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**TESTIMONY OF THE MAINE ASSOCIATION OF PLANNERS  
TO THE JUDICIARY  
COMMITTEE**

**WRITTEN TESTIMONY PROVIDED IN FAVOR OF LD #887  
“An Act to Amend the Regulation of Mobile Home Parks”**

**DATE OF HEARING: Thursday, March 23, 2023**

**Honorable Senator Anne Carney, Honorable Representative Matt Moonen, Distinguished Members of the Judiciary Committee:**

The stakes of this bill are high. Internationally, American mobile home parks have become known as lucrative investment vehicles. The increase in investment-owned (often foreign-owned) parks has resulted in a dramatic increase in lot rents across the country. At the same time, manufactured housing parks that are not investment-owned but owned by the tenants themselves (resident owned communities) have been shown to be the only existing model of home ownership attainable by families making an average of \$40,000 **with no subsidy**. Unlike many other states, Maine taxes manufactured housing as real estate and thus appreciates as an asset which means home ownership of manufactured housing confers the same long term financial benefits as home ownership of other kinds of housing.

In Maine, despite the organizational support, financing, technical assistance, and grants to cover closing costs in place, Maine has only 10 resident-owned communities out of over 600 parks (which is more than any other New England state). This is compared to New Hampshire, which has over 145 communities with almost 9000 units of affordable housing. This difference can be traced to the lack of a robust noticing requirement in Maine.

The New Hampshire Community Loan Fund has set the gold standard for park sale noticing and transitioning parks to resident owned communities. Vermont has [similar noticing provisions](#) for park sales as well as for lot rent increases. Their success, together with insights from ROC USA (Resident Owned Communities USA) and New England Cooperative Development Institute (NE CDI) who has assisted the 10 ROCs in Maine, has illuminated that **5 additional elements are crucial to successful implementation of LD 887 (see attached redlined bill amendment)**. We fully support the legislation as written, and offer the following amendments in order to make the legislation more



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successful. This bill must include the following elements to ensure adequate noticing provisions for sale of mobile home parks will support continued affordability for residents:

- The notice to residents must include the offer price, terms, and conditions to set the stage for expedient and reasonable negotiations with the park owner.
- Requiring certified mail, return receipt requested, is the only way to confirm that park owners have fulfilled their noticing requirements and increases the likelihood of tenants actually seeing the notification.
- The elimination of the existing exemption to noticing is critical as it provides a simple loophole. The existing law would exempt park owners from noticing requirements if the new owner commits to not changing the park use for 2 years by means of deed restriction. Not only is not changing the use for two years a small price for a large development, but the enforcement depends on tenants' ability to bring suit if a deed restriction has been violated.
- Other states have found that a significant fine must accompany this legislation or else the fine amount is simply folded into the sale price.
- The law would be strongest by compelling the park owner to accept a reasonable offer from the tenants.

**Experience from other states shows that the single most important factor in increasing the number of resident owned parks is the noticing requirement.** NE CDI and ROC USA are ready to assist Maine park tenants in transitioning ownership. The last step needed is to enact this noticing requirement. Until recently, manufactured housing has been affordable housing with the median family income of \$40,000. However, with the increased commodification in park ownership this will no longer be the case.

We appreciate your time and attention to this legislation and have attached a redlined edit to the proposed bill.

Sincerely,

Eli Rubin, co-chair

Maine Association of Planners Legislative Policy Committee



**LD 887 “An Act to Amend the Regulation of Mobile Home Parks”  
President Troy Jackson - Proposed Amendment**

**Replace LD 887 with the following:**

**Sec. 1. 10 MRSA §9093(2) is amended to read:**

**2. Increases or changes.** The park owner or operator must give at least ~~30~~ **60** days' written notice to all tenants before changing any rules or increasing any fees, charges or assessments.

**Sec. 2. 10 MRSA §9094-A (1) is amended to read:**

**1. Notice of offer to purchase the mobile home park.** ~~Except as provided in subsection 3, if~~ the owner of a mobile home park receives an offer to purchase the mobile home park and the park owner intends to accept that offer, the owner shall give ~~45~~ **60** days' written notice to tenants of the mobile home park **in order for the homeowners to express interest in purchasing the property and another 60 days to close the purchase.** The notice must indicate that the owner has received an offer to purchase the mobile home park and that the owner intends to accept that offer. ~~The notice must include the price, terms, and conditions of the acceptable offer and the price, terms, and conditions according to which the park owners to sell the park.~~ During the ~~45-~~ **60** day notice period, the owner may not execute a contract for the purchase and sale of the mobile home park ~~and shall consider any offer received from the tenants or a tenants association, if any, and shall negotiate in good faith with the tenants concerning a potential purchase.~~ The owner must mail by ~~regular mail~~ **certified mail, return receipt requested,** a separate notice to each park tenant, **to MaineHousing, Finance Authority of Maine, and the Manufactured Housing Board in addition to posting notice in a prominent location within the park.**

~~Any organization that assists a tenants' association shall send each tenant or home a certified letter or a verified hand-delivered letter detailing the agreed upon terms of any final proposal to purchase a manufactured housing park. Terms shall include mortgage terms, land rent per homeowner, and other costs or fees. Such letter shall include a form to request an absentee vote for or against the purchase of the park. No household shall be charged a tenants' association joining fee of more than \$5 to vote either by absentee or in person. The absentee form shall be verifiable and secure. Any organization assisting a tenants' organization in a purchase shall provide a secure and verifiable mechanism to count the vote. A simple majority of members of the association or cooperative voting either absentee or in person shall constitute qualification to move forward with purchase of the manufactured housing park.-~~

~~No resident owned manufactured housing park shall charge a non-member more than \$25 additional rent over the member lot rent.~~

**2. Option contract.** Nothing in this subsection prohibits the owner of a mobile home park from obtaining at any time from a buyer an option to sell the mobile home park if:

A. The option does not bind the owner who obtains the option to sell the park to the buyer; and

B. The option of the owner may not be exercised prior to expiration of the ~~45-~~ **60**-day notice provided for in subsection 1.

~~3. **Exception; no change of use for 2 years.** The owner of a mobile home park may sell the park without notifying tenants in the manner provided by subsection 1 if the purchase and sale agreement for the mobile home park provides for a deed containing a covenant, enforceable by~~

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~~tenants of the mobile home park, that forbids the purchaser from changing the use of the mobile home park for 2 years after the transfer.—~~

4. **Enforcement.** A mobile homeowner, group of mobile homeowners or a mobile homeowners' association aggrieved by a violation of this section may bring an action in Superior Court against the violator for injunctive relief of a minimum of \$500,000, damages and attorney's fees.

5. **Supplemental notice and use restrictions.** Nothing in this section prohibits the owner of a mobile home park from providing notice or establishing use restrictions in addition to those required under this section.

**Sec. 3. 10 MRSA §9097(1)(G) is amended to read:**

G. Renovation or reconstruction of any portions of the park, if:

(1) In the case of a temporary eviction, the park owner or operator:

(a) Gives affected tenants ~~30~~ **45** days' notice in writing, unless the temporary eviction is necessary to correct conditions posing an immediate threat to one or more tenants' health or safety; and

(b) Pays the removal and relocation costs of tenants, except for those tenants who agree otherwise in a signed writing separate from the lease; or

(2) In the case of a permanent eviction, other than an eviction due to reconstruction or renovation required by a federal, state or local governmental body, of one or more mobile homes currently located in the park, the park owner or operator:

(a) Gives each tenant one year's notice in writing; or

(b) To each tenant for whose home the park owner has found a reasonable alternative location acceptable to the tenant, gives 6 months' written notice and pays removal and relocation costs;

**Sec. 4. 10 MRSA §9097(1-B) is amended to read:**

**1-B. Abandoned mobile home or manufactured housing.** Manufactured housing that is abandoned or unclaimed by a tenant following the tenant's eviction in accordance with this section and section 9097-B must be disposed of by a mobile home park owner or operator as follows. For purposes of this subsection, "manufactured housing" includes all housing described in section 9002, subsection 7 located in a land lease community or mobile home park.

A. After a mobile home park owner or operator obtains a judgment for forcible entry and detainer, the mobile home park owner or operator shall send written notice by first-class mail, with proof of mailing, to the last known address of the tenant with a copy to the lienholder, if known. The notice must set forth the mobile home park owner's or operator's intent to dispose of the manufactured housing. The notice must advise the tenant and lienholder, if known, that if the tenant or lienholder does not respond to the notice within ~~44~~ **21** calendar days the mobile home park owner or operator may dispose of the property as set forth in this subsection. If the tenant or lienholder does respond to the notice, the tenant or lienholder shall take possession of the property within ~~24~~ **30** calendar days. Subsection 2-B applies with respect to the rights and responsibilities of the lienholder.

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B. If a tenant or lienholder claims ownership of the manufactured housing within 44 21 calendar days after the notice under paragraph A is sent, the tenant or lienholder shall take possession of the property within 24 30 calendar days of claiming ownership. If the tenant or lienholder timely claims the property but is not able to move the property within 24 30 days due to weather or posted road conditions, the mobile home park owner or operator shall allow the tenant or lienholder to remove the property after the 24 30-day period but the mobile home park owner or operator may charge for any additional costs incurred as a result of the delay.

C. If a tenant or lienholder does not claim ownership of the property within 44 21 calendar days after the notice under paragraph A is sent or fails to take possession of the property after claiming ownership pursuant to paragraph B, the mobile home park owner or operator may take one or more of the following actions:

(1) Condition the release of the property to the tenant or lienholder upon payment of all rental arrearages, damages, costs of legal fees and costs of storage;

(2) Sell any property for a reasonable fair market price and apply all proceeds to rental arrearages, damages, costs of storage, marketing expenses, legal fees and outstanding taxes. Any balance must be sent to the tenant's or lienholder's last known mailing address and, if returned to the sender, the balance must be forwarded to the Treasurer of State; and

(3) Dispose of any property that has no reasonable fair market value.

**2. Notice.** A tenancy in a mobile home park may be terminated only by:

A. The tenant giving at least 45 days' notice of termination to the park owner; or

B. The park owner entitled under subsection 1 to the mobile home space giving at least 45 60 days' notice of termination in writing to the tenant. If the landlord or the landlord's agent has made at least 3 witnessed good faith efforts made on 3 separate days to serve the tenant, service may be accomplished by both mailing the notice by first class mail to the tenant's last known address and by leaving the notice at the tenant's space in the park.

(1) In cases where the reason for eviction is nonpayment of rent, the tenancy may be terminated by 30 60 days' notice given in the same manner provided that the notice for eviction contains notice of the amount owed and a statement indicating that the tenant can negate the effect of the notice of termination as it applies to rent arrearage if the tenant pays the full amount of rent due before the expiration of the notice.

(2) In cases in which the reason for eviction is one listed in subsection 1, paragraph B, C, D, E, H or I, the 45 days' notice of termination must refer to relevant provisions of the lease or mobile home park rules and must state the reasons for the termination.

**Sec. 5. 10 MRSA §9097-A, sub-§2, is amended to read:**

**2. Unenforceable provisions.** The following rental agreement or rule provisions are specifically declared to be unenforceable and in violation of Title 5, section 207:

A. Any provision that absolves the park owner or operator from liability for the negligence of the park owner or operator or the agent of the park owner or operator;

B. Any provision that requires the tenant to pay the legal fees of the park owner or operator in enforcing the rental agreement;

C. Any provision that requires the tenant to give a lien upon the tenant's property, including a tenant's mobile home, for the amount of any rent or other sums due the park owner or operator; ~~and~~

D. Any provision that requires the tenant to acknowledge that the provisions of the rental agreement, including tenant rules, are fair and reasonable;

**E. Any provision that binds the tenant to arbitration in lieu of a civil trial; and**

**F. Any provision that requires the tenant to agree to a possessory lien.**

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**Sec. 5. 10 MRSA §9097-C, is amended to read:**

The owner of a mobile home park or the owner’s agent may assess a penalty against a tenant for late payment of rent under this section.

**1. Late payment.** A payment of rent is late if it is not made within ~~45~~ **30** days from the time the payment is due.

**2. Maximum penalty.** The owner of a mobile home park or the owner's agents may not assess a penalty for the late payment of rent that exceeds 4% of the amount due for one month.

**3. Notice in writing.** The owner of a mobile home park or the owner's agents may not assess a penalty for the late payment of rent unless the owner of a mobile home park or the owner's agents gives the tenant written notice at the time the owner of a mobile home park or the owner's agents and tenant enter into the rental agreement that a penalty, up to 4% of one month's rent, may be charged for the late payment of rent.

**Summary:** The proposed amendment increases the notice requirement period from 30 to 60 days for any changes in park rules, fees, charges, or assessments. It allows mobile home owners located in a park to collectively express interest and offer to purchase the park that is considering a sale. The amendment increases the notice a tenant is given in the case of a temporary or permanent eviction. It increases the calendar days a mobile home owner has to respond to claims of abandonment. The amendment disallows any provision in a rental agreement that binds a tenant to arbitration in lieu of a civil trial or requires a tenant to agree to a possessory lien. It also increases the amount of time considered for a late payment of rent.