

CHAPTER 327

PROPERTY

HOUSE BILL 26-1224

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AN ACT**CONCERNING FINANCIAL PROTECTIONS FOR MOBILE HOME PARK RESIDENTS.**

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

SECTION 1. In Colorado Revised Statutes, 38-12-201.5, **amend** (6) and (8) as follows:

38-12-201.5. Definitions.

As used in this part 2 and in parts 11 and 14 of this article 12, unless the context otherwise requires:

(6) (a) (I) "Mobile home park" or "park" means a parcel of land used for the accommodation of five or more mobile homes for which the management or landlord has a rental agreement ~~with a tenant~~ for a mobile home or lot or is receiving rent payments for a mobile home or lot from a ~~tenant~~ RESIDENT or a third party.

(II) "MOBILE HOME PARK" OR "PARK" INCLUDES PARCELS OF LAND WHERE THE MANAGEMENT OR LANDLORD OWNS ALL OF THE MOBILE HOMES IN THE MOBILE HOME PARK.

(III) "Mobile home park" OR "PARK" does not include mobile home subdivisions or property zoned for manufactured home subdivisions.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(b) For purposes of ~~this definition~~ SUBSECTION (6)(a) OF THIS SECTION, the parcel of land comprising the mobile home park does not need to be contiguous, but must be in the same neighborhood as determined by the division.

(8) "Premises" means a mobile home park and existing facilities and appurtenances of the park, including furniture and utilities where applicable, and grounds, areas, and existing facilities held out for the use of home owners OR RESIDENTS generally or the use of which is promised to home owners OR RESIDENTS.

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

38-12-203. Reasons for termination.

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

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

SECTION 3. In Colorado Revised Statutes, 38-12-204, **add** (4.5) as follows:

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

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

SECTION 4. In Colorado Revised Statutes, 38-12-217, **amend** (2)(a) introductory portion, (2)(a)(II), (3), (5)(a), (5)(b), (6)(b), and (13); and **add** (14.5) as follows:

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

(2) **Notice - requirements.**

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

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

(3) Contents of notice.

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

(b) If the triggering event involves a potential sale, the notice must also include:

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

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

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

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

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

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

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

(E) OPERATING EXPENSES AND INCOME FOR THE MOBILE PARK FOR THE PREVIOUS THREE YEARS ON A YEAR-BY-YEAR BASIS WITH SPECIFIC LINE ITEMS FOR RENTS; FEES; ANY ELECTRIC, GAS, WATER, SEWER, OR SOLID WASTE DISPOSAL UTILITY BILLS; ANY OTHER RECURRING BILLS; AND ANY INVOICES OVER FIVE HUNDRED DOLLARS; AND

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

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

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

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

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

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

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

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

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

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

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

(C) ANY OTHER DUE DILIGENCE INFORMATION.

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

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

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

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

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

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

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

(A) The current price, terms, or conditions of an acceptable offer that the landlord has received to sell the mobile home park if the price, terms, or conditions have changed since the landlord gave notice to the home owners pursuant to subsection (3) of this section; and

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

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

(6) Expiration of opportunity to purchase.

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

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

(b) (I) EXCEPT FOR A SALE OR TRANSFER DESCRIBED IN SUBSECTION (12) OF THIS SECTION AND A SALE CONDUCTED AS A FEDERAL INTERNAL REVENUE SERVICE SECTION 1031 EXCHANGE, A PROPOSED SALE OF A MOBILE HOME PARK MUST BE CONDUCTED AS AN ARMS-LENGTH TRANSACTION WITH THE LANDLORD AND BUYER ACTING INDEPENDENTLY AND IN GOOD FAITH.

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

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

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

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

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

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

(e) THE DISCLOSURE OF ANY AGREEMENT OTHER THAN THE PURCHASE AND SALE AGREEMENT BETWEEN THE LANDLORD AND THE POTENTIAL BUYER OR THE BUYER'S INVESTORS OR AFFILIATES, INCLUDING ANY AGREEMENT THAT:

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

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

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

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

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

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

SECTION 5. In Colorado Revised Statutes, 38-12-1106, **amend** (8) as follows:

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

(8)(a) The division shall establish by rule a fee that each landlord shall pay to the division as an annual registration fee for each mobile home independently owned on rented land within the landlord's mobile home park.

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

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

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

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

SECTION 6. Act subject to petition - effective date - applicability. (1) This act takes effect January 1, 2027; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect January 1, 2027 or on the date of the official declaration of the vote thereon by the governor, whichever is later.

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

Approved: June 2, 2026