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HOUSE BILL 3034

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State of Washington

55th Legislature

1998 Regular Session

By Representatives Kastama, Conway, Anderson, Cole and Costa

Read first time 01/27/98. Referred to Committee on Trade & Economic Development.

1 AN ACT Relating to the right of first refusal for mobile home park  
2 purchases; and amending RCW 59.23.025 and 59.23.030.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 59.23.025 and 1993 c 66 s 5 are each amended to read  
5 as follows:

6 (1) If notice of a desire to purchase has been given under RCW  
7 59.23.015, a park owner shall notify the qualified tenant organization  
8 that an agreement to purchase and sell has been reached and the terms  
9 of the agreement, including the availability and terms of seller  
10 financing, before closing a sale with any other person or entity. If,  
11 within ~~((thirty))~~ sixty days after the actual notice has been received,  
12 the qualified tenant organization tenders to the park owner an amount  
13 equal to two percent of the agreed purchase price, ~~((refundable only~~  
14 ~~according to this chapter))~~ which is refundable if the purchase is not  
15 made by the qualified tenant organization, together with a fully  
16 executed purchase and sale agreement at least as favorable to the park  
17 owner as the original agreement, the mobile home park owner must sell  
18 the mobile home park to the qualified tenant organization. The tenant  
19 organization must then close the sale on the same terms as outlined in

1 the original agreement between the park owner and the prospective  
2 purchaser. In the case of seller financing, a mobile home park owner  
3 may decline to sell the mobile home park to the qualified tenant  
4 organization if, based on reasonable and objective evidence, to do so  
5 would present a greater financial risk to the seller than would selling  
6 on the same terms to the original offeror.

7 (2) If the qualified tenant organization fails to perform under the  
8 terms of the agreement the owner may proceed with the sale to any other  
9 party at these terms. If the park owner thereafter elects to accept an  
10 offer at a price lower than the price specified in the notice, the  
11 homeowners will have an additional ten days to meet the price and terms  
12 and conditions of this lower offer by executing a contract. If the  
13 qualified tenant organization fails to perform following two such  
14 opportunities, the park owner shall be free for a period of twenty-four  
15 months to execute a sale of the park to any other party.

16 (3) A mobile home park owner who enters into a signed agreement to  
17 sell or transfer the ownership of the mobile home park to a relative or  
18 a legal entity composed of relatives or established for the benefit of  
19 relatives of the mobile home park owner, who signs an agreement stating  
20 the intention to maintain the property as a mobile home park is  
21 exempted from the requirements of this section and RCW 59.23.030.

22 **Sec. 2.** RCW 59.23.030 and 1993 c 66 s 6 are each amended to read  
23 as follows:

24 Failure on the part of a mobile home park owner to give notice as  
25 required by this chapter renders a sale of the mobile home park that  
26 occurs within (~~thirty~~) sixty days of the time the qualified tenant  
27 organization knows or has reason to know that a violation of the notice  
28 provisions of RCW 59.23.015 has occurred, voidable upon application to  
29 superior court after notice and hearing. If the court determines that  
30 the notice provisions of this chapter have been violated, the court  
31 shall issue an order setting aside the improper sale. In an action  
32 brought under this section, the court shall award the prevailing party  
33 attorneys' fees and costs. For the purposes of this section, a  
34 "prevailing party" includes any third party purchaser who appears and  
35 successfully defends his or her interest.

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