

SENATE BILL REPORT

SB 5298

As of January 27, 2025

Title: An act relating to the notice of sale or lease of manufactured/mobile home communities.

Brief Description: Concerning the notice of sale or lease of manufactured/mobile home communities.

Sponsors: Senators Frame, Bateman, Conway, Hasegawa, Nobles, Stanford, Trudeau, Valdez and Wilson, C..

Brief History:

Committee Activity: Housing: 1/29/25.

Brief Summary of Bill

- Removes the requirement for an owner to provide a notice of sale for a manufactured or mobile home community (MHC).
- Modifies the requirements for a notice of opportunity to purchase when selling or leasing an MHC.
- Requires the owner provide the Department of Commerce with an update on the status of the sale every six months of delivering the notice of opportunity to purchase.

SENATE COMMITTEE ON HOUSING

Staff: Bill Fosbre (786-7531)

Background: Manufactured/Mobile Home Landlord-Tenant Act. The Manufactured/Mobile Home Landlord-Tenant Act (MHLTA) governs the legal rights, remedies, and obligations arising from any rental agreement between a landlord and a tenant regarding a lot within a manufactured or mobile home community (MHC) where the tenant has no ownership interest in the property.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Notice of Sale. Under the MHLTA an owner must provide a written notice of sale of an MHC by certified mail or personal delivery to:

- each tenant of the MHC;
- the officers of any known qualified tenant organization;
- the office of manufactured or mobile home relocation assistance;
- the local government and housing authority within whose jurisdiction all or part of the MHC exists; and
- the Washington State Housing Finance Commission (Commission).

Each notice of sale must include a statement that the owner intends to sell or lease the MHC or the property and the contact information of the owner or owner's agent who is responsible for communicating with the qualified tenant organization, tenants, or eligible organizations regarding the sale or lease of the property.

Notice of an Opportunity to Compete to Purchase. An owner must provide a written notice of opportunity to compete to purchase indicating the owner's interest in selling the MHC before the owner markets the MHC for sale or includes the sale of the MHC in a multiple listing and when the owner receives an offer to purchase that the owner intends to consider.

A notice of opportunity to compete to purchase must be provided to all tenants, a qualified tenant organization if in existence within the MHC, the Department of Commerce (Commerce), and the Commission within 14 days after the date on which any advertisement, listing, or public notice is first made that the MHC or the underlying property is for sale or lease.

The notice must include the following:

- the date the notice was mailed or personally delivered to all recipients;
- a statement that the owner intends to sell the MHC or the underlying property;
- a statement that the tenants, through a qualified tenant organization or an eligible organization have an opportunity to compete to purchase the MHC;
- a statement that in order to compete to purchase the MHC, within 70 days after delivery of the notice, the tenants must form or identify a single qualified tenant organization for the purpose of purchasing the MHC and notify the owner in writing of: (1) the tenants' interest in competing to purchase the MHC, and (2) the name and contact information of the representative(s) of the qualified tenant organization with whom the owner may communicate about the purchase; and
- information about purchasing an MHC is available from Commerce.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): Notice of Sale. The requirement for the owner to provide a separate notice of sale to the recipients is removed.

Notice of Opportunity to Purchase. In addition to providing each tenant, Commerce, and the

Commission the notice, the owner is required to provide the notice to the officers of any known qualified tenant organization, the local government within whose jurisdiction all or part of the MHC exists, and any housing authority within whose jurisdiction all or part of the MHC exists.

The notice may be delivered electronically to Commerce, the local government, any housing authority, and the Commission, but must be sent within ten days of sending the notice to the tenants and the officers of the known qualified tenant organization.

The notice provided to Commerce must include:

- a complete list of all current known tenants and contact information listed on the leases within the MHC; and
- one copy of the notice sent to each tenant.

Every six months from the date of delivery of a notice until sold or no longer for sale or actively listed, the owner must provide Commerce with an update on the status of the notification and the sale. The update must include:

- the date that the notice was sent to all recipients;
- the status of the sale or the opportunity to compete to purchase of the property as active, under contract, closed, or removed from the market;
- the date of closing, if the property has sold;
- the anticipated closing date, if the property is under contract; and
- any change in listing price, if the property is active.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.