

## **Manufactured Housing Community Purchase - State Legislation Considerations**

A Notice of Receipt of Offer to Purchase the Harmony Place Mobile Home Community dated August 19, 2021, is posted on the [Virginia Housing website](#). According to the Virginia Housing website;

“The park owner of a manufactured home park must provide written notice to each tenant of a lot in the park if the park owner is in receipt of an offer from a third party to purchase the park and accepts such offer. Prior to accepting the offer, the owner of the manufactured home park must consider other offers to purchase the manufactured home park from a tenant group representing at least 25% of the tenants with a valid lease. At the same time, the park owner sends the Notice of Receipt of Offer to Purchase to each of the park tenants, a copy of such notice also is sent by the park owner to DHCD to post on the department’s website.”

The existing manufactured housing legislation can be improved. The following suggested modifications should be further evaluated for addition to the BOS legislative agenda:

1. Notify the locality of a mobile home park owner’s intent to offer for sale and mobile home park owner receipt of offers to purchase concurrent with Virginia Housing and resident notification.
2. Provide for written resident notification using plain language and when necessary, translated to a language appropriate to promote resident understanding.
3. Increase the time period for residents to submit a park purchase counteroffer from 60 days to 90 days following resident receipt of notification of a park purchase offer.
4. Provide for greater disclosure of key terms of any offer received (potential purchaser, length of due diligence periods, or other)
5. Provide residents with the opportunity to benefit from any due diligence reports in the owner’s possession or received during the consideration process to inform a potential counteroffer from the residents.
6. Add provisions that give the locality a clear right of first refusal to make an offer.

A copy of the applicable legislation is provided on the next page for reference.

Code of Virginia  
Title 55.1. Property and Conveyances  
Subtitle III. Rental Conveyances  
Chapter 13. Manufactured Home Lot Rental Act

## § 55.1-1308.2. Notice of intent to sell

A. A manufactured home park owner who offers or lists the park for sale to a third party shall provide written notice containing the date on which the notice is sent and the price for which the park is to be offered or listed for sale. Such notice shall be sent to the Department of Housing and Community Development, which shall make the information available on its website within five business days of receipt. Such written notice shall also be given to each tenant of the manufactured home park, in accordance with § 55.1-1202, at least 90 days prior to accepting an offer. A manufactured home park owner shall consider any offers to purchase received during such 90-day notice period. For purposes of this section, "third party" does not include a member of the manufactured park owner's family by blood or marriage or a person or entity that owns a portion of the park at the time of the offer or listing of such manufactured home park. Nothing shall be construed to require any subsequent notice by the manufactured home park owner after the written notice provided in this section.

B. If a manufactured home park owner receives an offer to purchase the park, acceptance of that offer shall be contingent upon the park owner sending written notice of the proposed sale and the purchase price in the real estate purchase contract at least 60 days before the closing date on such purchase contract to the Department of Housing and Community Development, which shall place the information on its website within five business days of receipt. Such written notice shall also be given to each tenant of the manufactured home park. During the 60-day notice period, the park owner shall consider additional offers to purchase the park made by an entity that provides documentation that it represents at least 25 percent of the tenants with a valid lease in the manufactured home park at the time any such offer is made, but shall not be obligated to consider additional offers after the expiration of the 60-day notice period. Nothing shall be construed to require any subsequent notice by the manufactured home park owner after provision of the written notice required by this section.

2020, c. 751, § 55.1-1308.1.

The chapters of the acts of assembly referenced in the historical citation at the end of this section(s) may not constitute a comprehensive list of such chapters and may exclude chapters whose provisions have expired.