

CHAPTER 327C

MANUFACTURED HOME PARK LOT RENTALS

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327C.01 DEFINITIONS.

Subdivision 1. **Terms.** When used in sections 327C.01 to 327C.15 and 363A.38, the terms defined in this section have the meanings given them.

Subd. 1a. **Closure statement.** "Closure statement" means a statement prepared by the park owner clearly stating that the park is closing, addressing the availability, location, and potential costs of adequate replacement housing within a 25 mile radius of the park that is closing and the probable relocation costs of the manufactured homes located in the park.

Subd. 1b. **Displaced resident.** "Displaced resident" means a resident of an owner-occupied manufactured home who rents a lot in a manufactured home park, including the members of the resident's household, as of the date the park owner submits a closure statement to the local planning agency.

Subd. 1c. **Resident copy; shelter plan attached.** Beginning with rental agreements signed on August 1, 1994, or after, the park owner shall give a copy of the signed rental agreement to each resident with a copy of the evacuation or shelter plan attached. In addition, for existing leases, by August 15, 1994, the park owner shall provide each resident with a copy of the park evacuation or shelter plan.

Subd. 2. **In park sale.** "In park sale" means the sale of a manufactured home owned by a park resident and located in a manufactured home park, after which sale the home remains in the park.

Subd. 3. **Lot.** "Lot" means an area within a manufactured home park, designed or used for the accommodation of a manufactured home.

Subd. 4. **Manufactured home.** "Manufactured home" and "home" have the meaning specified in section 327B.01, subdivision 13.

Subd. 5. **Manufactured home park.** "Manufactured home park" and "park" have the meaning specified in section 327.14, subdivision 3, but do not include facilities which are open only during three or fewer seasons of the year.

Subd. 6. **Park owner.** "Park owner" means the owner of a manufactured home park and any person acting on behalf of the owner in the operation or management of a park.

Subd. 7. **Person.** "Person" means any individual, corporation, firm, partnership, incorporated and unincorporated association, or any other legal or commercial entity.

Subd. 7a. **Planning agency.** "Planning agency" means the planning commission or the planning department of a municipality as defined in section 462.352, the planning and zoning commission of a town as defined in section 366.17, or the planning commission of a county, as defined in section 394.30, or if the municipality does not have a planning agency, the governing body of the municipality.

Subd. 8. **Reasonable rule.** "Reasonable rule" means a park rule:

(a) which is designed to promote the convenience, safety, or welfare of the residents, promote the good appearance and facilitate the efficient operation of the park, protect and preserve the park premises, or make a fair distribution of services and facilities;

- (b) which is reasonably related to the purpose for which it is adopted;
- (c) which is not retaliatory or unjustifiably discriminatory in nature; and
- (d) which is sufficiently explicit in prohibition, direction, or limitation of conduct to fairly inform the resident of what to do or not to do to comply.

Subd. 9. **Resident.** "Resident" means an owner of a manufactured home who rents a lot in a manufactured home park and includes the members of the resident's household.

Subd. 9a. **Resident association.** "Resident association" means an organization that has the written permission of the owners of at least 51 percent of the manufactured homes in the park to represent them, and which is organized for the purpose of resolving matters relating to living conditions in the manufactured home park.

Subd. 10. **Rule.** "Rule" means any rental agreement provision, regulation, rule or policy through which a park owner controls, affects or seeks to control or affect the behavior of residents.

Subd. 11. **Substantial modification.** "Substantial modification" means any change in a rule which: (a) significantly diminishes or eliminates any material obligation of the park owner; (b) significantly diminishes or eliminates any material right, privilege or freedom of action of a resident; or (c) involves a significant new expense for a resident.

Subd. 12. **Utility service.** "Utility service" means any electric, fuel oil, natural or propane gas, sewer, waste disposal and water service by whatever means furnished.

History: 1982 c 526 art 2 s 1; 1986 c 444; 1987 c 179 s 1-3; 1992 c 511 art 2 s 32; 1994 c 592 s 3

327C.02 RENTAL AGREEMENTS.

Subdivision 1. **Contents; writing required.** Every agreement to rent a lot must be a written agreement signed by the park owner and the resident. A copy of the rental agreement shall be given to the applicant for the purpose of reviewing the agreement prior to signing it. The agreement must specify the terms and conditions in connection with the rental of the lot and must include:

- (a) the location of the lot and its address or site number;
- (b) the amount of rent per month and a statement of all personal property, services and facilities which the park owner agrees to provide to the resident;
- (c) the rights, duties and obligations of the parties, and all rules applicable to the resident;
- (d) the amount of any security deposit or other financial obligation imposed on the resident by the park owner; and
- (e) the name of any person holding a security interest in the resident's home.

Subd. 2. **Modification of rules.** The park owner must give the resident at least 60 days' notice in writing of any rule change. A rule adopted or amended after the resident initially enters into a rental agreement may be enforced against that resident only if the new or amended rule is reasonable and is not a substantial modification of the original agreement. Any security deposit increase is a substantial modification of the rental agreement. A reasonable rent increase made in compliance with section 327C.06 is not a substantial modification of the rental agreement and is not considered to be a rule for purposes of section 327C.01, subdivision 8. A rule change necessitated by government action is not a substantial modification of the rental agreement. A rule change requiring all residents to maintain their homes, sheds and other appurtenances in good repair and safe condition shall not be deemed a substantial modification of a rental agreement. If a part of a resident's home, shed or other appurtenance becomes so dilapidated that repair is impractical and total replacement is necessary, the park owner may require the resident to make the replacement in conformity with a generally applicable rule adopted after the resident initially entered into a rental agreement with the park owner.

In any action in which a rule change is alleged to be a substantial modification of the rental agreement, a court may consider the following factors in limitation of the criteria set forth in section 327C.01, subdivision 11:

(a) any significant changes in circumstances which have occurred since the original rule was adopted and which necessitate the rule change; and

(b) any compensating benefits which the rule change will produce for the residents.

Subd. 2a. **Action to recover possession of land.** Notwithstanding section 504B.345, in an action to recover possession of land for violation of a new or amended rule, if the court finds that the rule is reasonable or is not a substantial modification, the court shall issue an order in favor of the plaintiff for costs. The court shall order the defendant to comply with the rule within ten days. If the resident fails to comply with the rule at any time after the time period provided by the court, the park owner may, upon a showing to the court that three days' written notice was given to the resident, move the court for writ of restitution to recover possession of the lot.

Subd. 3. **Service of notices.** A park owner may give notice as required by this section or sections 327C.03 and 327C.09: (a) personally, (b) by mailing the notice to the last known mailing address of the resident, or (c) by delivering the notice to the home of the resident. Notice by certified mail is effective even if the resident refuses to accept delivery. Service by delivery to the resident's home is effective if the notice is left at the home with someone of suitable age and discretion or is placed in a secure and conspicuous location at the home.

Subd. 4. **Waiver void.** Any attempt to waive or circumscribe any privilege or right guaranteed by law to a resident or a park owner is void.

Subd. 5. **Written notice required.** A prospective resident, before being asked to sign a rental agreement, must be given the following notice printed verbatim in boldface type of a minimum size of ten points. The notice must be provided with the park residency application. The notice and the safety feature disclosure form required under section 327C.07, subdivision 3a, must be posted in a conspicuous and public location in the park:

"IMPORTANT NOTICE

State law provides special rules for the owners, residents, and prospective residents of manufactured home parks.

You may keep your home in the park as long as the park is in operation and you meet your financial obligations, obey state and local laws which apply to the park, obey reasonable park rules, do not substantially annoy or endanger the other residents or substantially endanger park personnel and do not substantially damage the park premises. You may not be evicted or have your rent increased or your services cut for complaining to the park owner or to a governmental official.

If you receive an eviction notice and do not leave the park, the park owner may take you to court. If you lose in court, a sheriff may remove you and your home from the park within seven days. Or, the court may require you to leave the park within seven days but give you 60 days to sell the home within the park.

If you receive an eviction notice for a new or amended rule and the court finds the rule to be reasonable and not a substantial modification of your original agreement, the court will not order you to leave but will order you to comply with the rule within ten days. If you do not comply within the time given or if you violate the rule at a later time, you will be subject to eviction.

All park rules and policies must be reasonable. Your rent may not be increased more than twice a year. Changes made in park rules after you become a park resident will not apply to you if they substantially change your original agreement.

The park may not charge you an entrance fee.

The park may require a security deposit, but the deposit must not amount to more than two months rent.

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You have a right to sell the home in the park. But the sale is not final until the park owner approves the buyer as a new resident, and you must advise in writing anyone who wants to buy your home that the sale is subject to final approval by the park owner.

The park must provide to you, in writing, the procedures and criteria used to evaluate a prospective resident. If your application is denied, you can request, in writing, the reason why.

You must also disclose in writing certain safety information about your home to anyone who wants to buy it in the park. You must give this information to the buyer before the sale, in writing, on the form that is attached to this notice. You must completely and accurately fill out the form and you and the buyer should each keep a copy.

Your rental agreement and the park rules contain important information about your rights and duties. Read them carefully and keep a copy.

You must be given a copy of the shelter or evacuation plan for the park. This document contains information on where to seek shelter in times of severe weather conditions. You should carefully review the plan and keep a copy.

By February 1 of each year, the park must give you a certificate of rent constituting property taxes as required by Minnesota Statutes, section 290A.19.

For further information concerning your rights, consult a private attorney. The state law governing the rental of lots in manufactured home parks may also be enforced by the Minnesota Attorney General."

In addition, the safety feature disclosure form required under section 327C.07, subdivision 3a, must be attached to the notice.

History: 1982 c 526 art 2 s 2; 1983 c 206 s 1; 1984 c 406 s 1; 1984 c 655 art 1 s 58; 1986 c 444; 1987 c 179 s 4,5; 1989 c 282 art 2 s 184; 1994 c 592 s 4; 1997 c 61 s 1; 1999 c 199 art 2 s 10

327C.03 FEES.

Subdivision 1. **Special fees prohibited.** Except as provided in this section and section 327C.04, no fee other than the periodic rental payment shall be charged to a park resident or prospective resident or any agent of a resident or prospective resident for the right to obtain or retain a lot.

Subd. 2. **Installation and removal charges.** A park owner may contract with a resident to install the resident's home on a lot or to remove the resident's home from the park. The contract must be in writing and the park owner may charge for the service. A park owner may not require a resident to use the park owner's service to install or remove a home unless the owner provides the service without charge.

Subd. 3. **Rent.** All periodic rental payments charged to residents by the park owner shall be uniform throughout the park, except that a higher rent may be charged to a particular resident due to the larger size or location of the lot, or the special services or facilities furnished by the park. A park owner may charge a reasonable fee for delinquent rent where the fee is provided for in the rental agreement. The fee shall be enforceable as part of the rent owed by the resident. No park owner shall charge to a resident any fee, whether as part of or in addition to the periodic rental payment, which is based on the number of persons residing or staying in the resident's home, the number or age of children residing or staying in the home, the number of guests staying in the home, the size of the home, the fact that the home is temporarily vacant or the type of personal property used or located in the home. The park owner may charge an additional fee for pets owned by the resident, but the fee may not exceed \$4 per pet per month. This subdivision does not prohibit a park owner from abating all or a portion of the rent of a particular resident with special needs.

Subd. 4. **Security deposit.** A park owner may require a resident to deposit with the park owner a fee, not to exceed the amount of two months' rent, to secure the resident's performance of the rental agreement and to protect the park owner against

damage by the resident to park property, including any damage done by the resident in the installation or removal of the resident's home. The provisions of section 504B.178 shall apply to any security deposit required by a park owner under this subdivision.

Subd. 5. **Maintenance charges.** If park rules or state or local law provide for lot maintenance or impose conditions on the use of common areas and a resident fails to do the required maintenance or meet the conditions, the park owner may do the maintenance or satisfy the conditions and charge the resident the reasonable cost, plus a fee of up to \$10, if:

(a) before doing the work the park owner gives the resident a written notice specifying the work that has to be done, stating which rule or law requires the work to be done, advising the tenant that if the work is not done promptly the park will do the work and bill the resident, and stating a reasonable deadline by which the resident must do the work;

(b) after receiving the notice, the resident fails to do the work by the stated deadline; and

(c) after the work is done by the park owner, the park owner serves the resident with a written notice of the charge.

If a resident's failure to do required maintenance or meet a condition imposed on the use of common areas causes an immediate danger to park facilities or to the health or safety of other residents, the park owner may give the resident a written notice requiring immediate compliance. If immediate compliance is essential and delivery of a notice is impractical or useless, the park owner may do the work without giving notice and may charge the tenant the reasonable cost. A notice given pursuant to this subdivision neither precludes nor suffices as the notice required by section 327C.09, subdivisions 3 to 7.

Charges made pursuant to this subdivision shall be enforceable as part of the rent owed by the resident. The notice required by clause (c) shall specify the work performed, the date of its performance, the total cost of performing the work, the method used in computing the cost and a deadline for payment by the resident. The deadline shall not be less than 30 days after the service of the notice.

History: 1982 c 526 art 2 s 3; 1986 c 444; 1999 c 199 art 2 s 11

327C.04 UTILITY CHARGES.

Subdivision 1. **Billing permitted.** A park owner who provides utility service to residents may charge the residents for that service, only if the charges comply with this section.

Subd. 2. **Metering required.** A park owner who charges residents for a utility service must charge each household the same amount, unless the park owner has installed measuring devices which accurately meter each household's use of the utility.

Subd. 3. **Permissible rates.** Except as provided in subdivision 4, no park owner shall, directly or indirectly, charge or otherwise receive payment from a resident for a utility service, or require a resident to purchase a utility service from the park owner or any other person, at a rate which is greater than either of the following:

(a) a rate which the resident could pay directly for the same utility service from some other comparable source in the same market area; or

(b) a rate which is charged to single family dwellings with comparable service within the same market area.

Subd. 4. **Electricity.** If a park owner provides electricity to residents by reselling electricity purchased from a public or municipal utility or electrical cooperative, and compliance with subdivision 3 would cause the park owner to lose money on the sale of electricity, the park owner may bill residents at a rate calculated to allow the park owner to avoid losing money on the sale of electricity. In calculating the cost of providing electricity, the park owner may consider only the actual amount billed by the

public utility or electrical cooperative to the park owner for electricity furnished to residents. The park owner may not consider administrative, capital or other expenses.

History: 1982 c 526 art 2 s 4

327C.05 RULES.

Subdivision 1. **Unreasonable rules prohibited.** No park owner shall adopt or enforce unreasonable rules. No park owner may engage in a course of conduct which is unreasonable in light of the criteria set forth in section 327C.01, subdivision 8.

Subd. 2. **Presumptively unreasonable rules.** In any action in which the reasonableness of a rule is challenged, any rule which violates any provision of Laws 1982, chapter 526, article 2 or of any other law shall be deemed unreasonable, and the following rules shall be presumed unreasonable unless the park owner proves their reasonableness by clear and convincing evidence:

(a) any rule which prohibits the placing of a "for sale" sign on a resident's home by the resident;

(b) any rule which requires a resident or prospective resident to purchase any particular goods or services from a particular vendor or vendors, including the park owner;

(c) any rule which requires a resident to use the services of a particular dealer or broker in an in park sale; and

(d) any rule requiring that more than one occupant of a home have an ownership interest in that home.

Subd. 3. **Other unreasonable rules.** In addition to the rules listed in subdivision 2, a court may declare unreasonable any park rule if the court finds that the rule fails to meet the standard of section 327C.01, subdivision 8. The absence of a rule from the list contained in subdivision 2 is not evidence or proof of the rule's reasonableness.

Subd. 4. **Density restrictions.** Subject to section 327C.02, subdivision 2, a park owner may adopt and enforce a reasonable rule that places limits on the maximum number of persons permitted to reside in a manufactured home if the limitation is reasonably related to the size of the home and the number of rooms it contains.

History: 1982 c 526 art 2 s 5; 1986 c 444

327C.06 RENT INCREASES.

Subdivision 1. **Notice of rent increases required.** No increase in the amount of the periodic rental payment due from a resident shall be valid unless the park owner gives the resident 60 days' written notice of the increase.

Subd. 2. **Prohibition.** No rent increase shall be valid if its purpose is to pay, in whole or in part, any civil or criminal penalty imposed on the park owner by a court or a government agency.

Subd. 3. **Rent increases limited.** A park owner may impose only two rent increases on a resident in any 12-month period.

History: 1982 c 526 art 2 s 6

327C.07 IN PARK SALES.

Subdivision 1. **Resident's rights.** Except as otherwise provided in this section, a resident has the right to sell a home through an in park sale. The park owner may not charge a fee for allowing the resident to exercise this right, except to charge a fee of up to \$25 for processing a prospective buyer's tenancy application. If the park owner is licensed as a dealer, the park owner may agree in writing to broker the in park sale of a resident's home. The park owner may not require a resident to use the park owner's services as a broker. The park owner may not give preferential treatment to applications for tenancy from people seeking to buy homes whose in park sale is being brokered by the park owner.

Subd. 2. **Park owner's rights.** Any in park sale is subject to the park owner's approval of the buyer as a resident. A park owner may not deny a prospective buyer approval as a resident unless:

- (a) the park owner has specified in writing the procedures and criteria used to evaluate the creditworthiness and suitability as a resident of individuals seeking to buy homes offered for in park sale;
- (b) the written disclosure required by clause (a) is included with the rental application and is available at no charge to residents, prospective buyers, and their agents;
- (c) the park owner is available to the prospective buyer at reasonable times if the park owner requires the prospective buyer to apply or be interviewed in person;
- (d) all the specified procedures and criteria are reasonable and applied uniformly;
- (e) in evaluating a prospective buyer, the park owner does not use any stricter standards than it uses for evaluating other prospective residents;
- (f) the park owner does not deny tenancy to a prospective buyer for any reason prohibited by federal, state or local law;
- (g) within 14 days of receiving a completed application form, the park owner makes a decision or gives the prospective buyer and the seller a written explanation of the specific reasons for the delay and makes a decision as soon as practicable;
- (h) if the park owner denies tenancy to a prospective buyer, the park owner gives the prospective buyer a written explanation of the denial within three days of receiving a written request for an explanation; and
- (i) the decision to deny tenancy is reasonable in light of the criteria set forth in section 327C.01, subdivision 8.

Subd. 3. **Application information.** When the prospective buyer of an in park sale seeks approval as a resident, the park owner may require the prospective buyer to submit information reasonably necessary to determine whether the prospective buyer satisfies the park's criteria as stated by the park in its rules. The required information may include the purchase price of the home and the amount of monthly payments on the home, together with any documents reasonably necessary to verify the information. The park owner may inquire into the creditworthiness of the prospective buyer but may not require the submission of any information concerning the business relationship between the seller and a dealer acting for the seller.

Subd. 3a. **Safety feature disclosure form.** A resident or a resident's agent shall disclose information about safety features of the home to the prospective buyer. The information must be given to the buyer before the sale, in writing, in the following form:

This form is required by law to be filled out and given to the prospective buyer of any used manufactured home by all private parties, dealers, and brokers.

This home has at least one egress window in each bedroom, or a window in each bedroom that meets the specifications of the American National Standard Institute 1972 Standard A119.1 covering manufactured homes made in Minnesota. This standard requires that the window be at least 22 inches in least dimension, and at least five square feet in area, and that the window be not more than four feet off the floor. Egress windows installed in compliance with the United States Department of Housing and Urban Development Manufactured Home Standards or the State Building Code are deemed to meet the requirements of this section.

Yes No

This home has (number) of exits. They are located

This home is equipped with fire extinguishers as required by the Minnesota state Health Department.

Yes No

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They are located

This home is equipped with at least one listed automatic smoke detector outside each sleeping area as required in homes built in accordance with the State Building Code.

Yes No

This home has aluminum electrical wiring.

Yes No

Aluminum electrical wiring can present a fire hazard in homes. The special hazards presented by aluminum electrical wiring can be eliminated by certain repairs, as recommended by the United States Consumer Product Safety Commission.

A. The wiring connections to the outlets in this home have been crimped, and the connection point is now copper.

Yes No

B. This home has electrical outlets and switches compatible with aluminum electrical wiring.

Yes No

C. Other action has been taken to eliminate or reduce the danger caused by aluminum electrical wiring in this home. (Describe)

(The buyer may check the effectiveness of these methods by contacting the United States Consumer Product Safety Commission.)

The furnace compartment in this home is lined with gypsum board, as specified in the 1976 United States Department of Housing and Urban Development codes governing manufactured housing construction.

Yes No

The water heater enclosure in this home is lined with gypsum board, as specified in the 1976 United States Department of Housing and Urban Development codes governing manufactured housing construction.

Yes No

This home contains a solid fuel burning stove. This stove was installed by the manufacturer of the home after June 15, 1976, and was inspected for compliance with the United States Department of Housing and Urban Development Manufactured Home Standards.

Yes No

This home contains a solid fuel burning stove. This stove unit is approved for installation in manufactured homes. It was installed by in accordance with the manufacturer's guidelines. A building permit for this stove was issued by the city of, and this stove installation has been approved by the building official.

Yes No

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This home contains a solid fuel burning fireplace. The fireplace was installed by the manufacturer of the home after June 15, 1976, and was inspected for compliance with the United States Department of Housing and Urban Development Manufactured Home Standards.

Yes No

This home contains a solid fuel burning fireplace. This fireplace unit is approved for installation in manufactured homes. It was installed by in accordance with the manufacturer's guidelines. A building permit for this fireplace was issued by the city of, and this fireplace installation has been approved by the building official.

Yes No

This home is supported by a support system, as required by state code since September 1, 1974.

Yes No

It is also recommended that the buyer check the home's heat tape. Old and worn heat tape, and improper installation of heat tape, can cause a fire hazard.

It is recommended that the buyer have a qualified utility representative check the furnace and water heater to see that they are both in good working order. If this home was converted from oil to natural gas heat, there could be safety problems if the conversion was not done correctly. A utility representative or building official can inspect the condition and installation of this equipment. They may charge a reasonable fee to do so. It is also recommended that the buyer check the floor area around the water heater and furnace compartments. A weakened floor can create a fire hazard.

It is also recommended that the buyer have a utility approved energy audit of the home.

If you purchase the home, you will be required to install egress windows within one year and smoke detectors and fire extinguishers within 30 days. You will be required to comply with all of the safety features contained in this form within three years.

I,, the undersigned, hereby declare that the above information is true and correct to the best of my knowledge.

.....
Signature

.....
Date

A park owner shall provide a resident or a resident's agent with a copy of the safety feature disclosure form upon request.

Subd. 4. **Inspections of the home.** Before approving an in park sale, the park owner may inspect the resident's lot and the exterior of the resident's manufactured home to see whether they comply with reasonable and preexisting rules applicable to the resident and relating to maintenance. The park owner may not charge any fee for this inspection. As a condition to approving an in park sale, the park owner may require that the resident or the prospective buyer take whatever action is necessary to bring the lot or the home exterior into compliance with preexisting maintenance rules applicable to the resident, and may require that any lot rent and other charges due to the park be paid. The park owner may require the prospective buyer to agree to rules different from those applicable to the resident, but the park owner may not require the

prospective buyer or the resident to comply with any rule adopted or amended after the resident entered into the rental agreement which would:

(a) significantly increase the difficulty or time involved in selling the resident's home;

(b) significantly decrease the price at which the resident's home can be sold; or

(c) involve any other significant cost for either the resident or the buyer, except for costs involved in doing any work necessary to bring the home or lot into compliance with preexisting maintenance rules applicable to the resident.

Provided that if a part of the resident's home, shed, or other appurtenance has become so dilapidated that repair is impractical and total replacement is necessary, the park owner may require the resident or prospective buyer to make the replacement in conformity with a generally applicable rule adopted after the resident initially entered into a rental agreement with the park owner.

Subd. 5. Temporary vacancy of home. If a home is being offered for in park sale, the home may remain vacant for 90 days, or longer if not prohibited by park rules. The park owner may not impose any additional fees or requirements on the owner of a vacant home being offered for in park sale, but the rent must be paid on time and the home and the lot must be maintained as required by the rules.

Subd. 6. Sales contingent. Any contract for an in park sale which is not expressly made contingent on the park owner's approval of the buyer as a resident is voidable at the instance of the buyer if the park owner's approval is denied. Any person who sells, or signs a contract purporting to sell, a home located in a park while representing, either directly or indirectly, that the buyer can maintain the home in the park, and who does not inform the buyer in writing that the sale is contingent on the park owner's approval of the buyer as a resident has violated section 325F.69, subdivision 1.

Subd. 7. Repossessing finance parties. Any holder of a security interest who repossesses a manufactured home located in a park has the same rights as a resident to sell the home through an in park sale if:

(a) as soon as the secured party either accepts voluntary repossession or takes any action pursuant to sections 327.61 to 327.67, the secured party notifies the park owner that the home has been or is being repossessed;

(b) at the time the park owner receives the notice, the park owner has not already recovered possession of the lot through an eviction proceeding;

(c) the secured party pays any past due lot rent not to exceed three months rent;

(d) the secured party makes monthly lot rent payments until a buyer of the repossessed home has been approved by the park owner as a resident. A secured party's liability for past due rent under this subdivision does not include late fees or other charges; and

(e) the secured party complies with all park rules relating to lot and home maintenance.

A secured party who is offering a home for in park sale under this subdivision is subject to eviction on the same grounds as a resident.

Subd. 8. Compliance with home safety features. Within 12 months following the in park sale of a home for which a home safety feature disclosure form has been provided under subdivision 3a, the buyer shall install egress windows meeting the specifications of the American National Standard Institute 1972 Standard A119.1 covering manufactured homes made in Minnesota. Within 30 days following the in park sale of a home for which a home safety feature disclosure form has been provided under subdivision 3a, the buyer shall install fire extinguishers and smoke detectors as required by the Minnesota state Health Department and State Building Code.

In addition to the previous requirements, within three years following the sale or upon the resale of the home the buyer shall install the following home safety features:

(a) Necessary aluminum electrical wiring repairs conforming with the recommendations of the Consumer Product Safety Commission;

(b) Gypsum board lining or similar fire-resistant material for furnaces and water heater enclosures conforming with the Department of Housing and Urban Development Manufactured Home Standards;

(c) If the home contains a solid fuel burning stove or fireplace, installation in conformance with Department of Housing and Urban Development Manufactured Home Standards; and

(d) Support systems as required by the State Building Code.

Following installation of the safety features required under this subdivision, the home must be inspected by a state certified building official. The official may charge a reasonable fee, not to exceed \$50, for the inspection. The homeowner shall give the park owner a certificate of inspection certifying that the home safety features required under this subdivision have been installed. This subdivision does not impose any duty or obligation upon a broker, dealer, lender, or park owner to monitor completion of any repairs required, nor does it impose liability on any broker, dealer, lender, or park owner for any injury or claim of whatever nature, which may arise as a result of the failure of the buyer of the home to comply with the home safety features required herein. Failure to comply with the requirements of this subdivision is a park rule violation for purposes of section 327C.09.

History: 1982 c 526 art 2 s 7; 1983 c 206 s 2-4; 1984 c 406 s 2,3; 1986 c 444; 1Sp1986 c 3 art 1 s 36; 1987 c 384 art 1 s 32; 1997 c 61 s 2; 2003 c 2 art 2 s 4

327C.08 REMOVAL AFTER REPOSSESSION.

A secured party who repossesses a manufactured home located in a park and then removes the home from the lot owes the park owner rent for the period beginning when the secured party accepts voluntary repossession or takes an action pursuant to sections 327.61 to 327.67 and ending on the last day of the calendar month in which the home is removed. The secured party does not owe the park owner any lot rent or other charges which accrued prior to the time the secured party accepted voluntary repossession or took action pursuant to sections 327.61 to 327.67, if:

(a) Within seven days after accepting voluntary repossession or taking action pursuant to sections 327.61 to 327.67, the secured party notifies the park owner in writing that the home is being repossessed;

(b) During a proceeding for repossession pursuant to sections 327.61 to 327.67 or chapter 565, the secured party pays each month's lot rent as the rent becomes due; and

(c) Within seven days of accepting voluntary repossession or obtaining a court order for repossession, the secured party removes the home from the park.

If the secured party fails to meet any of these conditions, the secured party shall also be liable to the park owner for all overduo rent, not to exceed three months and not including late fees or other charges, owed to the park owner on account of the home.

This section does not affect any liability or obligation which a secured party may have to a park owner who pursuant to a writ of restitution has removed a home from a lot and stored the home.

History: 1982 c 526 art 2 s 8

327C.09 TERMINATION.

Subdivision 1. **Cause required.** A park owner may recover possession of land upon which a manufactured home is situated only for a reason specified in this section or section 327C.095.

Subd. 2. **Nonpayment of rent or utilities.** The park owner gives ten days' written notice to the resident and to any party holding a security interest in the resident's home known to the park owner that a periodic rental or utilities payment owed to the park owner is overdue, and neither the resident nor the secured party cures the default within ten days of receiving the notice.

Subd. 3. **Violations of law.** The resident fails to comply with a local ordinance, state law or state rule relating to manufactured homes within the time the ordinance, state law or state rule provides or, if no time is provided, within a reasonable time after the resident has received written notice of noncompliance.

Subd. 4. **Rule violations.** The resident fails to comply with a rule within 30 days after receiving written notice of the alleged noncompliance, except the 30-day notice requirement does not apply to nonpayment of rent. To be effective, the notice must specify the date, approximate time, and nature of the alleged rule violation. Loud noise created by residents, guests, or their equipment is a rule violation. After written notice has been provided for two prior incidents, loud noise is a violation of subdivision 5.

Subd. 5. **Endangerment; substantial annoyance.** The resident acts in the park in a manner which endangers other residents or park personnel, causes substantial damage to the park premises or substantially annoys other residents, and has received 30 days' written notice to vacate, except the park owner may require the resident to vacate immediately if the resident violates this subdivision a second or subsequent time after receipt of the notice. To be effective, the notice must specify the time, date, and nature of the alleged annoyance, damage, or endangerment. A park owner seeking to evict pursuant to this subdivision need not produce evidence of a criminal conviction, even if the alleged misconduct constitutes a criminal offense.

Subd. 6. **Repeated serious violations.** The resident has repeatedly committed serious violations of the rental agreement or provisions of a local ordinance or state law or state rule relating to manufactured homes, and the park owner has given the resident written notice of the violations and has given the resident a written warning that any future serious violation will be treated as cause for eviction as provided in this subdivision, and within six months of receiving the warning the resident commits a serious violation of any park rule or any provision of a local ordinance or state law or state rule relating to manufactured homes.

Subd. 7. **Material misstatement in application.** The resident's application for tenancy contained a material misstatement which induced the park owner to approve the applicant as a resident, and the park owner discovers and acts upon the misstatement within one year of the time the resident began paying rent.

Subd. 8. **Improvements.** The park owner has specific plans to make improvements to the park premises which will substantially benefit the health and safety of the residents or have been ordered by a government agency, and which necessitate removal of the resident's manufactured home from the park. The park owner must give the resident 90 days' written notice and include in that notice a statement identifying how the improvements will substantially benefit the health and safety of the residents. If another lot is available in the park, the park owner must allow the resident to relocate the home to that lot unless the home, because of its size or local ordinance, is not compatible with that lot.

Subd. 9. [Repealed, 1987 c 179 s 12]

History: 1982 c 526 art 2 s 9; 1987 c 179 s 6-8; 1996 c 311 s 1; 1997 c 61 s 3

327C.095 PARK CLOSINGS.

Subdivision 1. **Conversion of use; minimum notice.** At least nine months before the conversion of all or a portion of a manufactured home park to another use, or before closure of a manufactured home park or cessation of use of the land as a manufactured home park, the park owner must prepare a closure statement and provide a copy to the local planning agency and a copy to a resident of each manufactured home where the residential use is being converted. A resident may not be required to vacate until 60 days after the conclusion of the public hearing required under subdivision 4. If a lot is available in another section of the park that will continue to be operated as a park, the park owner must allow the resident to relocate the home to that lot unless the home, because of its size or local ordinance, is not compatible with that lot.

Subd. 2. **Notice of hearing; proposed change in land use.** If the planned conversion or cessation of operation requires a variance or zoning change, the municipality must mail a notice at least ten days before the hearing to a resident of each manufactured home in the park stating the time, place, and purpose of the public hearing. The park owner shall provide the municipality with a list of the names and addresses of at least one resident of each manufactured home in the park at the time application is made for a variance or zoning change.

Subd. 3. **Closure statement.** Upon receipt of the closure statement from the park owner, the local planning agency shall submit the closure statement to the governing body of the municipality and request the governing body to schedule a public hearing. The municipality must mail a notice at least ten days before the hearing to a resident of each manufactured home in the park stating the time, place, and purpose of the public hearing. The park owner shall provide the municipality with a list of the names and addresses of at least one resident of each manufactured home in the park at the time the closure statement is submitted to the local planning agency.

Subd. 4. **Public hearing; relocation costs.** The governing body of the municipality shall hold a public hearing to review the closure statement and any impact that the park closing may have on the displaced residents and the park owner. Before any change in use or cessation of operation and as a condition of the change, the governing body may require a payment by the park owner to be made to the displaced resident for the reasonable relocation costs. If a resident cannot relocate the home to another manufactured home park within a 25 mile radius of the park that is being closed, the resident is entitled to relocation costs based upon an average of relocation costs awarded to other residents.

The governing body of the municipality may also require that other parties, including the municipality, involved in the park closing provide additional compensation to residents to mitigate the adverse financial impact of the park closing upon the residents.

Subd. 5. **Park conversions.** If the planned cessation of operation is for the purpose of converting the part of the park occupied by the resident to a common interest community pursuant to chapter 515B, the provisions of section 515B.4-111, except subsection (a), shall apply. The nine-month notice required by this section shall state that the cessation is for the purpose of conversion and shall set forth the rights conferred by this subdivision and section 515B.4-111, subsection (b). Not less than 120 days before the end of the nine months, the park owner shall serve upon the resident a form of purchase agreement setting forth the terms of sale contemplated by section 515B.4-111, subsection (d). Service of that form shall operate as the notice described by section 515B.4-111, subsection (a).

Subd. 6. **Intent to convert use of park at time of purchase.** Before the execution of an agreement to purchase a manufactured home park, the purchaser must notify the park owner, in writing, if the purchaser intends to close the manufactured home park or convert it to another use within one year of the execution of the agreement. The park owner shall provide a resident of each manufactured home with a 45-day written notice of the purchaser's intent to close the park or convert it to another use. The notice must state that the park owner will provide information on the cash price and the terms and conditions of the purchaser's offer to residents requesting the information. The notice must be sent by first class mail to a resident of each manufactured home in the park. The notice period begins on the postmark date affixed to the notice and ends 45 days after it begins. During the notice period required in this subdivision, the owners of at least 51 percent of the manufactured homes in the park or a nonprofit organization which has the written permission of the owners of at least 51 percent of the manufactured homes in the park to represent them in the acquisition of the park shall have the right to meet the cash price and execute an agreement to purchase the park for the purposes of keeping the park as a manufactured housing community. The park owner must accept the offer if it meets the cash price and the same terms and conditions set forth in the purchaser's offer except that the seller is not obligated to provide owner financing. For purposes of this section, cash price means the cash price

offer or equivalent cash offer as defined in section 500.245, subdivision 1, paragraph (d).

Subd. 7. **Intent to convert use of park after purchase.** If the purchaser of a manufactured home park decides to convert the park to another use within one year after the purchase of the park, the purchaser must offer the park for purchase by the residents of the park. For purposes of this subdivision, the date of purchase is the date of the transfer of the title to the purchaser. The purchaser must provide a resident of each manufactured home with a written notice of the intent to close the park and all of the owners of at least 51 percent of the manufactured homes in the park or a nonprofit organization which has the written permission of the owners of at least 51 percent of the manufactured homes in the park to represent them in the acquisition of the park shall have 45 days to execute an agreement for the purchase of the park at a cash price equal to the original purchase price paid by the purchaser plus any documented expenses relating to the acquisition and improvement of the park property, together with any increase in value due to appreciation of the park. The purchaser must execute the purchase agreement at the price specified in this subdivision and pay the cash price within 90 days of the date of the purchase agreement. The notice must be sent by first class mail to a resident of each manufactured home in the park. The notice period begins on the postmark date affixed to the notice and ends 45 days after it begins.

Subd. 8. **Required filing of notice.** Subdivisions 6 and 7 apply to manufactured home parks upon which notice has been filed with the county recorder or registrar of titles in the county where the manufactured home park is located. Any person may file the notice required under this subdivision with the county recorder or registrar of titles. The notice must be in the following form:

“MANUFACTURED HOME PARK NOTICE

THIS PROPERTY IS USED AS A MANUFACTURED HOME PARK

.....

PARK OWNER

.....

.....

.....

LEGAL DESCRIPTION OF PARK

.....

COOPERATIVE ASSOCIATION (IF APPLICABLE)”

Subd. 9. **Effect of noncompliance.** If a manufactured home park is finally sold or converted to another use in violation of subdivision 6 or 7, the residents do not have any continuing right to purchase the park as a result of that sale or conversion. A violation of subdivision 6 or 7 is subject to section 8.31, except that relief shall be limited so that questions of marketability of title shall not be affected.

Subd. 10. **Exclusion.** Subdivisions 6 and 7 do not apply to:

- (1) a conveyance of an interest in a manufactured home park incidental to the financing of the manufactured home park;
- (2) a conveyance by a mortgagee subsequent to foreclosure of a mortgage or a deed given in lieu of a foreclosure; or
- (3) a purchase of a manufactured home park by a governmental entity under its power of eminent domain.

Subd. 11. **Affidavit of compliance.** After a park is sold, a park owner or other person with personal knowledge may file an affidavit with the county recorder or registrar of titles in the county in which the park is located certifying compliance with subdivision 6 or 7 or that subdivisions 6 and 7 are not applicable. The affidavit may be used as proof of the facts stated in the affidavit. A person acquiring an interest in a park or a title insurance company or attorney who prepares, furnishes, or examines

evidence of title may rely on the truth and accuracy of statements made in the affidavit and is not required to inquire further as to the park owner's compliance with subdivisions 6 and 7. When an affidavit is filed, the right to purchase provided under subdivisions 6 and 7 terminate, and if registered property, the registrar of titles shall delete the memorials of the notice and affidavit from future certificates of title.

History: 1987 c 179 s 10; 1991 c 26 s 1-7; 1997 c 126 s 6; 1999 c 11 art 3 s 10

327C.096 NOTICE OF SALE.

When a park owner offers to sell a manufactured home park to the public through advertising in a newspaper or by listing the park with a realtor licensed by the Department of Commerce, the owner must provide concurrent written notice to a resident of each manufactured home in the park that the park is being offered for sale. Written notice provided once within a one-year period satisfies the requirement under this section. The notice provided by the park owner to a resident of each manufactured home does not grant any property rights in the park and is for informational purposes only. This section does not apply in the case of a taking by eminent domain, a transfer by a corporation to an affiliate, a transfer by a partnership to one or more of its partners, or a sale or transfer to a person who would be an heir of the owner if the owner were to die intestate. If at any time a manufactured home park owner receives an unsolicited bona fide offer to purchase the park that the owner intends to consider or make a counter offer to, the owner is under no obligation to notify the residents as required under this section.

History: 1991 c 26 s 8

327C.10 DEFENSES TO EVICTION.

Subdivision 1. **Nonpayment of rent.** In any action to recover possession for failure to pay rent, it shall be a defense that the sum allegedly due contains a charge which violates section 327C.03, or that the park owner has injured the defendant by failing to comply with section 504B.161.

Subd. 2. **Nonpayment of rent increase.** In any action to recover possession for failure to pay a rent increase, it shall be a defense that the park owner:

- (a) failed to comply with the provisions of section 327C.06, subdivision 1 or 3;
- (b) increased the rent in violation of section 327C.06, subdivision 2.

Subd. 3. **Rule violations.** In any action to recover possession for the violation of a park rule, it shall be a defense that the rule allegedly violated is unreasonable.

Subd. 4. **Retaliatory conduct.** In any action to recover possession it shall be a defense that the park owner has violated section 327C.12.

History: 1982 c 526 art 2 s 10; 1999 c 199 art 2 s 12

327C.11 EVICTION PROCEEDINGS.

Subdivision 1. **Right of redemption.** The right of redemption, as expressed in section 504B.291 and the common law, is available to a resident from whom a park owner seeks to recover possession for nonpayment of rent, but no resident may exercise that right more than twice in any 12-month period; provided, that a resident may exercise the right of redemption more than twice in any 12-month period by paying the park owner's actual reasonable attorney's fees as part of each additional exercise of that right during the 12-month period.

Subd. 2. **Waiver by accepting rent.** A park owner who gives a resident a notice as provided in section 327C.09, subdivision 3, 4, 6, or 8, or 327C.095, does not waive the notice by afterwards accepting rent. Acceptance of rent for a period after the expiration of a final notice to quit waives that notice unless the parties agree in writing after service of the notice that the notice continues in effect.

Subd. 3. **Writ of restitution stayed.** The issuance of a writ of restitution, other than a conditional writ, shall be stayed for a reasonable period not to exceed seven days to allow the resident to arrange to remove the resident's home from the lot.

Subd. 4. **Conditional writ.** Where the interests of justice require the court may issue a conditional writ of restitution, which orders the resident and all those in the resident's household to stop residing in the park within a reasonable period not to exceed seven days, but which allows the resident's home to remain on the lot for 60 days for the purpose of an in park sale, as provided in section 327C.07. The writ shall also direct the park owner to notify any party holding a security interest in the resident's home and known to the park owner, of the provisions of the writ. If the court issues a conditional writ, the resident may keep the home on the lot for 60 days for an in park sale if:

(a) neither the resident nor members of the resident's household reside in the park;

(b) the resident complies with all rules relating to home and lot maintenance; and

(c) the resident pays on time all rent and utility charges owed to the park owner. If the resident fails to meet any of these conditions, the park owner may, on three days' written notice to the resident, move the court for an order making the writ of restitution unconditional. Sixty-one days after the issuance of a conditional writ, the writ shall become absolute without further court action.

History: 1982 c 526 art 2 s 11; 1986 c 444; 1987 c 179 s 9; 1999 c 199 art 2 s 13

327C.12 RETALIATORY CONDUCT PROHIBITED.

A park owner may not increase rent, decrease services, alter an existing rental agreement or seek to recover possession or threaten such action in whole or in part as a penalty for a resident's:

(a) good faith complaint to the park owner or to a government agency or official;

(b) good faith attempt to exercise rights or remedies pursuant to state or federal law; or

(c) joining and participating in the activities of a resident association as defined under section 327C.01, subdivision 9a.

In any proceeding in which retaliatory conduct is alleged, the burden of proving otherwise shall be on the park owner if the owner's challenged action began within 90 days after the resident engaged in any of the activities identified in clause (a), (b), or (c). If the challenged action began more than 90 days after the resident engaged in the protected activity, the party claiming retaliation must make a prima facie case. The park owner must then prove otherwise.

History: 1982 c 526 art 2 s 12; 1986 c 444; 1992 c 511 art 2 s 33; 1995 c 13 s 1

327C.13 FREEDOM OF EXPRESSION.

No park owner shall prohibit or adopt any rule prohibiting residents or other persons from peacefully organizing, assembling, canvassing, leafletting or otherwise exercising within the park their right of free expression for noncommercial purposes. A park owner may adopt and enforce rules that set reasonable limits as to time, place and manner.

History: 1982 c 526 art 2 s 13

327C.14 RIGHT OF ACCESS.

Subdivision 1. **To the home.** A park owner has no right of access to a manufactured home located within the park unless access is necessary to prevent damage to the park premises or to respond to an emergency.

Subd. 2. **To the lot.** A park owner may come onto a manufactured home lot in order to inspect the lot, make necessary or agreed upon repairs or improvements, supply necessary or agreed upon goods or services or exhibit the lot to prospective or actual purchasers, mortgagees, residents, workers or contractors. The park owner may come onto the resident's lot whenever necessary to respond to or prevent an emergen-

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cy, but otherwise may not come onto the lot at unreasonable times or in a way that unreasonably disrupts the resident's use and enjoyment of the lot.

History: *1982 c 526 art 2 s 14*

327C.15 REMEDIES; PENALTIES; ENFORCEMENT.

Any violation of sections 327C.01 to 327C.14 is a violation of a law referred to in section 8.31, subdivision 1.

History: *1982 c 526 art 2 s 15*