

48 Section 1. Legislative findings. The legislature finds and declares  
49 that:

50 a. Manufactured homes are a critical source of affordable housing for  
51 residents in New York state.

52 b. Factors unique to home ownership in manufactured home parks in New  
53 York state require that the owners of such manufactured homes be  
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1 protected from involuntary forfeiture of their homes due to unreasonable  
2 increases in lot rent.

3 c. Homeownership in such manufactured home parks differs from other  
4 forms of homeownership as well as from the traditional landlord-tenant  
5 relationship. Unlike other homeowners, because the manufactured homeown-  
6 ers do not control the land on which their manufactured homes exist,  
7 they have no control over this substantial portion of their housing  
8 costs.

9 d. Vacancies in existing manufactured home parks are extremely rare in  
10 New York state, and the cost of relocating a manufactured home, even if  
11 such a vacancy exists, is prohibitively high and may not be feasible due  
12 to the structural integrity of the home.

13 e. The manufactured homeowners' lack of bargaining power disrupts the  
14 normal operation of market forces and renders such manufactured homeown-  
15 ers captive to whatever terms a manufactured home park owner may choose  
16 to impose. This results in manufactured homeowners being evicted because  
17 of manufactured home parks' rents they can no longer afford, and as a  
18 result, losing their manufactured home and the equity they have built  
19 altogether because there is not an alternative site on which to place  
20 such home.

21 f. Under current law, manufactured homeowners who rent in manufactured  
22 home parks have no legal remedy for an unjustifiable and unreasonable  
23 rent increase.

24 g. The legislature therefore declares that in order to prevent hard-  
25 ship, unjustifiable rent increases, loss of equity, and the dislocation  
26 of residents living in manufactured home parks, the provisions of this  
27 act are necessary to protect the safety and general welfare of manufac-  
28 tured home owners and tenants.

29 § 2. Subdivision a of section 233 of the real property law is amended  
30 by adding two new paragraphs 6 and 7 to read as follows:

31 **6. The term "rent-to-own contract" shall mean any agreement between a**  
32 **manufactured home park owner or operator and a manufactured home renter**  
33 **which provides that after a specified term or other contingency the**  
34 **manufactured home renter will take ownership of the rented home.**

35 **7. The term "rent-to-own payment" shall mean any payment or payments**  
36 **made by a manufactured home renter pursuant to a rent-to-own contract**  
37 **which are in addition to rental payments for the rented site and the**  
38 **rented home.**

39 § 3. Paragraphs 1 and 6 of subdivision b of section 233 of the real  
40 property law, paragraph 1 as amended by chapter 566 of the laws of 1996  
41 and paragraph 6 as amended by chapter 561 of the laws of 2008, are  
42 amended to read as follows:

43 ~~[1. The manufactured home tenant continues in possession of any~~  
44 ~~portion of the premises after the expiration of his term without the~~  
45 ~~permission of the manufactured home park owner or operator.]~~

46 6. (i) The manufactured home park owner or operator proposes a change  
47 in the use of the land comprising the manufactured home park, or a

48 portion thereof, on which the manufactured home is located, from manu-  
49 factured home lot rentals to some other use, provided the manufactured  
50 home owner is given written notice of the proposed change of use and the  
51 manufactured home owner's need to secure other accommodations. Whenever  
52 a manufactured home park owner or operator gives a notice of proposed  
53 change of use to any manufactured home owner, the manufactured home park  
54 owner or operator shall, at the same time, give notice of the proposed  
55 change of use to all other manufactured home owners or tenants in the  
56 manufactured home park who will be required to secure other accommo-  
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1 dations as a result of such proposed change of use. Eviction  
2 proceedings based on a change in use shall not be commenced prior to  
3 [~~six months~~] two years from the service of notice of proposed change in  
4 use [~~or the end of the lease term, whichever is later~~]. Such notice  
5 shall be served in the manner prescribed in section seven hundred thir-  
6 ty-five of the real property actions and proceedings law or by certified  
7 mail, return receipt requested.

8 (ii) Where a purchaser of a manufactured home park certified that such  
9 purchaser did not intend to change the use of the land pursuant to para-  
10 graph (b) of subdivision two of section two hundred thirty-three-a of  
11 this article, no eviction proceedings based on a change of use shall be  
12 commenced until the expiration of sixty months from the date of the  
13 closing on the sale of the park.

14 (iii) (A) The manufactured home park owner or operator shall provide  
15 the manufactured home owner a stipend of up to fifteen thousand dollars  
16 per manufactured home owner, pursuant to a court order. A warrant for  
17 eviction cannot be executed until the stipend has been paid to the manu-  
18 factured home owner being evicted.

19 (B) The court shall calculate the stipend based upon consideration of  
20 the following factors:

- 21 (1) The cost of relocation of the manufactured home;  
22 (2) The number of manufactured homes in the same park that would be  
23 receiving a stipend;  
24 (3) The amount the real property is being purchased for;  
25 (4) The value of the real property the manufactured home is located  
26 on;  
27 (5) The value of the development rights attached to real property  
28 parcel the manufactured home is located on; and  
29 (6) Any other factors the court determines are relevant in each case.

30 (C) In the event the manufactured home owner is not removed and the  
31 eviction proceeding is terminated the manufactured home owner shall  
32 return the stipend to the park owner. The weight to be afforded to each  
33 of the various factors is within the discretion of the trial court.

34 § 4. Subdivision e of section 233 of the real property law, as amended  
35 by chapter 566 of the laws of 1996, is amended to read as follows:

36 e. Leases. 1. The manufactured home park owner or operator shall offer  
37 every manufactured home tenant prior to occupancy, the opportunity to  
38 sign a lease for a minimum of one year, which offer shall be made in  
39 writing. All lease offers, including initial and renewal leases, shall  
40 include a rider regarding tenant rights. Such rider shall be in a form  
41 approved or promulgated by the commissioner of housing and community  
42 renewal and which shall be made available to manufactured home park  
43 owners and operators.

44 2. (i) On or before, as appropriate, (a) the first day of October of  
45 each calendar year with respect to a manufactured home owner [~~then in~~  
46 ~~good standing~~] who is not currently a party to a written lease with a

47 manufactured home park owner or operator or (b) the ninetieth day next  
48 preceding the expiration date of any existing written lease between a  
49 manufactured home owner [~~then in good standing~~] and a manufactured home  
50 park owner or operator, the manufactured home park owner or operator  
51 shall submit to each such manufactured home owner a written offer to  
52 lease for a term of at least twelve months from the commencement date  
53 thereof unless the manufactured home park owner or operator has previ-  
54 ously furnished the manufactured home owner with written notification of  
55 a proposed change of use pursuant to paragraph six of subdivision b of  
56 this section. Any such offer shall include a copy of the proposed lease  
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1 containing such terms and conditions, including provisions for rent and  
2 other charges, as the manufactured home park owner shall deem appropri-  
3 ate; provided such terms and conditions are consistent with all rules  
4 and regulations promulgated by the manufactured home park operator prior  
5 to the date of the offer and are not otherwise prohibited or limited by  
6 applicable law. Such offer shall also contain a statement advising the  
7 manufactured home owner that if he or she fails to execute and return  
8 the lease to the manufactured home park owner or operator within thirty  
9 days after submission of such lease, the manufactured home owner shall  
10 be deemed to have declined the offer of a lease and shall not have any  
11 right to a lease from the manufactured home park owner or operator for  
12 the next succeeding twelve months.

13 [~~(ii) For purposes of this paragraph, a manufactured home owner shall~~  
14 ~~be deemed in good standing if he or she is not in default in the payment~~  
15 ~~of more than one month's rent to the manufactured home park owner, and~~  
16 ~~is not in violation of paragraph three, four or five of subdivision b of~~  
17 ~~this section. No manufactured home park owner or operator shall refuse~~  
18 ~~to provide a written offer to lease based on a default of rent payments~~  
19 ~~or a violation of paragraph three, four or five of subdivision b of this~~  
20 ~~section unless, at least thirty days prior to the last date on which the~~  
21 ~~owner or operator would otherwise be required to provide such written~~  
22 ~~offer to lease, the owner or operator notifies the manufactured home~~  
23 ~~owner, in writing, of the default in rent or the specific grounds~~  
24 ~~constituting the violation and such grounds continues up and until the~~  
25 ~~fifth calendar day immediately preceding the last date on which the~~  
26 ~~written offer would otherwise be required to be made.~~

27 ~~(iii)]~~ (ii) For purposes of this paragraph, the commencement date of  
28 any lease offered by the manufactured home park owner to the manufac-  
29 tured home owner shall be the ninetieth day after the date upon which  
30 the manufactured home park owner shall have provided the offer required  
31 pursuant to this paragraph; provided, however, that no such lease shall  
32 be effective if, on such commencement date, the manufactured home owner  
33 is in default of more than one month's rent. In the event the manufac-  
34 tured home owner shall have failed to execute and return said lease to  
35 the manufactured home park owner or operator within thirty days after it  
36 is submitted to the manufactured home owner as required by subparagraph  
37 (i) of this paragraph the manufactured home owner shall be deemed to  
38 have declined to enter said lease.

39 3. No lease provision shall be inconsistent with any rule or regu-  
40 lation in effect at the commencement of the lease.

41 4. If a manufactured home park owner or operator fails to offer a  
42 tenant a lease as provided in this subdivision, the tenant shall have  
43 all the rights of a leaseholder and may not be evicted for other than  
44 the reasons specified in paragraph two, three, four, five or six of  
45 subdivision (b) of this section.

46 5. All rent increases, including all fees, rents, charges, assessments  
47 and utilities, shall be subject and pursuant to section two hundred  
48 thirty-three-b of this article.

49 § 5. Paragraphs 2 and 3 of subdivision g of section 233 of the real  
50 property law, as amended by chapter 566 of the laws of 1996, are amended  
51 to read as follows:

52 2. A manufactured home park owner or operator shall be required to  
53 fully disclose in writing all fees, charges, assessments, including  
54 rental fees, rules and regulations prior to [~~a manufactured home tenant~~  
55 ~~assuming occupancy~~] entering into a rental agreement with a prospective  
56 tenant in the manufactured home park.

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1 3. No fees, charges, assessments or rental fees may be increased by  
2 manufactured home park owner or operator without specifying the date of  
3 implementation of said fees, charges, assessments or rental fees which  
4 date shall be no less than ninety days after written notice to all manu-  
5 factured home tenants. Failure on the part of the manufactured home park  
6 owner or operator to fully disclose all fees, charges or assessments  
7 shall prevent the manufactured home park owner or operator from collect-  
8 ing said fees, charges or assessments, and refusal by the manufactured  
9 home tenant to pay any undisclosed charges shall not be used by the  
10 manufactured home park owner or operator as a cause for eviction in any  
11 court of law. Rent, utilities and charges for facilities and services  
12 available to the tenant may not be increased unless a lease has been  
13 offered to the tenant as required by subdivision e of this section.

14 § 6. Subdivision m of section 233 of the real property law, as amended  
15 by chapter 566 of the laws of 1996, is amended to read as follows:

16 m. Warranty of habitability, maintenance, disruption of services. In  
17 every written or oral lease or rental agreement entered into by a manu-  
18 factured home tenant, the manufactured home park owner or operator shall  
19 be deemed to covenant and warrant that the premises so leased or rented  
20 and the manufactured home if rented, including rental through a rent-to-  
21 own contract, and all areas used in connection therewith in common with  
22 other manufactured home tenants or residents including all roads within  
23 the manufactured home park are fit for human habitation and for the uses  
24 reasonably intended by the parties and that the occupants of such prem-  
25 ises and such manufactured homes if rented shall not be subjected to any  
26 conditions which would be dangerous, hazardous or detrimental to their  
27 life, health or safety. When any such condition has been caused by the  
28 misconduct of the manufactured home tenant or lessee or persons under  
29 his direction or control, it shall not constitute a breach of such  
30 covenants and warranties. The rights and obligations of the manufactured  
31 home park owner or operator and the manufactured home tenant shall be  
32 governed by the provisions of this subdivision and subdivisions two and  
33 three of section two hundred thirty-five-b of this article.

34 § 7. Subdivision o of section 233 of the real property law, as amended  
35 by chapter 566 of the laws of 1996, is amended to read as follows:

36 o. Whenever a lease shall provide that in any action or summary  
37 proceeding the manufactured home park owner or operator may recover  
38 attorney's fees and/or expenses [~~incurred as the result of the failure~~  
39 ~~of the tenant to perform any covenant or agreement contained in such~~  
40 ~~lease, or that amounts paid by the manufactured home park owner or oper-~~  
41 ~~ator therefor shall be paid by the tenant as additional rent~~] awarded by  
42 a court, there shall be implied in such lease a covenant by the manufac-  
43 tured home park owner or operator, to pay to the tenant the reasonable  
44 attorney's fees and/or expenses incurred by the tenant to the same

45 extent as is provided in section two hundred thirty-four of this article  
46 which section shall apply in its entirety. A manufactured home park  
47 owner or operator may not demand that a tenant pays attorneys' fees  
48 unless such fees have been awarded pursuant to a court order.

49 § 8. Subdivision r of section 233 of the real property law, as amended  
50 by chapter 566 of the laws of 1996, is amended to read as follows:

51 r. Limitation on late charges. A late charge on any rental payment by  
52 a manufactured home owner which has become due and remains unpaid shall  
53 not exceed and shall be enforced to the extent of [~~five~~] **three** percent  
54 of such delinquent payment; provided, however, that no charge shall be  
55 imposed on any rental payment by a manufactured home owner received  
56 within ten days after the due date. In the absence of a specific  
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1 provision in the lease or the manufactured home park's rules and regu-  
2 lations, no late charge on any delinquent rental payment shall be  
3 assessed or collected. Late charges may not be compounded and shall not  
4 be considered additional rent.

5 § 9. Section 233 of the real property law is amended by adding a new  
6 subdivision y to read as follows:

7 y. 1. No manufactured home park owner or operator shall offer or  
8 execute a rent-to-own contract unless the manufactured park owner or  
9 operator possesses documentation of ownership of the manufactured home,  
10 including a certificate of title to the home, if the home is a manufac-  
11 tured home subject to being titled pursuant to article forty-six of the  
12 vehicle and traffic law, or for mobile homes not subject to being titled  
13 pursuant to such law, such other documentation, which may include a bill  
14 of sale, or deed, sufficient to establish ownership.

15 2. Every rent-to-own contract shall be in writing and clearly state  
16 all terms, including but not limited to: a description of the home to be  
17 leased, including the name of the manufacturer, the serial number and  
18 the year of manufacture; the site number upon which the home is located  
19 in the manufactured home park; an itemized statement of any payments to  
20 be made during the term of the contract, including the initial lot rent,  
21 the rental amount for the home, and the amount of the rent-to-own  
22 payments; the term of the agreement; the number of payments, itemized,  
23 required to be made over the term of the agreement; the annual percent-  
24 age rate of the amount financed, if applicable; and the amount of any  
25 additional fees to be paid during the term. A rent-to-own contract shall  
26 not require a manufactured home tenant to pay any additional fees for  
27 transfer of ownership at the end of the lease period. A rent-to-own  
28 contract shall provide that where the rent-to-own tenant pays all rent-  
29 to-own payments and other fees established in the contract during the  
30 lease term, title transferred at the end of the lease term shall be free  
31 of superior interests, liens or encumbrances.

32 3. Valuations used to determine the fair market value of the manufac-  
33 tured home at the time the rent-to-own contract is entered into, shall  
34 be based on the information provided by an independent system, entity,  
35 publication or publications that provide valuation information for manu-  
36 factured homes adjusted, as appropriate, by reasonable and identifiable  
37 regional market data, such as location, park-specific amenities, trends  
38 and comparable sales.

39 4. Every rent-to-own contract shall clearly state that the manufac-  
40 tured home tenant is occupying a rented home, until ownership is trans-  
41 ferred, and that the manufactured home park owner and operator shall be  
42 responsible for compliance with the warranty of habitability, including  
43 but not limited to all major repairs and capital improvements.

44 5. With the execution of every rent-to-own contract, the manufactured  
45 home park owner or operator shall offer the manufactured home tenant a  
46 lease for the site on which the home is located as provided in subdivi-  
47 sion f of this section, and, if the term of the rent-to-own contract is  
48 longer than the term of the initial site lease, shall offer renewal  
49 leases on the same terms as provided to manufactured home tenants within  
50 the park pursuant to subdivision e of this section, provided that such  
51 renewal lease may not include a rent increase greater than that imposed  
52 on similarly situated manufactured home tenants that own their home  
53 within the park.

54 6. The manufactured home park owner or operator shall provide each  
55 manufactured home tenant who is a party to a rent-to-own contract an  
56 itemized accounting listing all payments made pursuant to the rent-to-  
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1 own contract. Such accounting shall be provided no less than once each  
2 year, beginning one year from the execution of the rent-to-own contract.  
3 Upon request by a manufactured home tenant, the manufactured home park  
4 owner or operator shall provide such an accounting within ten days of  
5 such request.

6 7. Any successor to ownership of the manufactured home park shall be  
7 bound by the terms of a rent-to-own contract entered into after the  
8 effective date of this subdivision.

9 8. If a manufactured home tenant's tenancy is terminated by the manu-  
10 factured home park owner or operator during the term of a rent-to-own  
11 contract, all rent-to-own payments made during the term of the contract  
12 shall be refunded to the manufactured home tenant; if a manufactured  
13 home park owner or operator fails to refund such payments, in an  
14 eviction proceeding, the court may award the manufactured home renter  
15 damages in the amount of the rent-to-own payments which have not been  
16 refunded.

17 9. It is a violation of this section for a manufactured home park  
18 owner or operator to make any material misrepresentation, either written  
19 or oral, regarding any of the terms of a rent-to-own contract, or to  
20 obtain, or attempt to obtain, a waiver from any manufactured home renter  
21 of any protection or right provided under this subdivision.

22 10. (i) If a manufactured home park owner or operator violates the  
23 provisions of this subdivision or wrongfully evicts a manufactured home  
24 tenant who is a party to a rent-to-own contract, a court may award  
25 damages including treble the economic damages suffered by the manufac-  
26 tured home tenant, which may include all rent-to-own payments. The court  
27 may also provide for reasonable attorney fees and costs of litigation,  
28 and other equitable relief.

29 (ii) Failure of the manufactured home park owner or operator to comply  
30 with this section shall give the manufactured home renter the uncondi-  
31 tional right to cancel the rent-to-own contract and receive immediate  
32 refund of all payments and deposits made on account of or in contem-  
33 plation of the lease with the rent-to-own contract.

34 11. The provisions of this section apply to rent-to-own contracts and  
35 tenants with rent-to-own contracts.

36 § 10. Paragraphs (a) and (c) of subdivision 2 of section 233-a of the  
37 real property law, as added by chapter 561 of the laws of 2008, are  
38 amended to read as follows:

39 (a) If a manufactured home park owner receives a bona fide offer to  
40 purchase a manufactured home park that such manufactured home park owner  
41 intends to accept, or respond with a counteroffer, such manufactured  
42 home park owner shall require the prospective purchaser to provide, in

43 writing, the certification required by paragraph (b) of this subdivi-  
44 sion, and shall not accept any offer to purchase, nor respond with a  
45 counteroffer until such manufactured home park owner has received such  
46 certification and met the requirements of this section.

47 (c) If a manufactured home park owner takes any action to market or  
48 offer the park for sale, or receives a bona fide offer to purchase a  
49 manufactured home park that such manufactured home park owner intends to  
50 accept or respond to with a counteroffer, [~~such counteroffer~~] a manufac-  
51 tured home park owner shall include a notice stating that such accept-  
52 ance or counteroffer shall be subject to the right of the homeowners of  
53 the manufactured home park to purchase the manufactured home park pursu-  
54 ant to this subdivision. Notwithstanding any provision of law or agree-  
55 ment to the contrary, every [~~acceptance of a counteroffer~~] agreement to  
56 purchase a manufactured home park by a prospective purchaser of a manu-  
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1 factured home park shall be [~~deemed to be~~] subject to the right of the  
2 homeowners of the manufactured home park to purchase the manufactured  
3 home park pursuant to this subdivision if the purchaser certifies pursu-  
4 ant to paragraph (b) of this subdivision that he or she intends to  
5 change the use of the land.

6 § 11. The first subdivision 3 of section 233-a of the real property  
7 law, as added by chapter 561 of the laws of 2008, is amended to read as  
8 follows:

9 3. (a) If a manufactured home park owner receives a bona fide offer to  
10 purchase a manufactured home park that such manufactured home park owner  
11 intends to accept or respond to with a counteroffer, and the purchaser  
12 has certified pursuant to paragraph (b) of subdivision two of this  
13 section that he intends to change the use of the land, such manufactured  
14 home park owner shall notify:

15 (i) the officers of the manufactured homeowners' association within  
16 such park of [~~the offer to purchase and~~] all the terms thereof; provided  
17 that the park owner has been notified of the establishment of a manufac-  
18 tured homeowners' association and been provided with the names and  
19 addresses of the officers of such association; or

20 (ii) if no homeowners' association exists, all manufactured homeowners  
21 in the manufactured home park; and

22 (iii) the commissioner of housing and community renewal.

23 (b) The manufactured home park owner's notification shall state:

24 (i) the price [and];

25 (ii) the material terms and conditions of sale [~~or, in the case where~~  
26 ~~such manufactured home park owner intends to make a counteroffer, the~~  
27 ~~price and material terms and conditions~~] upon which such manufactured  
28 home park owner would sell the park;

29 (iii) that the manufactured homeowners have the right to organize a  
30 manufactured homeowners' association or a manufactured homeowners' coop-  
31 erative for the park;

32 (iv) that purchase financing may be available through the New York  
33 state homes and community renewal; and

34 (v) that the manufactured homeowners' association, a cooperative, or  
35 manufactured home owners or tenants have one hundred forty days to exer-  
36 cise their right to purchase the park in accordance with this section.

37 (c) (i) If a manufactured homeowners' association exists at the time  
38 of the offer, the association shall have the right to purchase the park;  
39 provided that the association shall have delivered to the manufactured  
40 home park owner an executed offer to purchase which meets the identical  
41 price, terms, and conditions of the offer or counteroffer provided in

42 the notice of the manufactured home park owner within one hundred [~~twenty~~  
43 ~~ty~~] forty days of receipt of notice from the manufactured home park  
44 owner, unless otherwise agreed to in writing. During this time period,  
45 the park owner shall not accept a final unconditional offer to purchase  
46 the park.

47 (ii) If an offer to purchase by the association is not delivered with-  
48 in such one hundred [~~twenty~~] forty day period, then, unless the park  
49 owner thereafter elects to offer to sell the park at a price lower than  
50 the price specified in the notice to the homeowners' association or at  
51 terms substantially different from those presented to the association,  
52 the park owner has no further obligations under this section.

53 (iii) If the park owner, after such one hundred [~~twenty~~] forty day  
54 period, elects to offer to sell the park at a price lower than the price  
55 specified in the notice given or at terms substantially different from  
56 those previously presented to the association, then the association  
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1 shall be entitled to notice thereof and shall have an additional [~~ten~~  
2 thirty] days after receipt of notice of the revised terms to deliver to  
3 the park owner an executed offer to purchase which meets the revised  
4 price, terms, and conditions as presented by the park owner.

5 (d) (i) If there is no existing homeowners' association at the time of  
6 the offer, the homeowners shall have the right to purchase the park;  
7 provided the following conditions are met:

8 (A) The manufactured homeowners shall have the right to form a manu-  
9 factured homeowners' association, whether incorporated or not.

10 (B) Such homeowners' association shall include at least fifty-one  
11 percent of all manufactured homeowners, who shall have given written  
12 consent to forming a manufactured homeowners' association. The  
13 provisions of section two hundred twenty-three-b of this article shall  
14 apply to the formation of a manufactured homeowners' association.

15 (C) The association, acting through its officers, shall have given  
16 notice to the park owner of its formation, the names and addresses of  
17 its officers, and delivered an executed offer to purchase the park at  
18 the identical price, terms, and conditions of the offer presented in the  
19 notification given by the park owner within one hundred [~~twenty~~] forty  
20 days of receipt of notice from the park owner, unless otherwise agreed  
21 to in writing. During this time period, the park owner shall not accept  
22 a final unconditional offer to purchase the park.

23 (ii) If the homeowners fail to form a manufactured homeowners' associ-  
24 ation, or if upon the formation of a manufactured homeowners' associ-  
25 ation, the association does not deliver an executed offer to purchase as  
26 set forth in paragraph (a) of this subdivision within the one hundred  
27 [~~twenty~~] forty day period, then, unless the park owner elects to offer  
28 the park at a price lower than the price specified in the notice previ-  
29 ously presented to the homeowners, the park owner has no further obli-  
30 gation under this section; and

31 (iii) If the park owner thereafter elects to sell the park at a price  
32 lower than the price specified in the notice to the homeowners or at  
33 terms substantially different from those previously presented, then the  
34 association shall have an additional [~~ten~~] thirty days after receipt of  
35 notice of the revised terms to deliver to the park owner an executed  
36 offer to purchase which meets the revised price, terms, and conditions  
37 as presented by the park owner.

38 § 12. The real property law is amended by adding a new section 233-b  
39 to read as follows:

40 § 233-b. Manufactured home parks; rent increases. 1. The provisions of



41 this section shall apply to all manufactured homes located in a manufac-  
42 tured home park as defined in section two hundred thirty-three of this  
43 article, however manufactured homes located in manufactured home parks  
44 that are subject to a regulatory agreement with a governmental entity to  
45 preserve affordable housing or that otherwise limits rent increases are  
46 exempt from the provisions of this section.

47 2. Increases in rent shall not exceed a three percent increase above  
48 the rent since the current rent became effective. In this section, rent  
49 shall mean all costs, including all rent, fees, charges, assessments,  
50 and utilities. Notwithstanding the above, a manufactured home park owner  
51 is permitted to increase the rent in excess of three percent above the  
52 rent since the current rent became effective, due to:

53 (a) Increases in the manufactured home park owner's operating  
54 expenses.

55 (b) Increases in the manufactured home park owner's property taxes on  
56 such park.

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1 (c) Increases in costs which are directly related to capital improve-  
2 ments in the park.

3 3. An increase above three percent may be challenged by an aggrieved  
4 manufactured homeowner as unjustified. Multiple aggrieved manufactured  
5 homeowners may join in the same action where there is a common question  
6 of law and fact.

7 4. Within ninety days of the proposed increase, an aggrieved manufac-  
8 tured homeowner may challenge such increase by filing an action in the  
9 court of appropriate subject matter jurisdiction where the real property  
10 is located seeking a declaratory judgment that the rent increase is  
11 unjustifiable.

12 5. In any proceeding under this section there shall be an irrebuttable  
13 presumption that a rent increase is justifiable when the amount of such  
14 increase does not exceed the tenant's pro-rata share in operating costs  
15 and property taxes for the manufactured home park in which the manufac-  
16 tured home owner resides.

17 6. (a) In determining whether a rent increase is permissible, the  
18 court shall consider the provisions of paragraphs (a), (b) and (c) of  
19 subdivision two of this section. Notwithstanding the above, rent  
20 increases shall not exceed six percent above the rent since the current  
21 rent became effective, except upon the approval of a temporary hardship  
22 application by the court. In addition to the provisions of this para-  
23 graph and paragraphs (b) and (c) of this subdivision the court shall  
24 take into account the following factors when determining whether to  
25 grant a temporary hardship application:

26 (i) The amount of increase being sought by the park owners;

27 (ii) The ability of the manufactured home owner to pay such increase  
28 including whether the increase would have an unreasonable adverse impact  
29 on the manufactured home owner;

30 (iii) The amount of time and notice the manufactured home owner may  
31 need in order to pay a temporary rent increase;

32 (iv) The duration the park owners intend for the temporary rent  
33 increase to last;

34 (v) The cause of the hardship the rent increase is being requested to  
35 alleviate, including whether the hardship was due to owner negligence  
36 and malfeasance;

37 (vi) The ability of the park owners to utilize other means besides a  
38 rent increase to alleviate said hardship;

39 (vii) The likelihood that the property the manufactured home park is

40 located on will go into foreclosure if a temporary rent increase above  
41 six percent is not granted;

42 (viii) Any other factor that will jeopardize the ability of the park  
43 to legally operate.

44 (b) A court order approving a temporary hardship application shall  
45 state for each manufactured home owner:

46 (i) The amount of the rent increase;

47 (ii) The date the rent increase is to take effect;

48 (iii) The date the increase is to end;

49 (iv) The amount the rent will return to; and

50 (v) The court's findings as to the factors necessitating a temporary  
51 increase.

52 (c) Upon a finding by the court that the manufactured home park should  
53 be granted a hardship exemption, the amount of any rent increase shall  
54 be the minimum amount to alleviate the hardship. An order granting a  
55 temporary rent increase shall not exceed six months. The order must be  
56 served on the manufactured home owners and all known legal tenants

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1 pursuant to the rules of civil procedure within thirty days of the court  
2 order, the cost of which shall be on the manufactured home park owner.

3 7. The court may condition its approval of any rent increase upon the  
4 redress of conditions in the manufactured home park which threaten the  
5 health and safety of the manufactured home tenant.

6 8. While a challenge to a rent increase pursuant to this section is  
7 pending, manufactured home park tenants shall pay the amount of the rent  
8 increase to the manufactured home park owner who shall hold such amounts  
9 in escrow pending a mediated agreement between the parties or a final  
10 decision from the courts, provided, however, that no manufactured home  
11 park tenant shall be evicted for non-payment of the rent increase prior  
12 to the final disposition of the matter by the court in the county where  
13 the manufactured home park is located. Failure by the manufactured home  
14 park owner to place such challenged rent increase in escrow shall be  
15 punishable by a civil penalty of not more than five hundred dollars. If  
16 the petitioners appeal, the manufactured home park owner may remove the  
17 rent increase funds from escrow, mingle such funds with any other funds,  
18 and commence a nonpayment proceeding in the court of appropriate juris-  
19 isdiction against a tenant who has not paid the increase of rent. If the  
20 court enters a final judgment declaring the rent increases or any part  
21 thereof unjustifiable and impermissible, the manufactured home park  
22 owner shall refund the amount of the impermissible increase to each  
23 tenant household.

24 § 13. Severability. If any provision of this act, or any application  
25 of any provision of this act, is held to be invalid, that shall not  
26 affect the validity or effectiveness of any other provision of this act,  
27 or of any application of any provision of this act, which can be given  
28 effect without that provision or application; and to that end, the  
29 provisions and applications of this act are severable.

30 § 14. This act shall take effect on the thirtieth day after it shall  
31 have become a law.