seven calendar days ~~of~~
22 AFTER receiving an offer from a group of home owners or their assignees.

23 (II.5) The written response DESCRIBED IN SUBSECTION (5)(b)(II)
24 OF THIS SECTION must accept or reject the offer and, if the offer is
25 rejected, must state:

26 (A) The current price, terms, or conditions of an acceptable offer
27 that the landlord has received to sell the mobile home park if the price,

1 terms, or conditions have changed since the landlord gave notice to the
2 home owners pursuant to subsection (3) of this section; and

3 (B) Why the landlord is rejecting the offer from a group of home
4 owners and what terms and conditions must be included in a subsequent
5 offer for the landlord to potentially accept it.

6 (III) The price, terms, and conditions of an acceptable offer stated
7 in the response must be universal and applicable to all potential buyers
8 and must not be specific to and prohibitive of a group or association of
9 home owners or their assignees making a successful offer to purchase the
10 park.

11 **(6) Expiration of opportunity to purchase.**

12 (b) A landlord shall give a group or association of home owners
13 or their assignees an additional one hundred twenty days after the
14 one-hundred-twenty-day period provided by subsection (4)(a) of this
15 section to close on the purchase of the mobile home park. THE
16 ONE-HUNDRED-TWENTY-DAY PERIOD TO CLOSE MUST INCLUDE AT LEAST
17 A NINETY-DAY DUE DILIGENCE PERIOD.

18 (13) (a) To qualify for an exemption under subsection (12) of this
19 section, a transaction must not be made in bad faith, must be made for a
20 legitimate business purpose or a legitimate familial purpose consistent
21 with the exemptions listed in subsection (12) of this section, and must not
22 be made for the primary purpose of avoiding the opportunity-to-purchase
23 provisions set forth in this section.

24 (b) (I) EXCEPT FOR A SALE OR TRANSFER DESCRIBED IN
25 SUBSECTION (12) OF THIS SECTION AND A SALE CONDUCTED AS A FEDERAL
26 INTERNAL REVENUE SERVICE SECTION 1031 EXCHANGE, A PROPOSED SALE
27 OF A MOBILE HOME PARK MUST BE CONDUCTED AS AN ARMS-LENGTH

1 TRANSACTION WITH THE LANDLORD AND BUYER ACTING INDEPENDENTLY
2 AND IN GOOD FAITH.

3 (II) THE LANDLORD OF A MOBILE HOME PARK SHALL NOT COLLUDE
4 WITH A POTENTIAL BUYER, OR ENGAGE IN OTHER ANTICOMPETITIVE
5 PRACTICES, FOR THE PRIMARY PURPOSE OF INFLATING THE LISTING OR
6 PURCHASE PRICE OF THE MOBILE HOME PARK ABOVE THE PARK'S FAIR
7 MARKET VALUE OR OTHERWISE ENGAGING IN PRACTICES TO PROHIBIT THE
8 PURCHASE OF THE MOBILE HOME PARK BY A GROUP OR ASSOCIATION OF
9 HOME OWNERS.

10 (14.5) A LANDLORD MUST PROVIDE THE FOLLOWING INFORMATION
11 TO THE DIVISION; THE ATTORNEY GENERAL; A LOCAL GOVERNMENT; OR
12 ANY GROUP OR ASSOCIATION OF HOME OWNERS, OR THEIR ASSIGNEES,
13 THAT HAS OBTAINED THE APPROVAL OF FIFTY-ONE PERCENT OR MORE OF
14 THE HOMEOWNERS IN THE PARK WITHIN FOURTEEN CALENDAR DAYS AFTER
15 RECEIVING A WRITTEN REQUEST:

16 (a) THE INFORMATION REQUIRED BY SUBSECTION (3) OF THIS
17 SECTION;

18 (b) A DISCLOSURE OF ANY DIRECTORS, MEMBERS, OR MANAGERS
19 SHARED BETWEEN THE LANDLORD AND THE POTENTIAL BUYER OF THE
20 MOBILE HOME PARK OR ANY OF THE BUYER'S INVESTORS OR AFFILIATES;

21 (c) A DISCLOSURE OF ALL BENEFICIAL OWNERS OF THE LANDLORD
22 AND THE POTENTIAL BUYER;

23 (d) A DISCLOSURE OF ANY LEGAL ENTITIES FORMED OR AMENDED
24 FOR THE PURPOSE OF THE TRANSACTION AND THE OPERATING AGREEMENT,
25 ARTICLES OF INCORPORATION, OR BYLAWS OF ANY SUCH LEGAL ENTITIES;

26 (e) THE DISCLOSURE OF ANY AGREEMENT OTHER THAN THE
27 PURCHASE AND SALE AGREEMENT BETWEEN THE LANDLORD AND THE

1 POTENTIAL BUYER OR THE BUYER'S INVESTORS OR AFFILIATES, INCLUDING
2 ANY AGREEMENT THAT:

3 (I) RELATES TO THE TRANSACTION TO SELL OR PURCHASE THE
4 MOBILE HOME PARK;

5 (II) AFFECTS THE PRICE OR TERMS OF THE TRANSACTION TO SELL
6 OR PURCHASE THE MOBILE HOME PARK, INCLUDING ANY AGREEMENT IN A
7 SEPARATE TRANSACTION THAT INCLUDES A REDUCTION IN PRICE, OFFSET,
8 OR DEDUCTION RELATED TO THE SALE OR PURCHASE OF THE MOBILE HOME
9 PARK; OR

10 (III) RELATES TO THE DISTRIBUTION OF PROCEEDS FROM THE SALE
11 OF THE MOBILE HOME PARK OR OTHER ASSETS OR EQUITY INTERESTS;

12 (f) INFORMATION REGARDING THE BUYER'S SOURCE OF FINANCING,
13 INCLUDING SPECIFIC LENDERS, IF APPLICABLE, AND WHETHER THE
14 LANDLORD IS PROVIDING ANY FINANCING DIRECTLY OR THROUGH A
15 PARTNERSHIP AGREEMENT WITH THE BUYER;

16 (g) WHETHER THE SALE OF THE MOBILE HOME PARK IS PART OF AN
17 ASSET, STOCK, OR OTHER EQUITY PURCHASE AND, IF SO, AN EXPLANATION
18 OF HOW THE PURCHASE PRICE OF THE MOBILE HOME PARK WAS
19 CALCULATED BASED ON THE PRICE OF THE EQUITIES INVOLVED AND ANY
20 DOCUMENTATION TO SUPPORT THE CALCULATION OF THE PURCHASE PRICE;
21 AND

22 (h) AN UNREDACTED COPY OF THE PURCHASE AND SALE
23 AGREEMENT.

24 **SECTION 4.** In Colorado Revised Statutes, 38-12-1106, **amend**
25 (8) as follows:

26 **38-12-1106. Registration of mobile home parks - process - fees.**

27 (8) (a) The division shall establish by rule a fee that each landlord

1 shall pay to the division as an annual registration fee for each mobile
2 home independently owned on rented land within the landlord's mobile
3 home park.

4 (b) ~~On and after July 1, 2024,~~ The division may adjust the
5 REGISTRATION fee ESTABLISHED PURSUANT TO THIS SUBSECTION (8) to
6 cover the costs associated with complaints filed pursuant to section
7 38-12-1103 (2)(b), and may by rule authorize landlords to charge a
8 resident, as defined in section 38-12-201.5 (11), a portion of the fee, SO
9 LONG AS THE FEE ADJUSTMENT COMPLIES WITH SUBSECTION (8)(c) OF THIS
10 SECTION.

11 (c) A landlord must not charge a home owner or resident more
12 than SEVENTEEN DOLLARS OR half of the fee, WHICHEVER AMOUNT IS
13 LESS.

14 (d) The registration fee for each mobile home must be deposited
15 into the fund.

16 (e) The division shall review the annual registration fee and, if
17 necessary, adjust the annual registration fee through rule-making to
18 ensure it continues to reasonably relate to the cost of administering the
19 program, SO LONG AS THE FEE ADJUSTMENT COMPLIES WITH SUBSECTION
20 (8)(c) OF THIS SECTION.

21 **SECTION 5. Act subject to petition - effective date -**
22 **applicability.** (1) This act takes effect January 1, 2027; except that, if
23 a referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within the ninety-day period after final adjournment of the general
26 assembly, then the act, item, section, or part will not take effect unless
27 approved by the people at the general election to be held in November

1 2026 and, in such case, will take effect January 1, 2027 or on the date of
2 the official declaration of the vote thereon by the governor, whichever is
3 later.

4 (2) This act applies to conduct occurring on or after the applicable
5 effective date of this act.