

HOUSE BILL 71

N1

2lr0499

(PRE-FILED)

By: **Delegate Stewart**

Requested: September 17, 2021

Introduced and read first time: January 12, 2022

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 3, 2022

CHAPTER _____

1 AN ACT concerning

2 **Manufactured Homes – ~~Conversion to Real Property~~ and Sale of Manufactured**
3 **Housing Communities**
4 **(Manufactured Housing Modernization Act)**

5 FOR the purpose of ~~authorizing an owner of a manufactured home who does not own the~~
6 ~~land on which the home is affixed to convert the home to real property; providing~~
7 ~~that the conversion to or severance from real property of a manufactured home does~~
8 ~~not affect rights and duties of the landowner; requiring the owner of a manufactured~~
9 housing community to comply with certain requirements when selling the
10 manufactured housing community, including providing homeowners the opportunity
11 to purchase the manufactured housing community; and generally relating to
12 manufactured homes and manufactured housing communities.

13 BY repealing and reenacting, without amendments,
14 Article – Commercial Law
15 Section 9–102(a)(54)
16 Annotated Code of Maryland
17 (2013 Replacement Volume and 2021 Supplement)

18 ~~BY repealing and reenacting, without amendments,~~
19 ~~Article – Real Property~~
20 ~~Section 8B–101(a), (b), and (g) through (i), and 8B–203~~
21 ~~Annotated Code of Maryland~~
22 ~~(2015 Replacement Volume and 2021 Supplement)~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~BY repealing and reenacting, with amendments,~~
 2 ~~Article – Real Property~~
 3 ~~Section 8B-201 and 8B-202~~
 4 ~~Annotated Code of Maryland~~
 5 ~~(2015 Replacement Volume and 2021 Supplement)~~

6 BY adding to
 7 Article – Real Property
 8 Section ~~8B-204 and 8B-303~~; and 8B-401 through ~~8B-409~~ 8B-405 to be under the
 9 new subtitle “Subtitle 4. Sale of Manufactured Housing Communities”
 10 Annotated Code of Maryland
 11 (2015 Replacement Volume and 2021 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 13 That the Laws of Maryland read as follows:

14 **Article – Commercial Law**

15 9–102.

16 (a) In this title:

17 (54) “Manufactured home” means a structure, transportable in one or more
 18 sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet
 19 or more in length, or, when erected on site, is 320 or more square feet, and which is built
 20 on a permanent chassis and designed to be used as a dwelling with or without a permanent
 21 foundation when connected to the required utilities, and includes the plumbing, heating,
 22 air-conditioning, and electrical systems contained therein. The term includes any structure
 23 that meets all of the requirements of this paragraph except the size requirements and with
 24 respect to which the manufacturer voluntarily files a certification required by the United
 25 States Secretary of Housing and Urban Development and complies with the standards
 26 established under Title 42 of the United States Code.

27 **Article – Real Property**

28 ~~8B-101.~~

29 ~~(a) In this title the following words have the meanings indicated.~~

30 ~~(b) “Attached to a permanent foundation” means anchored to real property by~~
 31 ~~attachment to a permanent foundation and connected to utilities, including water, gas,~~
 32 ~~electricity, or sewer or septic service.~~

33 ~~(c) “Manufactured home” has the meaning stated in § 9-102(a) of the Commercial~~
 34 ~~Law Article.~~

1 (h) ~~“Owner” means a person that has an ownership interest in a manufactured~~
2 ~~home.~~

3 (i) ~~“Sever” means to separate a manufactured home that has been converted to~~
4 ~~real property from the parcel of real property to which it has been affixed.~~

5 ~~SB 201.~~

6 (A) ~~(1) IN THIS SECTION, “LAND CONTROLLED BY THE HOMEOWNER”~~
7 ~~MEANS LAND ON WHICH THE OWNER OF A MANUFACTURED HOME HAS A LEGAL~~
8 ~~RIGHT TO LOCATE THE HOME.~~

9 (2) ~~“LAND CONTROLLED BY THE HOMEOWNER” INCLUDES LAND:~~

10 (I) ~~OWNED BY THE OWNER OF THE MANUFACTURED HOME;~~

11 (II) ~~OWNED BY A COOPERATIVE HOUSING CORPORATION OF~~
12 ~~WHICH THE OWNER OF THE MANUFACTURED HOME IS A MEMBER; OR~~

13 (III) ~~ON WHICH THE MANUFACTURED HOME IS LOCATED WITH~~
14 ~~THE CONSENT OF THE RECORD OWNER OF THE LAND, SUCH AS UNDER A RENTAL~~
15 ~~AGREEMENT.~~

16 (B) ~~A manufactured home shall be converted to real property when all of the~~
17 ~~following events have occurred:~~

18 (1) ~~The manufactured home is attached to a permanent foundation;~~

19 (2) ~~[The ownership interests in the manufactured home and the parcel of~~
20 ~~real property to which the manufactured home is affixed are identical] ~~THE~~~~
21 ~~MANUFACTURED HOME IS LOCATED ON LAND CONTROLLED BY THE HOMEOWNER;~~
22 ~~and~~

23 (3) ~~An affidavit of affixation complying with the requirements of § SB 202~~
24 ~~of this subtitle has been recorded with the clerk of the court of the county in which the~~
25 ~~parcel of real property to which the manufactured home is affixed is located.~~

26 ~~SB 202.~~

27 (a) ~~An affidavit of affixation shall contain or be accompanied by:~~

28 (1) ~~A description of the manufactured home, including:~~

29 (i) ~~The name of the manufacturer, make, model name, model year,~~
30 ~~dimensions, and manufacturer’s serial number; and~~

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1 ~~(ii) A statement whether the manufactured home is new or used;~~

2 ~~(2) The street address and legal description of the parcel of real property~~
 3 ~~to which the manufactured home is or will be affixed; AND~~

4 ~~[(3) A statement that the ownership interests in the manufactured home~~
 5 ~~and the parcel of real property to which the manufactured home is or will be affixed are~~
 6 ~~identical or will be identical after filing the affidavit of affixation in the land records; and]~~

7 ~~[(4)](3) A statement that the manufactured home is or will be attached~~
 8 ~~to the real property described at the time of the filing of the affidavit of affixation in the~~
 9 ~~land records.~~

10 ~~(b) (1) Except as provided in paragraph (2) of this subsection, an affidavit of~~
 11 ~~affixation shall be accompanied by:~~

12 ~~(i) An original certificate of title issued by the Motor Vehicle~~
 13 ~~Administration for the manufactured home that:~~

14 ~~1. Has the word "surrendered" clearly written on its face; and~~

15 ~~2. If the certificate of title indicates that there is a lien on the~~
 16 ~~manufactured home, is accompanied by a release from each party that is indicated to have~~
 17 ~~a lien on the manufactured home; or~~

18 ~~(ii) A manufacturer's certificate of origin for the manufactured home~~
 19 ~~that:~~

20 ~~1. Has the word "surrendered" clearly written on its face; and~~

21 ~~2. If the manufacturer's certificate of origin indicates that~~
 22 ~~there is a lien on the manufactured home, is accompanied by a release from each party that~~
 23 ~~is indicated to have a lien on the manufactured home.~~

24 ~~(2) If the owner is unable to locate an original certificate of title or a~~
 25 ~~manufacturer's certificate of origin, the affidavit of affixation shall be accompanied by a~~
 26 ~~report prepared and acknowledged by an attorney licensed to practice in the State or a title~~
 27 ~~insurance producer licensed to do business in the State that:~~

28 ~~(i) Identifies the party preparing the report;~~

29 ~~(ii) States that a search has been conducted of:~~

30 ~~1. The land records of the county in which the parcel of real~~
 31 ~~property to which the manufactured home is or will be affixed is located; and~~

~~2. The records maintained by the Motor Vehicle Administration; and~~

~~(iii) Identifies all liens on the manufactured home, including for each lien:~~

~~1. The name of the lien holder;~~

~~2. The nature of the lien;~~

~~3. The date the lien was created; and~~

~~4. The amount of the lien.~~

~~(e) (1) If an affidavit of affixation is accompanied by an original certificate of title, the affidavit shall be accompanied by:~~

~~(i) A statement that it is the intent of the owner to surrender the certificate of title; and~~

~~(ii) A statement that:~~

~~1. There is no lien on the manufactured home; or~~

~~2. Any lien on the manufactured home has been satisfied and the appropriate releases are attached and made a part of the affidavit of affixation.~~

~~(2) If an affidavit of affixation is accompanied by a manufacturer's certificate of origin, the affidavit shall be accompanied by:~~

~~(i) A statement that a certificate of title has not been issued for the manufactured home;~~

~~(ii) A statement that it is the intent of the owner to surrender the manufacturer's certificate of origin; and~~

~~(iii) A statement that:~~

~~1. There is no lien on the manufactured home; or~~

~~2. Any lien on the manufactured home has been satisfied and the appropriate releases are attached and made a part of the affidavit of affixation.~~

~~(3) If an affidavit of affixation is accompanied by a statement from an attorney or title insurance producer, the affidavit also shall be accompanied by:~~

1 (i) ~~A statement that the owner is unable to locate a certificate of title~~
2 ~~or a manufacturer's certificate of origin for the manufactured home; and~~

3 (ii) ~~A statement that identifies all liens on the manufactured home,~~
4 ~~including for each lien:~~

5 1. ~~The name of the lien holder;~~

6 2. ~~The nature of the lien;~~

7 3. ~~The date the lien was created; and~~

8 4. ~~The amount of the lien.~~

9 (d) ~~An affidavit of affixation shall be signed under penalty of perjury and~~
10 ~~acknowledged.~~

11 (e) ~~The clerk of the circuit court of the county in which the parcel of real property~~
12 ~~to which a manufactured home is or will be affixed is located:~~

13 (1) ~~Shall accept an affidavit of affixation and any attachments for~~
14 ~~recordation and indexing; and~~

15 (2) ~~May charge a reasonable fee for the recordation.~~

16 (f) ~~The recordation of an affidavit of affixation does not represent a sale or~~
17 ~~transfer of real property for the purpose of the collection of any tax or fee charged by the~~
18 ~~State or any county or municipality.~~

19 (g) (1) ~~Immediately after filing an affidavit of affixation with the clerk of the~~
20 ~~circuit court, the owner of the property to which a manufactured home has been affixed~~
21 ~~shall send a certified copy of the affidavit and any attachments to the Motor Vehicle~~
22 ~~Administration.~~

23 (2) ~~On receipt of a certified copy of an affidavit of affixation and any~~
24 ~~attachments under paragraph (1) of this subsection, the Motor Vehicle Administration shall~~
25 ~~record the affidavit and attachments in the Administration's records.~~

26 ~~SB 203.~~

27 ~~The Motor Vehicle Administration shall make available records for manufactured~~
28 ~~homes to attorneys, title insurance producers, and other individuals authorized to conduct~~
29 ~~a title search.~~

30 ~~SB 204.~~

~~IF A MANUFACTURED HOME IS LOCATED ON LAND THAT THE OWNER OF THE MANUFACTURED HOME DOES NOT OWN, CONVERSION OF THE MANUFACTURED HOME TO REAL PROPERTY IN ACCORDANCE WITH THIS SUBTITLE DOES NOT AFFECT THE RIGHTS AND DUTIES OF THE RECORD OWNER OF THE LAND.~~

~~8B-303.~~

~~IF A MANUFACTURED HOME IS LOCATED ON LAND THAT THE OWNER OF THE MANUFACTURED HOME DOES NOT OWN, SEVERANCE OF THE MANUFACTURED HOME FROM REAL PROPERTY IN ACCORDANCE WITH THIS SUBTITLE DOES NOT AFFECT THE RIGHTS AND DUTIES OF THE RECORD OWNER OF THE LAND.~~

SUBTITLE 4. SALE OF MANUFACTURED HOUSING COMMUNITIES.

~~8B-401.~~

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "COMMUNITY OWNER" MEANS THE OWNER OF A MANUFACTURED HOUSING COMMUNITY.

(C) "HOMEOWNER" MEANS THE OWNER OF A MANUFACTURED HOME WHO LEASES OR RENTS A ~~SITE~~ LOT IN A MANUFACTURED HOUSING COMMUNITY FOR RESIDENTIAL USE.

(D) "HOMEOWNERS ORGANIZATION" MEANS AN ORGANIZATION, INCLUDING A COOPERATIVE HOUSING CORPORATION, THAT:

(1) REPRESENTS THE INTERESTS OF THE HOMEOWNERS IN A MANUFACTURED HOUSING COMMUNITY;

(2) IS OPEN TO ALL HOMEOWNERS IN THE MANUFACTURED HOUSING COMMUNITY; AND

(3) ~~IS CONTROLLED BY THE MEMBERS OF THE ORGANIZATION~~ COMPRISES HOMEOWNERS WHO LEASE OR RENT AT LEAST 51% OF THE LOTS IN THE MANUFACTURED HOUSING COMMUNITY.

(E) (1) "MANUFACTURED HOUSING COMMUNITY" MEANS ANY PROPERTY LEASED OR HELD OUT FOR LEASE TO TWO OR MORE OWNERS OF MANUFACTURED HOMES FOR RESIDENTIAL USE.

1 **(2) "MANUFACTURED HOUSING COMMUNITY" INCLUDES A MOBILE**
2 **HOME PARK, AS DEFINED IN § 8A-101 OF THIS ARTICLE.**

3 **8B-402.**

4 **THIS SUBTITLE DOES NOT APPLY TO A MANUFACTURED HOUSING COMMUNITY**
5 **IF:**

6 **(1) A MORTGAGEE, GRANTEE, OR OTHER SECURED PARTY HAS**
7 **FORECLOSED ON THE MANUFACTURED HOUSING COMMUNITY AND THE**
8 **MORTGAGEE, GRANTEE, OR SECURED PARTY IS:**

9 **(I) SELLING THE MANUFACTURED HOUSING COMMUNITY AT A**
10 **FORECLOSURE SALE; OR**

11 **(II) SELLING THE MANUFACTURED HOUSING COMMUNITY**
12 **AFTER BUYING THE MANUFACTURED HOUSING COMMUNITY AT A FORECLOSURE**
13 **SALE;**

14 **(2) THE COMMUNITY OWNER IS SELLING THE MANUFACTURED**
15 **HOUSING COMMUNITY TO:**

16 **(I) A FAMILY MEMBER OF THE COMMUNITY OWNER; OR**

17 **(II) A TRUST, THE BENEFICIARIES OF WHICH ARE FAMILY**
18 **MEMBERS OF THE COMMUNITY OWNER;**

19 **(3) THE COMMUNITY OWNER IS A PARTNERSHIP AND THE SALE ~~OR~~**
20 **~~TRANSFER~~ IS TO ONE OR MORE OF THE PARTNERS;**

21 **(4) THE CONVEYANCE OF AN INTEREST IN THE MANUFACTURED**
22 **HOUSING COMMUNITY IS INCIDENTAL TO THE FINANCING OF THE MANUFACTURED**
23 **HOUSING COMMUNITY;**

24 **(5) THE SALE ~~OR TRANSFER~~ OF THE MANUFACTURED HOUSING**
25 **COMMUNITY IS BETWEEN JOINT TENANTS OR TENANTS IN COMMON; OR**

26 **(6) THE SALE ~~OR TRANSFER~~ OF THE MANUFACTURED HOUSING**
27 **COMMUNITY IS A RESULT OF THE EXERCISE OF THE POWER OF EMINENT DOMAIN.**

28 **8B-403.**

1 (A) ~~BEFORE~~ AT LEAST 60 DAYS BEFORE A COMMUNITY OWNER MAY ~~ACCEPT~~
 2 ~~AN OFFER~~ ENTER INTO A BINDING CONTRACT FOR THE SALE ~~OR TRANSFER~~ OF A
 3 MANUFACTURED HOUSING COMMUNITY, THE COMMUNITY OWNER SHALL:

4 (1) PROVIDE NOTICE OF THE TERMS OF THE OFFER TO:

5 ~~(I) EACH~~ EACH HOMEOWNER IN THE MANUFACTURED
 6 HOUSING COMMUNITY; AND

7 ~~(II) THE CLERK OF THE COURT FOR THE COUNTY IN WHICH THE~~
 8 ~~MANUFACTURED HOUSING COMMUNITY IS LOCATED FOR INCLUSION IN THE LAND~~
 9 ~~RECORDS OF THE COUNTY; AND~~

10 (2) PROVIDE THE HOMEOWNERS THE OPPORTUNITY TO PURCHASE
 11 THE MANUFACTURED HOUSING COMMUNITY IN ACCORDANCE WITH § 8B-404 OF
 12 THIS SUBTITLE.

13 (B) THE NOTICE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
 14 SHALL BE SENT BY REGISTERED OR CERTIFIED MAIL AND INCLUDE THE ~~FOLLOWING~~
 15 ~~INFORMATION:~~

16 ~~(1) THE PRICE, TERMS, AND MATERIAL TERMS AND CONDITIONS OF~~
 17 ~~THE OFFER THAT THE COMMUNITY OWNER INTENDS TO ACCEPT FOR THE SALE OR~~
 18 ~~TRANSFER OF THE MANUFACTURED HOUSING COMMUNITY;~~

19 ~~(2) A COPY OF ANY PENDING PURCHASE OR SALES AGREEMENT~~
 20 ~~SIGNED BY THE PARTIES; AND~~

21 ~~(3) A STATEMENT INDICATING THE DEADLINE BY WHICH A~~
 22 ~~HOMEOWNERS ORGANIZATION OR OTHER AGENT OF THE HOMEOWNERS IS~~
 23 ~~REQUIRED TO:~~

24 ~~(I) NOTIFY THE COMMUNITY OWNER OF ITS INTEREST IN~~
 25 ~~PURCHASING THE MANUFACTURED HOUSING COMMUNITY; AND~~

26 ~~(II) SUBMIT A PROPOSED SALES AGREEMENT.~~

27 8B-404.

28 (A) ON NOTICE OF THE INTENT TO SELL ~~OR TRANSFER~~ A MANUFACTURED
 29 HOUSING COMMUNITY IN ACCORDANCE WITH § 8B-403 OF THIS SUBTITLE,
 30 ~~HOMEOWNERS, THROUGH EITHER A HOMEOWNERS ORGANIZATION OR AGENT, A~~
 31 HOMEOWNERS ORGANIZATION MAY OFFER TO PURCHASE THE MANUFACTURED
 32 HOUSING COMMUNITY BY:

1 (1) PROVIDING DOCUMENTATION THAT THE MEMBERS OF THE
 2 HOMEOWNERS ORGANIZATION UNANIMOUSLY VOTED IN FAVOR OF SENDING A
 3 PROPOSAL TO THE COMMUNITY OWNER;

4 (2) NOTIFYING THE COMMUNITY OWNER OF THE INTENT TO
 5 PURCHASE THE MANUFACTURED HOUSING COMMUNITY; AND

6 ~~(2)~~ (3) SUBMITTING TO THE COMMUNITY OWNER A PROPOSED
 7 AGREEMENT TO PURCHASE THE MANUFACTURED HOUSING COMMUNITY THAT
 8 INCLUDES TERMS SUBSTANTIALLY SIMILAR TO THE TERMS INCLUDED IN THE SALES
 9 NOTICE PROVIDED UNDER § 8B-403 OF THIS SUBTITLE.

10 (B) THE HOMEOWNERS ORGANIZATION SHALL SEND THE NOTICE OF INTENT
 11 TO PURCHASE THE MANUFACTURED HOUSING COMMUNITY AND THE PROPOSED
 12 AGREEMENT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION TO THE
 13 COMMUNITY OWNER BY REGISTERED OR CERTIFIED MAIL.

14 ~~(B) A HOMEOWNERS ORGANIZATION OR AGENT SHALL SUBMIT THE NOTICE~~
 15 ~~AND PROPOSED AGREEMENT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION~~
 16 ~~BY REGISTERED OR CERTIFIED MAIL WITHIN 90 DAYS AFTER THE DATE ON WHICH~~
 17 ~~THE HOMEOWNERS ORGANIZATION OR AGENT RECEIVED THE SALES NOTICE FROM~~
 18 ~~THE COMMUNITY OWNER.~~

19 ~~(C) A HOMEOWNERS ORGANIZATION OR AGENT SHALL HAVE AT LEAST 150~~
 20 ~~DAYS AFTER THE DATE ON WHICH THE HOMEOWNERS ORGANIZATION OR AGENT~~
 21 ~~RECEIVED THE SALES NOTICE FROM THE COMMUNITY OWNER TO:~~

22 ~~(1) OBTAIN THE NECESSARY FINANCING OR GUARANTEES TO~~
 23 ~~PURCHASE THE MANUFACTURED HOUSING COMMUNITY; AND~~

24 ~~(2) CLOSE ON THE PURCHASE OF THE MANUFACTURED HOUSING~~
 25 ~~COMMUNITY~~

26 (C) (1) DURING THE 60 DAYS IDENTIFIED IN § 8B-403 OF THIS SUBTITLE,
 27 THE COMMUNITY OWNER SHALL CONSIDER AN OFFER TO PURCHASE THE
 28 MANUFACTURED HOUSING COMMUNITY BY A HOMEOWNERS ORGANIZATION IF MADE
 29 IN ACCORDANCE WITH THIS SECTION.

30 (2) AFTER THE EXPIRATION OF THE 60 DAYS IDENTIFIED IN § 8B-403
 31 OF THIS SUBTITLE, A COMMUNITY OWNER MAY NOT BE REQUIRED TO CONSIDER
 32 ADDITIONAL OFFERS FROM THE HOMEOWNERS ORGANIZATION.

1 ~~(A) (1) WITHIN 10 DAYS AFTER THE DATE ON WHICH THE COMMUNITY~~
2 ~~OWNER SUBMITS THE SALES NOTICE REQUIRED UNDER § 8B 403 OF THIS SUBTITLE,~~
3 ~~THE COMMUNITY OWNER SHALL MAKE AVAILABLE TO THE HOMEOWNERS~~
4 ~~ORGANIZATION THE SAME INFORMATION THAT THE COMMUNITY OWNER PROVIDED~~
5 ~~OR WOULD HAVE PROVIDED TO OTHER PROSPECTIVE PURCHASERS.~~

6 ~~(2) IN ADDITION TO THE INFORMATION MADE AVAILABLE UNDER~~
7 ~~PARAGRAPH (1) OF THIS SUBSECTION, A COMMUNITY OWNER SHALL PROVIDE ANY~~
8 ~~ADDITIONAL INFORMATION REQUESTED BY A PROSPECTIVE LENDER OF THE~~
9 ~~HOMEOWNERS ORGANIZATION.~~

10 ~~(B) THE DEADLINE BY WHICH THE HOMEOWNERS ORGANIZATION OR AGENT~~
11 ~~MUST SUBMIT AN OFFER OR NOTICE OF INTENT TO PURCHASE A MANUFACTURED~~
12 ~~HOUSING COMMUNITY UNDER § 8B 404 OF THIS SUBTITLE SHALL BE EXTENDED BY:~~

13 ~~(1) EACH DAY THAT THE COMMUNITY OWNER FAILS TO SUPPLY THE~~
14 ~~INFORMATION REQUIRED UNDER SUBSECTION (A) OF THIS SECTION; AND~~

15 ~~(2) EACH DAY THAT ANY LITIGATION INVOLVING THE SALE OF THE~~
16 ~~MANUFACTURED HOUSING COMMUNITY OR LITIGATION AFFECTING THE~~
17 ~~MARKETABILITY OF THE TITLE OF THE MANUFACTURED HOUSING COMMUNITY IS~~
18 ~~PENDING.~~

19 ~~(C) ANY AGREEMENT THAT PURPORTS TO LIMIT A HOMEOWNER'S ABILITY~~
20 ~~TO ACQUIRE INFORMATION ABOUT THE LISTING OR OFFER FOR SALE OF A~~
21 ~~MANUFACTURED HOUSING COMMUNITY THAT WOULD OTHERWISE BE AVAILABLE TO~~
22 ~~NONRESIDENT INVESTORS SHALL BE VOID AS AGAINST PUBLIC POLICY.~~

23 ~~§B 406.~~

24 ~~IF THE HOMEOWNERS ORGANIZATION MAKES AN OFFER TO PURCHASE THE~~
25 ~~MANUFACTURED HOUSING COMMUNITY IN ACCORDANCE WITH § 8B 405 OF THIS~~
26 ~~SUBTITLE, THE COMMUNITY OWNER SHALL:~~

27 ~~(1) CONSIDER THE PURCHASE OFFER; AND~~

28 ~~(2) IF APPLICABLE, NEGOTIATE WITH THE HOMEOWNERS~~
29 ~~ORGANIZATION IN GOOD FAITH.~~

30 ~~§B 407.~~

~~THE REQUIREMENTS OF THIS SUBTITLE SHALL APPLY SEPARATELY TO EACH SUBSTANTIALLY DIFFERENT OFFER TO SELL OR TO PURCHASE A MANUFACTURED HOUSING COMMUNITY.~~

~~§B-408.~~

~~(A) A COMMUNITY OWNER MAY RECORD IN THE LAND RECORDS OF THE COUNTY IN WHICH THE MANUFACTURED HOUSING COMMUNITY IS LOCATED AN AFFIDAVIT CERTIFYING THAT:~~

~~(1) THE COMMUNITY OWNER IS IN COMPLIANCE WITH THE REQUIREMENTS OF THIS SUBTITLE; OR~~

~~(2) THE SALE OR TRANSFER OF THE MANUFACTURED HOUSING COMMUNITY IS EXEMPT FROM THE REQUIREMENTS OF THIS SUBTITLE UNDER § 8B-402 OF THIS SUBTITLE.~~

~~(B) AN AFFIDAVIT FILED IN ACCORDANCE WITH THIS SECTION SHALL BE PRESUMPTIVE EVIDENCE OF COMPLIANCE FOR PURPOSES OF GOOD TITLE IN THE HANDS OF A BONA FIDE PURCHASER.~~

~~(C) IF A HOMEOWNERS ORGANIZATION MAKES AN OFFER TO PURCHASE A MANUFACTURED HOUSING COMMUNITY IN ACCORDANCE WITH THIS SUBTITLE, THE HOMEOWNERS ORGANIZATION MAY RECORD NOTICE OF THE OFFER IN THE LAND RECORDS OF THE COUNTY IN WHICH THE MANUFACTURED HOUSING COMMUNITY IS LOCATED.~~

~~§B-409.~~ §B-405.

~~(A) IF A COMMUNITY OWNER WILLFULLY FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS SUBTITLE, THE COMMUNITY OWNER SHALL BE LIABLE TO THE HOMEOWNERS ORGANIZATION IN THE AMOUNT OF \$50,000 \$10,000 OR 50% OF THE GAIN REALIZED BY THE COMMUNITY OWNER AS A RESULT OF THE SALE OF THE COMMUNITY, WHICHEVER IS GREATER.~~

~~(B) FAILURE TO COMPLY WITH THE REQUIREMENTS OF THIS SUBTITLE IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE WITHIN THE MEANING OF TITLE 13 OF THE COMMERCIAL LAW ARTICLE AND IS SUBJECT TO ALL OF THE PROVISIONS OF THAT TITLE EXCEPT § 13-411 OF THE COMMERCIAL LAW ARTICLE.~~

~~(C) (1) A HOMEOWNERS ORGANIZATION OR HOMEOWNER MAY BRING A CIVIL ACTION TO ENFORCE THIS SUBTITLE.~~

1 ~~(2) IF THE COURT FINDS IN FAVOR OF THE HOMEOWNERS~~
2 ~~ORGANIZATION OR HOMEOWNER, THE HOMEOWNERS ORGANIZATION OR~~
3 ~~HOMEOWNER MAY BE AWARDED:~~

4 ~~(I) INJUNCTIVE OR DECLARATORY RELIEF;~~

5 ~~(II) ACTUAL DAMAGES; AND~~

6 ~~(III) REASONABLE ATTORNEY'S FEES AND COURT COSTS.~~

7 ~~(3) THE REMEDIES SET FORTH IN THIS SUBSECTION ARE NOT~~
8 ~~EXCLUSIVE.~~

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2022.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.