

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

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 20-0635.01 Duane Gall x4335

HOUSE BILL 20-1201

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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.

SENATE
3rd Reading Unamended
June 1, 2020

SENATE
Amended 2nd Reading
May 28, 2020

HOUSE
3rd Reading Unamended
March 3, 2020

HOUSE
Amended 2nd Reading
March 2, 2020

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 (c) NO EARLIER THAN THIRTY DAYS AFTER GIVING THE NOTICE
10 REQUIRED BY THIS SUBSECTION (1) OR SUBSECTION (2) OF THIS SECTION,
11 A MOBILE HOME PARK OWNER MAY POST INFORMATION IN A PUBLIC SPACE
12 IN THE MOBILE HOME PARK DESCRIBING THE METHOD FOR PROVIDING A
13 SIGNED WRITING TO THE MOBILE HOME PARK OWNER RELATED TO THE
14 OPPORTUNITY TO PURCHASE. THE POSTING MAY INCLUDE STANDARD
15 FORMS RELATED TO THE OPPORTUNITY TO PURCHASE, INCLUDING A FORM
16 FOR PROVIDING NOTICE THAT A HOME OWNER DOES NOT WISH TO
17 PARTICIPATE IN EFFORTS TO PURCHASE A COMMUNITY.

18 (d) A MOBILE HOME PARK OWNER SHALL NOT SOLICIT OR REQUEST
19 A HOME OWNER'S INTENTION OR A SIGNED WRITING RELATED TO THE
20 OPPORTUNITY TO PURCHASE DURING THE INITIAL THIRTY DAYS AFTER
21 GIVING NOTICE PURSUANT TO THIS SUBSECTION (1) OR SUBSECTION (2) OF
22 THIS SECTION. AT NO TIME DURING THE TIME PERIOD FOR CONSIDERING AN
23 OPPORTUNITY TO PURCHASE SHALL A MOBILE HOME PARK OWNER
24 ATTEMPT TO COERCE OR PROVIDE ANY FINANCIAL OR IN-KIND INCENTIVES
25 TO A HOME OWNER TO INFLUENCE THE HOMEOWNER'S DECISION. ANY
26 COMPLAINTS ALLEGING VIOLATION OF THIS SUBSECTION (1) MAY BE
27 RESOLVED UNDER PART 11 OF THIS ARTICLE 12.

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

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

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

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

9 (III) THE LANDLORD RECEIVES:

10 (A) A NOTICE OF ELECTION AND DEMAND OR LIS PENDENS
11 RELATED TO FORECLOSURE OF THE PARK PURSUANT TO PART 1 OF ARTICLE
12 38 OF THIS TITLE 38; OR

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

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

19 (I) EACH HOME OWNER, USING THE MOST RECENT ADDRESS OF THE
20 HOME OWNER, AND SHALL POST A COPY OF THE NOTICE IN A CONSPICUOUS
21 PLACE ON THE MOBILE HOME OR AT THE MAIN POINT OF ENTRY TO THE LOT;

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

24 (III) THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL
25 AFFAIRS; AND

26 (IV) EACH HOME OWNERS' ASSOCIATION, RESIDENTS'
27 ASSOCIATION, OR SIMILAR BODY THAT REPRESENTS THE RESIDENTS OF THE

1 PARK.

2 (3) **Contents of notice.** THE NOTICE GIVEN PURSUANT TO
3 SUBSECTION (1) OR (2) OF THIS SECTION MUST INCLUDE NOTICE OF HOME
4 OWNERS' RIGHTS UNDER SUBSECTIONS (4) TO (9) OF THIS SECTION. IF THE
5 TRIGGERING EVENT INVOLVES A SALE, THE NOTICE MUST ALSO INCLUDE A
6 DESCRIPTION OF THE PROPERTY TO BE PURCHASED AND THE PRICE, TERMS,
7 AND CONDITIONS OF AN ACCEPTABLE OFFER THE LANDLORD HAS RECEIVED
8 TO SELL THE MOBILE HOME PARK OR THE PRICE OR TERMS AND CONDITIONS
9 FOR WHICH THE LANDLORD INTENDS TO SELL THE PARK. THE INFORMATION
10 REGARDING THE PROPOSED SALE AND THE PRICE, TERMS, AND CONDITIONS
11 OF AN ACCEPTABLE OFFER MAY BE SHARED FOR THE PURPOSES OF
12 EVALUATING OR OBTAINING FINANCING FOR THE PROSPECTIVE
13 TRANSACTION, BUT ALL PERSONS WHO RECEIVE THE INFORMATION SHALL
14 OTHERWISE KEEP IT CONFIDENTIAL IF THE PARK OWNER OR THE PARK
15 OWNER'S AGENT SO REQUESTS.

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

20 (I) SUBMIT TO THE LANDLORD A PROPOSED PURCHASE AND SALE
21 AGREEMENT; AND

22 (II) OBTAIN A BINDING COMMITMENT FOR ANY NECESSARY
23 FINANCING OR GUARANTEES.

24 (b) NOTWITHSTANDING SUBSECTION (4)(a) OF THIS SECTION, IF A
25 FORECLOSURE SALE OF THE PARK IS SCHEDULED FOR LESS THAN NINETY
26 DAYS AFTER THE LANDLORD MAILES A NOTICE UNDER SUBSECTION (1) OR
27 (2) OF THIS SECTION, THE OPPORTUNITY GRANTED BY SUBSECTION (4)(a)

1 OF THIS SECTION TERMINATES ON THE DATE OF THE FORECLOSURE SALE.

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

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

14 (a) PROVIDE DOCUMENTS, DATA, AND OTHER INFORMATION IN
15 RESPONSE TO REASONABLE REQUESTS FOR INFORMATION FROM A GROUP
16 OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES PARTICIPATING
17 IN THE OPPORTUNITY TO PURCHASE THAT WOULD ENABLE THEM TO
18 PREPARE AN OFFER. THE DOCUMENTS, DATA, AND OTHER INFORMATION
19 PROVIDED MAY BE SHARED FOR THE PURPOSES OF EVALUATING OR
20 OBTAINING FINANCING FOR THE PROSPECTIVE TRANSACTION, BUT ALL
21 PERSONS WHO RECEIVE THE INFORMATION SHALL OTHERWISE KEEP IT
22 CONFIDENTIAL IF THE PARK OWNER OR THE PARK OWNER'S AGENT SO
23 REQUESTS

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

26 (c) SCHEDULE A CLOSING DATE FOR A PURCHASE AND SALE
27 AGREEMENT.

1 **(6) Expiration of opportunity to purchase.** (a) IF THE
2 NINETY-DAY PERIOD PROVIDED FOR IN SUBSECTION (4)(a) OF THIS SECTION
3 ELAPSES AND A GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR
4 ASSIGNEES HAVE NOT SUBMITTED A PROPOSED PURCHASE AND SALE
5 AGREEMENT OR OBTAINED A BINDING FINANCIAL COMMITMENT, THE
6 GROUP'S OR ASSOCIATION'S OPPORTUNITIES PROVIDED BY THIS SECTION
7 TERMINATE.

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

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

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

23 **(9) Independence of time limits and notice provisions.**
24 (a) EACH OCCURRENCE OF A TRIGGERING EVENT LISTED IN SUBSECTION
25 (1) OR (2) OF THIS SECTION CREATES AN INDEPENDENT, NINETY-DAY
26 OPPORTUNITY TO PURCHASE FOR THE GROUP OR ASSOCIATION OF HOME
27 OWNERS OR THEIR ASSIGNEES. IF A NINETY-DAY OPPORTUNITY TO

1 PURCHASE IS IN EFFECT AND A NEW TRIGGERING EVENT OCCURS, THE
2 ONGOING NINETY-DAY TIME PERIOD TERMINATES AND A NEW NINETY-DAY
3 TIME PERIOD BEGINS ON THE LATEST DATE ON WHICH THE LANDLORD
4 GIVES NOTICE, AS REQUIRED BY SUBSECTION (1) OR (2) OF THIS SECTION,
5 OF THE NEW TRIGGERING EVENT. ■ ■

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

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

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

15 (b) THE APPLICABLE PERIOD FOR EXERCISE OF THE OPPORTUNITY
16 TO PURCHASE HAS EXPIRED PURSUANT TO SUBSECTION (6) OF THIS
17 SECTION.

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

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

25 (b) THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL
26 AFFAIRS.

27 ■ ■

1 **(12) Exemptions from notice requirement.** NOTWITHSTANDING
2 ANY PROVISION TO THE CONTRARY, A LANDLORD IS NOT REQUIRED TO GIVE
3 NOTICE OR EXTEND AN OPPORTUNITY TO PURCHASE TO A GROUP OR
4 ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES IF THE SALE,
5 TRANSFER, OR CONVEYANCE OF THE MOBILE HOME PARK IS:

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

9 (b) TO A TRUST THE BENEFICIARIES OF WHICH ARE THE SPOUSE,
10 PARTNER IN A CIVIL UNION, OR LEGALLY RECOGNIZED CHILDREN OF THE
11 LANDLORD;

12 (c) (I) TO A BUSINESS ENTITY OR TRUST THAT THE TRANSFERRING
13 BUSINESS ENTITY OR TRUST CONTROLS, DIRECTLY OR INDIRECTLY.

14 (II) AS USED IN THIS SUBSECTION (13)(c), "CONTROLS" MEANS:

15 (A) OWNS ENTIRELY AS A SUBSIDIARY;

16 (B) OWNS A MAJORITY INTEREST IN; OR

17 (C) OWNS AS LARGE AN OWNERSHIP INTEREST AS ANY OTHER
18 OWNER, WITH A MINIMUM OWNERSHIP INTEREST OF TWENTY-FIVE
19 PERCENT.

20 (d) TO A FAMILY MEMBER WHO IS INCLUDED WITHIN THE LINE OF
21 INTESTATE SUCCESSION IF THE LANDLORD DIES INTESTATE;

22 (e) BETWEEN JOINT TENANTS OR TENANTS IN COMMON; OR

23 (f) PURSUANT TO EMINENT DOMAIN.

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

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

3

4 **SECTION 3.** In Colorado Revised Statutes, 38-12-1105, **amend**
5 (1) as follows:

6 **38-12-1105. Dispute resolution program - complaint process.**

7 (1) Beginning May 1, 2020, any aggrieved party may file a complaint
8 with the division alleging a violation of the act or this part 11,
9 REGARDLESS OF WHETHER THE PROVISION ALLEGEDLY VIOLATED
10 CONTAINS A SPECIFIC REFERENCE TO THIS SECTION.

11 **SECTION 4. Applicability.** This act applies to conduct occurring
12 on or after the effective date of this act.

13 **SECTION 5. Safety clause.** The general assembly hereby finds,
14 determines, and declares that this act is necessary for the immediate
15 preservation of the public peace, health, or safety.