



All Parks Alliance for Change ■ APAC

An Organization of Manufactured Home Park Residents

Eliminate Barriers to Residents Buying Their Manufactured Home Park Communities

HF 1571 (Howard, Kunesh-Podein, Sauke) | **SF 615** (Laine, Koran, Torres Ray)

Manufactured home park communities provide affordable housing and an opportunity for sustainable home ownership. However, residents are in a vulnerable situation since they own their homes, but only rent the land. Fortunately, Minnesota is one of 19 states that encourage or require park owners to sell their communities to the home owners. In Minnesota, if a park community is being sold for redevelopment, residents, or an authorized nonprofit, are given 45 days to meet the same terms and conditions as the developer. Unfortunately, in recent years, attempts by residents to purchase their communities under this law (such as Lowry Grove in St. Anthony and Tri-County in Waite Park) have revealed flaws in the law and barriers to its use. For example, one loophole makes it possible for the park owner to essentially ignore a matching offer from the residents.

Close the Loopholes

- **Effect of Noncompliance** (327C.095, Subd. 9) – Currently, if a manufactured home park owner simply ignores a matching offer submitted by the residents and sells the park to a developer, the statute states that this illegal act actually punishes the residents who now “do not have any continuing right to purchase the park.” The bill preserves the residents right to purchase their park and allows them to halt an unlawful sale.
- **Affidavit of Compliance** (327C.095, Subd. 11) – As the law now stands, a park owner, or “other person with personal knowledge,” can simply record an affidavit that the park has been compliant with all aspects of this statute’s requirements and this statement is given the legal presumption that it is true and accurate. The bill allows the affidavit to serve as presumption evidence of compliance only if it is filed by a bona fide purchaser acting in good faith.
- **Required Filing of Notice** (327C.095, Subd. 8) – Now, the resident right to purchase their park only applies if someone files a notice with the county that the property is used as a manufactured home park. This is an unnecessary and redundant process. All manufactured home parks are already licensed by the MN Department of Health and renew their licenses every year. The bill removes the requirement to notify the county that a property licensed by the state to operate as a park is, in fact, being used as a park.

Simplify the Process

- **Intent to Convert Use of Park at Time of Purchase** (327C.095, Subd. 6) – Currently, if a potential buyer of a manufactured home park intends to convert the park to another use, residents or “a representative acting on behalf of residents” have an opportunity to match the terms and conditions of this offer to keep the park open. The bill provides more detail and clarity about this process, including providing a clear definition of “representative,” clarifying that the “terms and conditions” are the material conditions laid out in the potential buyer’s purchase offer, ensuring that those terms and conditions are provided to the residents promptly, and guaranteeing that the residents have a commercially reasonable due diligence period.
- **Intent to Convert Use of Park After Purchase** (327C.095, Subd. 7) – A potential buyer of a manufactured home park that intends to convert the park to another use within one year must disclose their intent before they purchase the property. Currently, there is a second “right of first refusal” that residents can use after the purchase if the buyer failed to make this disclosure. The bill eliminates this second purchase process and simply requires that the purchaser wait 12 months before they are able to issue a closure notice.