

CHAPTER 327C
MANUFACTURED HOME PARK LOT RENTALS

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Subd. 5. MS 2020 [Renumbered 327C.015, subd. 8]

Subd. 6. MS 2020 [Renumbered 327C.015, subd. 9]

Subd. 7. MS 2020 [Renumbered 327C.015, subd. 10]

Subd. 7a. MS 2020 [Renumbered 327C.015, subd. 11]

Subd. 8. MS 2020 [Renumbered 327C.015, subd. 12]

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Subd. 9. MS 2020 [Renumbered 327C.015, subd. 14]

Subd. 9a. MS 2020 [Renumbered 327C.015, subd. 15]

Subd. 10. MS 2020 [Renumbered 327C.015, subd. 16]

Subd. 11. MS 2020 [Renumbered 327C.015, subd. 17]

Subd. 12. MS 2020 [Renumbered 327C.015, subd. 18]

Subd. 13. MS 2020 [Renumbered 327C.015, subd. 2]

327C.015 DEFINITIONS.

Subdivision 1. **Terms.** When used in sections 327C.015 to 327C.15 and 363A.38, the terms defined in this section have the meanings given them.

Subd. 2. **Class I.** "Class I" means a manufactured home park that complies with the provisions of section 327C.16.

Subd. 3. **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. 3a. **Commodity rate.** "Commodity rate" means the per unit price for utility service that varies directly with the volume of a resident's consumption of utility service and that is established or approved by the Minnesota Public Utilities Commission or a municipal public utilities commission, an electric cooperative association, or a municipality and charged to a user of the service.

Subd. 4. **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. 5. **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. 6. **Lot.** "Lot" means an area within a manufactured home park, designed or used for the accommodation of a manufactured home.

Subd. 7. **Manufactured home.** "Manufactured home" and "home" have the meaning specified in section 327B.01, subdivision 13.

Subd. 8. **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. 9. **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. 10. **Person.** "Person" means any individual, corporation, firm, partnership, incorporated and unincorporated association, or any other legal or commercial entity.

Subd. 11. **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 Minnesota Statutes 2020, 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. 11a. **Public utility.** "Public utility" has the meaning given in section 216B.02, subdivision 4.

Subd. 12. **Reasonable rule.** "Reasonable rule" means a park rule:

(1) 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;

(2) which is reasonably related to the purpose for which it is adopted;

(3) which is not retaliatory or unjustifiably discriminatory in nature; and

(4) 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. 13. **Representative acting on behalf of residents.** "Representative acting on behalf of residents" means a representative who is authorized to represent residents in the purchase of property for the purposes of this chapter, and has gained that authorization by obtaining the signature of support from at least one resident who is a homeowner-signatory to the home's lot lease agreement as defined by subdivision 14, from at least 51 percent of the occupied homes in a manufactured home park. The signature of a resident who is a signatory to the home's lot lease agreement asserting that they are a resident of that manufactured home park shall be presumptive evidence of the claim that the representative is authorized to act on behalf of the resident and shall be exclusive to only one representative acting on behalf of residents.

Subd. 14. **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. 15. **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. 16. **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. 17. **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. The installation of water and sewer meters and the subsequent metering of and billing for water and sewer service is not a substantial modification of the lease, provided the park owner complies with section 327C.04, subdivision 6.

Subd. 17a. **Utility provider.** "Utility provider" means a public utility, an electric cooperative association, or a municipal utility.

Subd. 18. **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; 2017 c 94 art 11 s 1; 1Sp2019 c 1 art 6 s 6; 2022 c 55 art 2 s 1,2; 2022 c 55 art 2 s 3; 2023 c 25 s 168; 2023 c 57 art 5 s 4-7

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:

- (1) the location of the lot and its address or site number;
- (2) 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;
- (3) the rights, duties and obligations of the parties, and all rules applicable to the resident;
- (4) the amount of any security deposit or other financial obligation imposed on the resident by the park owner; and
- (5) 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.015, subdivision 12. 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.015, subdivision 17:

- (1) any significant changes in circumstances which have occurred since the original rule was adopted and which necessitate the rule change; and
- (2) 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 recovery 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: (1) personally, (2) by mailing the notice to the last known mailing address of the resident, or (3) 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 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.

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 paid as required by Minnesota Statutes, sections 290.0693, subdivision 4, and 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."

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; 2015 c 21 art 1 s 109; 2016 c 158 art 1 s 176; 2022 c 55 art 2 s 3; 2023 c 64 art 7 s 28

327C.025 RESIDENT COPIES.

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.

History: 1994 c 592 s 3; 2022 c 55 art 2 s 3

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:

(1) 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;

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

(3) 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 (3) 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.

Subd. 6. Payment to the Minnesota manufactured home relocation trust fund. In the event a park owner has been assessed under section 327C.095, subdivision 12, paragraph (c), the park owner may collect the \$15 annual payment required by section 327C.095, subdivision 12, for participation in the relocation trust fund, as a lump sum or, along with monthly lot rent, a fee of no more than \$1.25 per month to cover the cost of participating in the relocation trust fund. The \$1.25 fee must be separately itemized and clearly labeled "Minnesota manufactured home relocation trust fund."

History: 1982 c 526 art 2 s 3; 1986 c 444; 1999 c 199 art 2 s 11; 2009 c 78 art 8 s 1; 2016 c 189 art 13 s 58

327C.04 UTILITY CHARGES.

Subdivision 1. Billing permitted. A park owner who either provides utility service directly to residents or who redistributes to residents utility service provided to the park owner by a utility provider 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. Utility measuring devices installed by the park owner must be installed or repaired only by a licensed plumber, licensed electrician, or licensed manufactured home installer.

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:

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

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

Subd. 4. MS 2022 [Repealed, 2023 c 57 art 5 s 17]

Subd. 5. **Utility charge for metered service.** (a) A park owner who redistributes utility service may not charge a resident a commodity rate that exceeds the commodity rate at which the park owner purchases utility service from a utility provider. Before billing residents for redistributed utility service, a park owner must deduct utility service used exclusively or primarily for the park owner's purposes.

(b) If a utility bill that a park owner receives from a utility provider separates from variable consumption charges a fixed service or meter charge or fee, taxes, surcharges, or other miscellaneous charges, the park owner must deduct the park owner's pro rata share of these separately itemized charges and apportion the remaining fixed portion of the bill equally among residents based on the total number of occupied units in the park.

(c) A park owner may not charge to or collect from residents any administrative, capital, or other expenses associated with the distribution of utility services, including but not limited to disconnection, reconnection, and late payment fees.

Subd. 6. **Rent increases following the installation of water meters.** A park owner may not increase lot rents for 13 months following the commencement of utility bills for a resident whose lease included water and sewer service. In each of the three months prior to commencement of utility billing, a park owner must provide the resident with a sample bill for water and sewer service.

History: 1982 c 526 art 2 s 4; 2023 c 57 art 5 s 8-11

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.015, subdivision 12.

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:

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

(2) 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;

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

(4) 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.015,

subdivision 12. 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; 2022 c 55 art 2 s 3

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:

(1) 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;

(2) the written disclosure required by clause (1) is included with the rental application and is available at no charge to residents, prospective buyers, and their agents;

(3) 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;

(4) all the specified procedures and criteria are reasonable and applied uniformly;

(5) in evaluating a prospective buyer, the park owner does not use any stricter standards than it uses for evaluating other prospective residents;

(6) the park owner does not deny tenancy to a prospective buyer for any reason prohibited by federal, state or local law;

(7) 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;

(8) 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

(9) the decision to deny tenancy is reasonable in light of the criteria set forth in section 327C.015, subdivision 12.

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. [Repealed, 2010 c 347 art 3 s 75]

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:

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

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

(3) 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:

(1) 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;

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

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

(4) 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

(5) 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. [Repealed, 2010 c 347 art 3 s 75]

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; 2022 c 55 art 2 s 3

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:

(1) 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;

(2) 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

(3) 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 overdue 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 recovery has removed a home from a lot and stored the home.

History: *1982 c 526 art 2 s 8; 2015 c 21 art 1 s 109*

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.** (a) At least 12 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 commissioners of health and the housing finance agency, the local planning agency, and a resident of each manufactured home where the residential use is being converted. The closure statement must include the following language in a font no smaller than 14 point: "YOU MAY BE ENTITLED TO COMPENSATION FROM THE MINNESOTA MANUFACTURED HOME RELOCATION TRUST FUND ADMINISTERED BY THE MINNESOTA HOUSING FINANCE AGENCY." A resident may not be required to vacate until 90 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.

(b) Closure statements issued more than 24 months prior to the park closure must contain a closure date. If the closure does not take place within 24 months and the original statement does not contain a closure date, the statement must be reissued to the commissioners of health and the Housing Finance Agency, the local planning agency, and a resident of each manufactured home where the residential use is being converted.

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 local government authority 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 local government authority 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 local government authority and request the governing body to schedule a public hearing. The local government authority 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 local government authority 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 compensation; neutral third party.** (a) Within 90 days after receiving notice of a closure statement, the governing body of the affected local government authority 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. At the time of, and in the notice for, the public hearing, displaced residents must be informed that they may be eligible for payments from the Minnesota manufactured home relocation trust fund under section 462A.35 as compensation for reasonable relocation costs under subdivision 13, paragraphs (a) and (e).

(b) The governing body of the local government authority may also require that other parties, including the local government authority, but excluding the park owner or its purchaser, involved in the park closing provide additional compensation to residents to mitigate the adverse financial impact of the park closing upon the residents.

(c) At the public hearing, the local government authority shall appoint a qualified neutral third party, to be agreed upon by both the manufactured home park owner and manufactured home owners, whose hourly cost must be reasonable and paid from the Minnesota manufactured home relocation trust fund. The neutral third party shall act as a paymaster and arbitrator, with decision-making authority to resolve any questions or disputes regarding any contributions or disbursements to and from the Minnesota manufactured home relocation trust fund by either the manufactured home park owner or the manufactured home owners. If the parties cannot agree on a neutral third party, the local government authority shall determine who shall act as the neutral third party.

(d) The qualified neutral third party shall be familiar with manufactured housing and the requirements of this section. The neutral third party shall keep an overall receipts and cost summary together with a detailed accounting, for each manufactured lot, of the payments received by the manufactured home park owner, and expenses approved and payments disbursed to the manufactured home owners, pursuant to subdivisions 12 and 13, as well as a record of all services and hours it provided and at what hourly rate it charged to the Minnesota manufactured home trust fund. This detailed accounting shall be provided to the manufactured home park owner, the municipality, and the Minnesota Housing Finance Agency to be included in its yearly October 15 report as required in subdivision 13, paragraph (h), not later than 30 days after the expiration of the 12-month notice provided in the closure statement.

(e) At the public hearing, the governing body of the local government authority shall determine if any ordinance was in effect on May 26, 2007, that would provide compensation to displaced residents and provide this information to the third party neutral to determine the applicable amount of compensation under subdivision 13, paragraph (f).

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). This subdivision does not apply to the conversion of a manufactured home park to a common interest community:

- (1) that is a cooperative incorporated under chapter 308A or 308B;
- (2) in which at least 90 percent of the cooperative's members are residents of the park at the time of the conversion; and
- (3) that does not require persons who are residents of the park at the time of the conversion to become members of the cooperative.

Subd. 6. Intent to convert use of park at time of purchase. (a) 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. If so, 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 and may not enter into a purchase agreement for the sale of the park other than with a representative acting on behalf of residents, until the 45 days have expired. The notice must state that the park owner will promptly 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 and made available in alternative formats or translations if requested by a resident and the request is a reasonable accommodation due to a disability of an adult resident or because there is not an adult resident who is able to speak the language the notice is provided in. 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, a representative acting on behalf of residents shall have the right to make an offer to meet the cash price and to agree to material terms and conditions set forth in the purchaser's offer and to execute an agreement to purchase the park for the purposes of keeping the park as a manufactured housing community. The park owner must in good faith negotiate a purchase agreement meeting 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). The purchase agreement must permit the representative a commercially reasonable due diligence period with access by the representative to all information reasonably necessary to make an informed decision regarding the purchase. The representative may be required to enter into a confidentiality agreement regarding the information.

(b) A representative acting on behalf of residents must provide ten percent of the offer price as earnest money upon gaining the required number of signatures to represent the residents in the purchase of a manufactured home park. The earnest money is refundable after six months; however, the earnest money may become nonrefundable if the representative acting on behalf of residents is unable to complete the purchase, and the original purchaser withdraws the offer during the 45-day period in paragraph (a), and the manufactured home park is sold to another purchaser for a lower price within six months of the notice to residents in paragraph (a), then the park owner will be compensated from the earnest money for the difference between the offer made by the original purchaser and the actual lower purchase price.

(c) In the event of a sale to a representative acting on behalf of residents, the representative must certify to the commissioner of commerce that the property will be preserved as a manufactured home park for ten years from the date of the sale.

Subd. 7. Conversion of use of park after purchase. If the residents of a manufactured home park have not been provided the written notice of intent to close the park required by subdivision 6, the purchaser may not provide residents with the notice required by subdivision 1 until 12 months after the date of purchase. For purposes of this subdivision, the date of purchase is the date of the transfer of the title to the purchaser.

Subd. 8. MS 2018 [Repealed, 1Sp2019 c 1 art 6 s 61]

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 have a right to any remedy provided in section 8.31.

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 bona fide purchaser acting in good faith may record 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 that subdivision 6 is not applicable. The affidavit may be used as presumptive evidence of compliance.

Subd. 12. **Payment to the Minnesota manufactured home relocation trust fund.** (a) If a manufactured home owner is required to move due to the conversion of all or a portion of a manufactured home park to another use, the closure of a park, or cessation of use of the land as a manufactured home park, the manufactured park owner shall, upon the change in use, pay to the Minnesota Housing Finance Agency for deposit in the Minnesota manufactured home relocation trust fund under section 462A.35, the lesser amount of the actual costs of moving or purchasing the manufactured home approved by the neutral third party and paid by the Minnesota Housing Finance Agency under subdivision 13, paragraph (a) or (e), or \$3,250 for each single section manufactured home, and \$6,000 for each multisection manufactured home, for which a manufactured home owner has made application for payment of relocation costs under subdivision 13, paragraph (c). The manufactured home park owner shall make payments required under this section to the Minnesota manufactured home relocation trust fund within 60 days of receipt of invoice from the neutral third party.

(b) A manufactured home park owner is not required to make the payment prescribed under paragraph (a), nor is a manufactured home owner entitled to compensation under subdivision 13, paragraph (a) or (e), if:

(1) the manufactured home park owner relocates the manufactured home owner to another space in the manufactured home park or to another manufactured home park at the park owner's expense;

(2) the manufactured home owner is vacating the premises and has informed the manufactured home park owner or manager of this prior to the mailing date of the closure statement under subdivision 1;

(3) a manufactured home owner has abandoned the manufactured home, or the manufactured home owner is not current on the monthly lot rental, personal property taxes;

(4) the manufactured home owner has a pending eviction action for nonpayment of lot rental amount under section 327C.09, which was filed against the manufactured home owner prior to the mailing date of the closure statement under subdivision 1, and the writ of recovery has been ordered by the district court;

(5) the conversion of all or a portion of a manufactured home park to another use, the closure of a park, or cessation of use of the land as a manufactured home park is the result of a taking or exercise of the power of eminent domain by a governmental entity or public utility; or

(6) the owner of the manufactured home is not a resident of the manufactured home park, as defined in section 327C.015, subdivision 14; the owner of the manufactured home is a resident, but came to reside in the manufactured home park after the mailing date of the closure statement under subdivision 1; or the owner of the manufactured home has not paid the \$15 assessment when due under paragraph (c).

(c) If the unencumbered fund balance in the manufactured home relocation trust fund is less than \$2,000,000 as of June 30 of each year, the Minnesota Housing Finance Agency shall assess each manufactured home park owner by mail the total amount of \$15 for each licensed lot in their park, payable on or before December 15 of that year. Failure to notify and timely assess the manufactured home park owner by July 31 of any year shall waive the assessment and payment obligations of the manufactured home park owner for that year. Together with said assessment notice, each year the Minnesota Housing Finance Agency shall prepare and distribute to park owners a letter explaining whether funds are being collected for that year, information about the collection, an invoice for all licensed lots, a notice for distribution to the residents, and a sample form for the park owners to collect information on which park residents and lots have been

accounted for. In a font no smaller than 14-point, the notice provided by the Minnesota Housing Finance Agency for distribution to residents by the park owner will include the payment deadline of October 31 and the following language: "THIS IS NOT AN OPTIONAL FEE. IF YOU OWN A MANUFACTURED HOME ON A LOT YOU RENT IN A MANUFACTURED HOME PARK, AND YOU RESIDE IN THAT HOME, YOU MUST PAY WHEN PROVIDED NOTICE." If assessed under this paragraph, the park owner may recoup the cost of the \$15 assessment as a lump sum or as a monthly fee of no more than \$1.25 collected from park residents together with monthly lot rent as provided in section 327C.03, subdivision 6. If, by September 15, a park owner provides the notice to residents for the \$15 lump sum, a park owner may adjust payment for lots in their park that are vacant or otherwise not eligible for contribution to the trust fund under section 327C.095, subdivision 12, paragraph (b), and for park residents who have not paid the \$15 assessment when due to the park owner by October 31, and deduct from the assessment accordingly. The Minnesota Housing Finance Agency shall deposit any payments in the Minnesota manufactured home relocation trust fund and maintain an annual record for each manufactured home park of the amount received for that park and the number of deductions made for each of the following reasons: vacant lots, ineligible lots, and uncollected fees.

(d) This subdivision and subdivision 13, paragraph (c), clause (5), are enforceable by the neutral third party, on behalf of the Minnesota Housing Finance Agency, or by action in a court of appropriate jurisdiction. The court may award a prevailing party reasonable attorney fees, court costs, and disbursements.

[See Note.]

Subd. 13. **Change in use, relocation expenses; payments by park owner.** (a) If a manufactured home owner is required to relocate due to the conversion of all or a portion of a manufactured home park to another use, the closure of a manufactured home park, or cessation of use of the land as a manufactured home park under subdivision 1, and the manufactured home owner complies with the requirements of this section, the manufactured home owner is entitled to payment from the Minnesota manufactured home relocation trust fund equal to the manufactured home owner's actual relocation costs for relocating the manufactured home to a new location within a 50-mile radius of the park that is being closed, up to a maximum of \$7,000 for a single-section and \$12,500 for a multisection manufactured home. The actual relocation costs must include the reasonable cost of taking down, moving, and setting up the manufactured home, including equipment rental, utility connection and disconnection charges, minor repairs, modifications necessary for transportation of the home, necessary moving permits and insurance, moving costs for any appurtenances, which meet applicable local, state, and federal building and construction codes.

(b) A manufactured home owner is not entitled to compensation under paragraph (a) if the manufactured home park owner is not required to make a payment to the Minnesota manufactured home relocation trust fund under subdivision 12, paragraph (b).

(c) Except as provided in paragraph (e), in order to obtain payment from the Minnesota manufactured home relocation trust fund, the manufactured home owner shall submit to the neutral third party and the Minnesota Housing Finance Agency, with a copy to the park owner, an application for payment, which includes:

- (1) a copy of the closure statement under subdivision 1;
- (2) a copy of the contract with a moving or towing contractor, which includes the relocation costs for relocating the manufactured home;
- (3) a statement with supporting materials of any additional relocation costs as outlined in subdivision 1;

(4) a statement certifying that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), apply to the manufactured home owner;

(5) a statement from the manufactured park owner that the lot rental is current and that the annual \$15 payment to the Minnesota manufactured home relocation trust fund has been paid when due; and

(6) a statement from the county where the manufactured home is located certifying that personal property taxes for the manufactured home are paid through the end of that year.

(d) The neutral third party shall promptly process all payments for completed applications within 14 days. If the neutral third party has acted reasonably and does not approve or deny payment within 45 days after receipt of the information set forth in paragraph (c), the payment is deemed approved. Upon approval and request by the neutral third party, the Minnesota Housing Finance Agency shall issue two checks in equal amount for 50 percent of the contract price payable to the mover and towing contractor for relocating the manufactured home in the amount of the actual relocation cost, plus a check to the home owner for additional certified costs associated with third-party vendors, that were necessary in relocating the manufactured home. The moving or towing contractor shall receive 50 percent upon execution of the contract and 50 percent upon completion of the relocation and approval by the manufactured home owner. The moving or towing contractor may not apply the funds to any other purpose other than relocation of the manufactured home as provided in the contract. A copy of the approval must be forwarded by the neutral third party to the park owner with an invoice for payment of the amount specified in subdivision 12, paragraph (a).

(e) In lieu of collecting a relocation payment from the Minnesota manufactured home relocation trust fund under paragraph (a), the manufactured home owner may collect an amount from the fund after reasonable efforts to relocate the manufactured home have failed due to the age or condition of the manufactured home, or because there are no manufactured home parks willing or able to accept the manufactured home within a 25-mile radius. A manufactured home owner may tender title of the manufactured home in the manufactured home park to the manufactured home park owner, and collect an amount to be determined by an independent appraisal. The appraiser must be agreed to by both the manufactured home park owner and the manufactured home owner. If the appraised market value cannot be determined, the tax market value, averaged over a period of five years, can be used as a substitute. The maximum amount that may be reimbursed under the fund is \$8,000 for a single-section and \$14,500 for a multisection manufactured home. The minimum amount that may be reimbursed under the fund is \$2,000 for a single section and \$4,000 for a multisection manufactured home. The manufactured home owner shall deliver to the manufactured home park owner the current certificate of title to the manufactured home duly endorsed by the owner of record, and valid releases of all liens shown on the certificate of title, and a statement from the county where the manufactured home is located evidencing that the personal property taxes have been paid. The manufactured home owner's application for funds under this paragraph must include a document certifying that the manufactured home cannot be relocated, that the lot rental is current, that the annual \$15 payments to the Minnesota manufactured home relocation trust fund have been paid when due, that the manufactured home owner has chosen to tender title under this section, and that the park owner agrees to make a payment to the Minnesota Housing Finance Agency in the amount established in subdivision 12, paragraph (a), less any documented costs submitted to the neutral third party, required for demolition and removal of the home, and any debris or refuse left on the lot, not to exceed \$1,500. The manufactured home owner must also provide a copy of the certificate of title endorsed by the owner of record, and certify to the neutral third party, with a copy to the park owner, that none of the exceptions to receipt of compensation under subdivision 12, paragraph (b), clauses (1) to (6), apply to the manufactured home owner, and that the home owner will vacate the home within 60 days after

receipt of payment or the date of park closure, whichever is earlier, provided that the monthly lot rent is kept current.

(f) Notwithstanding paragraph (a), the manufactured home owner's compensation for relocation costs from the fund under section 462A.35, is the greater of the amount provided under this subdivision, or the amount under the local ordinance in effect on May 26, 2007, that is applicable to the manufactured home owner. Nothing in this paragraph is intended to increase the liability of the park owner.

(g) Neither the neutral third party nor the Minnesota Housing Finance Agency shall be liable to any person for recovery if the funds in the Minnesota manufactured home relocation trust fund are insufficient to pay the amounts claimed. The Minnesota Housing Finance Agency shall keep a record of the time and date of its approval of payment to a claimant.

(h)(1) By October 15, 2019, the Minnesota Housing Finance Agency shall post on its website and report to the chairs of the senate Finance Committee and house of representatives Ways and Means Committee on the Minnesota manufactured home relocation trust fund, including the account balance, payments to claimants, the amount of any advances to the fund, the amount of any insufficiencies encountered during the previous calendar year, and any itemized administrative charges or expenses deducted from the trust fund balance. If sufficient funds become available, the Minnesota Housing Finance Agency shall pay the manufactured home owner whose unpaid claim is the earliest by time and date of approval.

(2) Beginning in 2019, the Minnesota Housing Finance Agency shall post on its website and report to the chairs of the senate Finance Committee and house of representatives Ways and Means Committee by October 15 of each year on the Minnesota manufactured home relocation trust fund, including the aggregate account balance, the aggregate assessment payments received, summary information regarding each closed park including the total payments to claimants and payments received from each closed park, the amount of any advances to the fund, the amount of any insufficiencies encountered during the previous fiscal year, reports of neutral third parties provided pursuant to subdivision 4, and any itemized administrative charges or expenses deducted from the trust fund balance, all of which should be reconciled to the previous year's trust fund balance. If sufficient funds become available, the Minnesota Housing Finance Agency shall pay the manufactured home owner whose unpaid claim is the earliest by time and date of approval.

[See Note.]

Subd. 14. **Payment adjustment for smaller manufactured home parks.** The total contribution to the fund under section 462A.35 paid by the park owner under subdivision 12, paragraph (a), must not exceed 20 percent of the sale price, or if no sale price is available, the assessed value of the manufactured home park, except that if the sale price, or, if there is no sale price, the assessed value, is:

(1) less than \$100,000, the manufactured home park owner's contribution to the fund must not exceed five percent of the sale price of the manufactured home park;

(2) less than \$200,000, the owner's contribution to the fund must not exceed eight percent of the sale price of the manufactured home park;

(3) less than \$300,000, the owner's contribution to the fund must not exceed ten percent of the sale price of the manufactured home park; and

(4) less than \$500,000, the owner's contribution to the fund must not exceed 15 percent of the sale price of the manufactured home park.

Subd. 15. **Preemption of local ordinances.** Sections 327C.095, subdivisions 1, 4, and 12 to 16; 462A.21, subdivision 31; and 462A.35 preempt and supersede a township, county, or statutory or home rule charter city ordinance relating to the relocation or buyout payments paid due to a change of use or closure of manufactured home communities. A township, county, or statutory or home rule charter city must not adopt an ordinance requiring more compensation by the manufactured home park owners or its purchaser than what is provided for in this statute.

Subd. 16. **Reporting of licensed manufactured home parks.** The Department of Health or, if applicable, local units of government that have entered into a delegation of authority agreement with the Department of Health as provided in section 145A.07 shall provide, by March 31 of each year, a list of names and addresses of the manufactured home parks licensed in the previous year, and for each manufactured home park, the current licensed owner, the owner's address, the number of licensed manufactured home lots, and other data as they may request for the Minnesota Housing Finance Agency to invoice each licensed manufactured home park in Minnesota.

[See Note.]

History: 1987 c 179 s 10; 1991 c 26 s 1-7; 1997 c 126 s 6; 1999 c 11 art 3 s 10; 2005 c 4 s 62,63; 2006 c 200 s 1,2; 2007 c 141 s 1-6; 2009 c 78 art 8 s 2,3; 2009 c 101 art 2 s 109; 1Sp2011 c 4 art 3 s 57; 2014 c 198 art 4 s 16; 2016 c 189 art 13 s 59,60; 1Sp2019 c 1 art 6 s 7-17; 2020 c 99 s 2; 2022 c 55 art 2 s 3; 2023 c 37 art 6 s 2-4

NOTE: The amendments to subdivisions 12, 13, and 16 by Laws 2023, chapter 37, article 6, sections 2 to 4, are effective July 1, 2024. Laws 2023, chapter 37, article 6, sections 2 to 4, the effective dates.

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 real estate broker licensed by the Department of Commerce, the owner must provide concurrent written notice to each resident household 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 each resident household 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.

History: 1991 c 26 s 8; 2017 c 40 art 1 s 121; 2023 c 37 art 6 s 5

327C.097 NOTICE OF UNSOLICITED SALE.

Subdivision 1. **Definitions.** For the purposes of this section, "nonprofit" means a nonprofit organization under chapter 317A.

Subd. 2. **Scope.** This section does not apply to:

- (1) a purchase of a manufactured home park by a nonprofit or a representative acting on behalf of residents pursuant to a bona fide offer to purchase the park pursuant to subdivision 4;
- (2) a purchase of a manufactured home park by a governmental entity under its powers or threat of eminent domain;
- (3) a transfer by a corporation or limited liability company to an affiliate, including any shareholder or member of the transferring corporation; any corporation or entity owned or controlled, directly or indirectly,

by the transferring corporation; or any other corporation or entity owned or controlled, directly or indirectly, by any shareholder or member of the transferring corporation;

(4) a transfer by a partnership to any of its partners;

(5) a sale or transfer between or among joint tenants or tenants in common owning a manufactured home park;

(6) an exchange of a manufactured home park for other real property, whether or not such exchange also invoices the payment of cash or boot;

(7) a conveyance of an interest in a manufactured home park incidental to the financing of the manufactured home park;

(8) a conveyance resulting from the foreclosure of a mortgage, cancellation of a contract for deed, or other instrument encumbering a manufactured home park or any deed given in lieu of such foreclosure or cancellation;

(9) a sale or transfer to a person who would be included within the intestate table of descent and distribution of the park owner; or

(10) a park owner who, within the past year, has provided written notice pursuant to section 327C.096.

Subd. 3. **Notice of offer.** (a) If a park owner receives an unsolicited bona fide offer to purchase the park that the park owner intends to consider or make a counteroffer to, the park owner's only obligation shall be to mail a notice to the Minnesota Housing Finance Agency, by certified mail, and to each park resident household, by regular mail. The notice must indicate that the park owner has received an offer that it is considering, and it must disclose the price range and material terms and conditions upon which the park owner would consider selling the park and consider any offer made by a representative acting on behalf of residents or a nonprofit that will become a representative acting on behalf of residents, as provided below. The park owner shall be under no obligation either to sell to the nonprofit or representative acting on behalf of residents or to interrupt or delay other negotiations and shall be free to execute a purchase agreement or contract for the sale of the park to a party or parties other than the representative acting on behalf of residents. Substantial compliance with the notice requirement in this paragraph shall be deemed sufficient.

(b) The Minnesota Housing Finance Agency must, within five days of receipt of the notice required under paragraph (a), distribute a copy of the notice to any representative acting on behalf of residents and to any nonprofits that register with the agency to receive such notices. The agency shall make a list of any representatives acting on behalf of residents and any registered nonprofits publicly available on its website.

Subd. 4. **Unsolicited offer.** Nothing contained in this section or section 327C.096 shall prevent a representative acting on behalf of residents or a nonprofit from making an unsolicited bona fide offer to purchase the manufactured home park to the park owner at any time.

History: 2023 c 37 art 6 s 6

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:

- (1) failed to comply with the provisions of section 327C.06, subdivision 1 or 3;
- (2) 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 recovery stayed.** The issuance of a writ of recovery, 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 recovery, 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:

- (1) neither the resident nor members of the resident's household reside in the park;
- (2) the resident complies with all rules relating to home and lot maintenance; and
- (3) 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 recovery 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; 2015 c 21 art 1 s 109

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:

- (1) good faith complaint to the park owner or to a government agency or official;
- (2) good faith attempt to exercise rights or remedies pursuant to state or federal law; or
- (3) joining and participating in the activities of a resident association as defined under section 327C.015, subdivision 15.

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 (1), (2), or (3). 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; 2022 c 55 art 2 s 3

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 emergency, 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.015 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; 2022 c 55 art 2 s 3

327C.16 CLASS I MANUFACTURED HOME PARK.

Subdivision 1. **Qualifications.** (a) To qualify as a class I manufactured home park, as defined in section 327C.015, subdivision 2, a park owner, or on-site attendant as an employee of the manufactured home park, must satisfy 12 hours of qualifying education courses every three years, as prescribed in this subdivision.

Park owners or on-site attendants may begin accumulating qualifying hours to qualify as a class I manufactured home park beginning in 2017.

(b) The qualifying education courses required for classification under this subdivision must be continuing education courses approved by the Department of Labor and Industry or the Department of Commerce for:

- (1) continuing education in real estate; or
- (2) continuing education for residential contractors and manufactured home installers.

(c) The qualifying education courses must include:

- (1) two hours on fair housing, approved for real estate licensure or residential contractor licensure;
- (2) one hour on the Americans with Disabilities Act, approved for real estate licensure or residential contractor licensure;
- (3) four hours on legal compliance related to any of the following: landlord/tenant, licensing requirements, or home financing under chapters 58, 327, 327B, 327C, and 504B, and Minnesota Rules, chapter 1350 or 4630;
- (4) three hours of general education approved for real estate, residential contractors, or manufactured home installers; and
- (5) two hours of HUD-specific manufactured home installer courses as required under section 327B.041.

(d) If the qualifying owner or employee attendant is no longer the person meeting the requirements under this subdivision, but did qualify during the current assessment year, then the manufactured home park shall still qualify for the class rate provided for class 4c property classified under section 273.13, subdivision 25, paragraph (d), clause (5), item (iii).

Subd. 2. Proof of compliance. (a) A park owner that has met the requirements of subdivision 1 shall provide an affidavit to the park owner's county assessor certifying that the park owner, corporate officer, or on-site attendant has complied with subdivision 1 and that the park meets the definition of a class I manufactured home park as defined in this section, and is entitled to the property tax classification rate for class I manufactured home parks in section 273.13, subdivision 25. The park owner shall retain the original course completion certificates issued by the course sponsor under this section for three years and, upon written request for verification, provide these to the county assessor within 30 days.

(b) A park owner must provide the county assessor written notice of any change in compliance status of the manufactured home park no later than December 15 of the assessment year.

History: 2017 c 94 art 11 s 2; 2022 c 55 art 2 s 3