

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

PREAMENDED

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

LLS NO. 20-0635.01 Duane Gall x4335

HOUSE BILL 20-1201

HOUSE SPONSORSHIP

Hooton and Gonzales-Gutierrez,

SENATE SPONSORSHIP

Moreno and Ginal,

House Committees

Transportation & Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING PROVIDING HOME OWNERS IN A MOBILE HOME PARK THE**
102 **OPPORTUNITY TO PURCHASE THE PARK UNDER SPECIFIED**
103 **CIRCUMSTANCES.**

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 gives home owners in a mobile home park the opportunity to make an offer to buy the park if the landlord anticipates selling it or changing the use of the land. A landlord must give notice of a pending sale to the home owners, the applicable municipality or county, the division of housing in the department of local affairs, and each home

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

owners' association, residents' association, or similar body that represents the residents of the park. The home owners then have 90 days to make an offer to purchase and arrange financing if necessary. A purchase may be made by an association representing at least 51% of the home owners.

If a sale of a mobile home park occurs and the home owners are not the buyers, the landlord must send the municipality or county and the division of housing an affidavit of compliance with the requirements of the bill.

The notice and purchase-option provisions do not apply if the proposed sale is to a family member of the landlord or to someone who is already a cotenant of the property or if a transfer occurs due to inheritance or eminent domain.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds, determines, and declares that:

4 (a) More than 100,000 Coloradans currently live in manufactured
5 housing, including mobile homes, and that number is increasing;

6 (b) Mobile homes, manufactured housing, and factory-built
7 housing are important, unsubsidized, and effective ways to meet
8 Colorado's affordable housing needs;

9 (c) Because many people living in mobile home parks own their
10 home but not the land upon which it sits, park owners can wield
11 significant power over housing security. If a park owner pursues
12 redevelopment of the park property, mobile home owners are at risk of
13 losing their investment. The scarcity of vacancies in other parks and the
14 high costs of relocating a mobile home make relocation of a mobile home
15 nearly impossible. When a mobile home park closes, mobile home owners
16 can find themselves pushed into poverty.

17 (d) The department of regulatory agencies' "2018 Sunrise Review:
18 Manufactured Housing Community Owners and Managers" states:
19 "Clearly, harm is occurring in manufactured housing communities . . . The

1 harm largely stems from the lack of enforcement of existing laws, bad
2 actors exploiting a relatively loose regulatory structure, and the inevitable
3 tension that arises when the house belongs to one person but the land
4 beneath it belongs to someone else ... Conditions for Colorado owners of
5 manufactured homes could be improved by ... promoting opportunities
6 for homeowners to purchase the communities they live in; and increasing
7 political engagement at the local and the state level.";

8 (e) Existing statutory provisions requiring notice to mobile home
9 owners of a pending sale or change in use of a mobile home park
10 represent a positive step toward reducing the amount of economic
11 disruption experienced by mobile home owners in these circumstances;
12 and

13 (f) Building on these provisions by also giving mobile home
14 owners an opportunity to purchase the property, in accordance with this
15 act, can help to promote home ownership while preserving the benefits of
16 mobile home parks as affordable housing.

17 **SECTION 2.** In Colorado Revised Statutes, **repeal and reenact,**
18 **with amendments,** 38-12-217 as follows:

19 **38-12-217. Notice of change of use - notice of sale or closure of**
20 **park - opportunity for home owners to purchase - procedures -**
21 **exemptions.** (1) EXCEPT AS SPECIFIED IN SUBSECTION (12) OF THIS
22 SECTION:

23 (a) A MOBILE HOME PARK OWNER SHALL NOTIFY THE OWNERS OF
24 ALL MOBILE HOMES IN THE PARK AND THE MUNICIPALITY IN WHICH THE
25 PARK IS SITUATED OR, IF NONE, THE COUNTY IN WHICH THE PARK IS
26 SITUATED OF THE PARK OWNER'S INTENT TO CHANGE THE USE OF THE LAND
27 COMPRISING THE PARK OR TO SELL THE PARK.

1 (b) IF A MOBILE HOME PARK OWNER INTENDS TO CHANGE THE USE
2 OF THE LAND COMPRISING THE MOBILE HOME PARK, THE MOBILE HOME
3 PARK OWNER SHALL GIVE WRITTEN NOTICE TO EACH HOME OWNER AT
4 LEAST TWELVE MONTHS BEFORE THE CHANGE IN USE WILL OCCUR. THE
5 MOBILE HOME PARK OWNER SHALL MAIL THE WRITTEN NOTICE TO EACH
6 HOME OWNER AT THE HOME OWNER'S MOST RECENT ADDRESS AND SHALL
7 POST A COPY OF THE NOTICE IN A CONSPICUOUS PLACE ON THE MOBILE
8 HOME OR AT THE MAIN POINT OF ENTRY TO THE LOT.

9 (2) **Notice - when required.** IN ADDITION TO THE NOTICE
10 SPECIFIED IN SUBSECTION (1) OF THIS SECTION, AND EXCEPT AS SPECIFIED
11 IN SUBSECTION (12) OF THIS SECTION:

12 (a) A LANDLORD SHALL GIVE NOTICE TO EACH HOME OWNER IN THE
13 MOBILE HOME PARK UPON ANY OF THE FOLLOWING TRIGGERING EVENTS:

14 (I) THE LANDLORD LISTS THE PARK FOR SALE;

15 (II) THE LANDLORD INTENDS TO MAKE A FINAL, UNCONDITIONAL
16 ACCEPTANCE OF AN OFFER FOR THE SALE OR TRANSFER OF THE PARK; OR

17 (III) THE LANDLORD RECEIVES:

18 (A) A NOTICE OF ELECTION AND DEMAND OR LIS PENDENS
19 RELATED TO FORECLOSURE OF THE PARK PURSUANT TO PART 1 OF ARTICLE
20 38 OF THIS TITLE 38; OR

21 (B) NOTICE THAT A CERTIFICATE OF LEVY HAS BEEN FILED
22 RELATED TO THE PARK PURSUANT TO SECTION 13-56-101.

23 (b) WITHIN FOURTEEN DAYS AFTER THE DATE ON WHICH ANY OF
24 THE EVENTS DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION OCCUR,
25 THE LANDLORD SHALL MAIL THE NOTICE REQUIRED BY THIS SECTION BY
26 CERTIFIED MAIL TO:

27 (I) EACH HOME OWNER, USING THE MOST RECENT ADDRESS OF THE

1 HOME OWNER, AND SHALL POST A COPY OF THE NOTICE IN A CONSPICUOUS
2 PLACE ON THE MOBILE HOME OR AT THE MAIN POINT OF ENTRY TO THE LOT;

3 (II) THE MUNICIPALITY OR, IF THE PARK IS IN AN UNINCORPORATED
4 AREA, THE COUNTY WITHIN WHICH THE PARK IS LOCATED;

5 (III) THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL
6 AFFAIRS; AND

7 (IV) EACH HOME OWNERS' ASSOCIATION, RESIDENTS'
8 ASSOCIATION, OR SIMILAR BODY THAT REPRESENTS THE RESIDENTS OF THE
9 PARK.

10 (3) **Contents of notice.** THE NOTICE GIVEN PURSUANT TO
11 SUBSECTION (1) OR (2) OF THIS SECTION MUST INCLUDE NOTICE OF HOME
12 OWNERS' RIGHTS UNDER SUBSECTIONS (4) TO (9) OF THIS SECTION. IF THE
13 TRIGGERING EVENT INVOLVES A SALE, THE NOTICE MUST ALSO INCLUDE A
14 DESCRIPTION OF THE PROPERTY TO BE PURCHASED AND THE PRICE, TERMS,
15 AND CONDITIONS OF AN ACCEPTABLE OFFER THE LANDLORD HAS RECEIVED
16 TO SELL THE MOBILE HOME PARK OR THE PRICE OR TERMS AND CONDITIONS
17 FOR WHICH THE LANDLORD INTENDS TO SELL THE PARK.

18 (4) **Offer to purchase - who may submit - time limits.** (a) A
19 GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES HAVE
20 NINETY DAYS AFTER THE DATE THAT THE LANDLORD MAILES A NOTICE
21 UNDER SUBSECTION (1) OR (2) OF THIS SECTION TO:

22 (I) SUBMIT TO THE LANDLORD A PROPOSED PURCHASE AND SALE
23 AGREEMENT; AND

24 (II) OBTAIN A BINDING COMMITMENT FOR ANY NECESSARY
25 FINANCING OR GUARANTEES.

26 (b) NOTWITHSTANDING SUBSECTION (4)(a) OF THIS SECTION, IF A
27 FORECLOSURE SALE OF THE PARK IS SCHEDULED FOR LESS THAN NINETY

1 DAYS AFTER THE LANDLORD MAILES A NOTICE UNDER SUBSECTION (1) OR
2 (2) OF THIS SECTION, THE OPPORTUNITY GRANTED BY SUBSECTION (4)(a)
3 OF THIS SECTION TERMINATES ON THE DATE OF THE FORECLOSURE SALE.

4 (c) A GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR
5 ASSIGNEES HAS THE OPPORTUNITY GRANTED BY SUBSECTION (4)(a) OF
6 THIS SECTION IF THE GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR
7 ASSIGNEES HAVE THE APPROVAL OF AT LEAST FIFTY-ONE PERCENT OF THE
8 HOME OWNERS IN THE PARK. THE GROUP OR ASSOCIATION OF HOME
9 OWNERS OR THEIR ASSIGNEES MUST SUBMIT TO THE LANDLORD
10 REASONABLE EVIDENCE THAT THE HOME OWNERS OF AT LEAST FIFTY-ONE
11 PERCENT OF THE OCCUPIED HOMES IN THE PARK HAVE APPROVED THE
12 GROUP OR ASSOCIATION PURCHASING THE PARK.

13 (5) **Landlord's duty to consider offer.** A LANDLORD THAT
14 RECEIVES AN OFFER PURSUANT TO THIS SECTION SHALL NOT
15 UNREASONABLY REFUSE TO:

16 (a) PROVIDE DOCUMENTS, DATA, AND OTHER INFORMATION IN
17 RESPONSE TO REASONABLE REQUESTS FOR INFORMATION FROM A GROUP
18 OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES PARTICIPATING
19 IN THE OPPORTUNITY TO PURCHASE THAT WOULD ENABLE THEM TO
20 PREPARE AN OFFER;

21 (b) NEGOTIATE IN GOOD FAITH WITH A GROUP OR ASSOCIATION OF
22 HOME OWNERS OR THEIR ASSIGNEES; OR

23 (c) SCHEDULE A CLOSING DATE FOR A PURCHASE AND SALE
24 AGREEMENT.

25 (6) **Expiration of opportunity to purchase.** (a) IF THE
26 NINETY-DAY PERIOD PROVIDED FOR IN SUBSECTION (4)(a) OF THIS SECTION
27 ELAPSES AND A GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR

1 ASSIGNEES HAVE NOT SUBMITTED A PROPOSED PURCHASE AND SALE
2 AGREEMENT OR OBTAINED A BINDING FINANCIAL COMMITMENT, THE
3 GROUP'S OR ASSOCIATION'S OPPORTUNITIES PROVIDED BY THIS SECTION
4 TERMINATE.

5 (b) A LANDLORD SHALL GIVE A GROUP OR ASSOCIATION OF HOME
6 OWNERS OR THEIR ASSIGNEES AN ADDITIONAL NINETY DAYS AFTER THE
7 NINETY-DAY PERIOD PROVIDED BY SUBSECTION (4)(a) OF THIS SECTION TO
8 CLOSE ON THE PURCHASE OF THE MOBILE HOME PARK.

9 (7) **Extension of time.** THE NINETY-DAY PERIODS DESCRIBED IN
10 SUBSECTIONS (4)(a) AND (6)(b) OF THIS SECTION MAY BE EXTENDED BY
11 WRITTEN AGREEMENT BETWEEN THE LANDLORD AND THE GROUP OR
12 ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES.

13 (8) **Assignment of right to purchase.** A GROUP OR ASSOCIATION
14 OF HOME OWNERS OR THEIR ASSIGNEES THAT HAVE THE OPPORTUNITY TO
15 PURCHASE UNDER SUBSECTION (4) OF THIS SECTION MAY ASSIGN THEIR
16 PURCHASE RIGHT TO A LOCAL OR STATE GOVERNMENT, TRIBAL
17 GOVERNMENT, HOUSING AUTHORITY, OR NONPROFIT WITH EXPERTISE
18 RELATED TO HOUSING, OR TO AN AGENCY OF THE STATE, FOR THE PURPOSE
19 OF CONTINUING THE USE OF THE PARK.

20 (9) **Independence of time limits and notice provisions.**

21 (a) EACH OCCURRENCE OF A TRIGGERING EVENT LISTED IN SUBSECTION
22 (1) OR (2) OF THIS SECTION CREATES AN INDEPENDENT, NINETY-DAY
23 OPPORTUNITY TO PURCHASE FOR THE GROUP OR ASSOCIATION OF HOME
24 OWNERS OR THEIR ASSIGNEES. IF A NINETY-DAY OPPORTUNITY TO
25 PURCHASE IS IN EFFECT AND A NEW TRIGGERING EVENT OCCURS, THE
26 ONGOING NINETY-DAY TIME PERIOD TERMINATES AND A NEW NINETY-DAY
27 TIME PERIOD BEGINS ON THE LATEST DATE ON WHICH THE LANDLORD

1 GIVES NOTICE, AS REQUIRED BY SUBSECTION (1) OR (2) OF THIS SECTION,
2 OF THE NEW TRIGGERING EVENT. ■ ■

3 (b) A NOTICE REQUIRED UNDER THIS SECTION IS IN ADDITION TO,
4 AND DOES NOT SUBSTITUTE FOR OR AFFECT, ANY OTHER NOTICE
5 REQUIREMENT UNDER THIS PART 2.

6 (10) A LANDLORD SHALL NOT MAKE A FINAL, UNCONDITIONAL
7 ACCEPTANCE OF ANY OFFER FOR THE SALE OR TRANSFER OF THE PARK
8 UNTIL:

9 (a) THE LANDLORD HAS CONSIDERED AN OFFER MADE BY A GROUP
10 OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES PURSUANT TO
11 SUBSECTIONS (4) AND (5) OF THIS SECTION; OR

12 (b) THE APPLICABLE PERIOD FOR EXERCISE OF THE OPPORTUNITY
13 TO PURCHASE HAS EXPIRED PURSUANT TO SUBSECTION (6) OF THIS
14 SECTION.

15 (11) **Failure to complete transaction - affidavit of compliance.**
16 IF THE GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES ARE
17 NOT THE SUCCESSFUL PURCHASER OF THE PARK, THE LANDLORD SHALL
18 PROVIDE EVIDENCE OF COMPLIANCE WITH THIS SECTION BY FILING AN
19 AFFIDAVIT OF COMPLIANCE WITH:

20 (a) THE MUNICIPALITY OR, IF THE PARK IS IN AN UNINCORPORATED
21 AREA, THE COUNTY, WITHIN WHICH THE PARK IS LOCATED; AND

22 (b) THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL
23 AFFAIRS.

24 ■ ■

25 (12) **Exemptions from notice requirement.** NOTWITHSTANDING
26 ANY PROVISION TO THE CONTRARY, A LANDLORD IS NOT REQUIRED TO GIVE
27 NOTICE OR EXTEND AN OPPORTUNITY TO PURCHASE TO A GROUP OR

1 ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES IF THE SALE,
2 TRANSFER, OR CONVEYANCE OF THE MOBILE HOME PARK IS:

3 (a) TO A SPOUSE, A PARTNER IN A CIVIL UNION, OR A PARENT,
4 SIBLING, AUNT, UNCLE, FIRST COUSIN, OR LEGALLY RECOGNIZED CHILD OF
5 THE LANDLORD;

6 (b) TO A TRUST THE BENEFICIARIES OF WHICH ARE THE SPOUSE,
7 PARTNER IN A CIVIL UNION, OR LEGALLY RECOGNIZED CHILDREN OF THE
8 LANDLORD;

9 (c) TO A FAMILY MEMBER WHO IS INCLUDED WITHIN THE LINE OF
10 INTESTATE SUCCESSION IF THE LANDLORD DIES INTESTATE;

11 (d) BETWEEN JOINT TENANTS OR TENANTS IN COMMON; OR

12 (e) PURSUANT TO EMINENT DOMAIN.

13 (13) **Triggering events not essential.** (a) A GROUP OR
14 ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES MAY SUBMIT AN
15 OFFER TO PURCHASE TO A LANDLORD AT ANY TIME, EVEN IF NONE OF THE
16 EVENTS LISTED IN SUBSECTION (1) OR (2) OF THIS SECTION HAS OCCURRED.

17 (b) THE LANDLORD SHALL CONSIDER IN GOOD FAITH ANY OFFER
18 MADE IN ACCORDANCE WITH SUBSECTION (13)(a) OF THIS SECTION.

19

20 **SECTION 3. Applicability.** This act applies to conduct occurring
21 on or after the effective date of this act.

22 **SECTION 4. Safety clause.** The general assembly hereby finds,
23 determines, and declares that this act is necessary for the immediate
24 preservation of the public peace, health, or safety.