

State of Vermont Department of Housing and Community Development

Deane C. Davis Building – 6th Floor [phone] 802-828-3211 One National Life Drive Montpelier, VT 05620-0501

Agency of Commerce and Community Development

MEMORANDUM

TO: Vermont Mobile Home Park Owner

FROM: Department of Housing and Community Development

RE: Notification of Intent to Sell a Mobile Home Park

10 V.S.A. §6242 and the Housing Division Rules Part I, Rule 13

The provisions of the Mobile Home Park Act and Housing Division Rules that pertain to mobile home park sales are designed to preserve the affordability of mobile home parks by giving mobile home owners in the park an opportunity to buy the park as a group or approve a nonprofit housing organization to negotiate to buy the park. Vermont law requires notice to each mobile home owner in the park and the Commissioner of the Department of Housing and Community Development (DHCD) before selling the mobile home park. The law also requires a notice before closing the park unless you file a restriction in the Land Records committing to not selling the underlying land for at least five years.

The mobile home owners have 45 days from receipt of the notice by the Commissioner of DHCD to decide whether they are interested in buying the mobile home park. During the 45-day notice period you may not commit to selling the park to anyone else. If a majority of the mobile home owners are interested in buying the park or approving a nonprofit to negotiate for purchase of the park, they must notify you before the end of the 45-day notice period, and you will have an additional 120 days to negotiate the sale of the mobile home park in good faith with each other. You may not commit to selling the park to anyone except for the mobile home owners or a nonprofit they have approved during the entire 165-day period (45 days plus 120 days).

While the notice is in effect, you may not sell the park for a price more than five percent below the price you offered in the notice or less than five percent above the final written offer from a group representing a majority of the mobile home owners or a nonprofit approved by them without giving a new notice and opportunity for the mobile home owners to consider purchase. By law, the notice is effective for a period of one year from the expiration of the 45-day notice period. A new notice and 45day period are required if the park has not been sold before the expiration, unless you have entered a binding purchase and sale agreement with the mobile home owners or a nonprofit they approved.

Example:

If asking price is \$400,000: $400,000 \times 5\% = 20,000$ \$400,000 - \$20,000 = \$380,000New sale notice required before any sale for a price below \$380,000.

If residents offer \$375,000: $$375,000 \times 5\% = $18,750$ \$375,000 + \$18,750 = \$393,750New sale notice required before any sale for a price below \$393,750.



TAX BENEFITS

If you pay Vermont income tax, you may be eligible for a tax credit if you sell the park to the mobile home owners or a nonprofit approved by them, and the sale may be exempt from land use and property transfer taxes. These are additional factors that you should discuss with your attorney or tax preparer.

DISCLOSURE TO SELLER; SECURITY DEPOSITS

When the park is sold, the law requires you to disclose of the results of any recent sanitary survey, water tests taken during the past three years, and applicable State and local permits to the buyer (10 V.S.A. §6266(d). Security deposits, if any, must be transferred to the new park owner (10 V.S.A. §6244(f)) who must provide a statement to the leaseholders that he/she has received the deposits.

INSTRUCTIONS

Complete, sign, and mail the Notification of Intent to Sell a Mobile Home Park form with a list of the names and mailing addresses of the mobile home owners, and a copy of the notification letter, to the Commissioner and each mobile home owner by Certified Mail <u>Return Receipt Requested</u>.

These forms and instructions are available on our website at <u>accd.vermont.gov/housing</u>. If you have any questions, please call (802) 828-3749 or email <u>arthur.hamlin@vermont.gov</u>.

Enclosures:

- 1. Notification to Department of Housing and Community Development of Intent to Sell a Mobile Home Park form (Effective April 12, 2013 Revised 10/2/2023)
- 2. Sample Notification Letter for Park Sale (Effective April 12, 2013 Revised 10/2/2023)

NOTIFICATION TO DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT OF INTENT TO SELL A MOBILE HOME PARK

1.	Na	me of Owner(s)	:								
	a.	Mailing Addres	s:		b. I	Phone	#:		(W)		
									(H)		
							_				
2.	Na	me of Mobile H	ome Parl	:							
	a.	Park Address:					e. # Mobil	e Home Lots	3:		
							# Mobil	e Homes at I	Park:		
		-					# Owne	d by Park Ov	wner:		
	b.	Taxed by City/Town(s):					# Owne	# Owned by Leaseholders:			
	c.						# of Mobile Home Owners:				
	d.	Year(s) of expa	nsion(s):	-					_		
	f.	Lot Rent		\$			Date of	last increase	:		
3.	Is t	the park served by	e park served by municipal water?			-	If no,	If no, describe water and septic system			
		•	•								
	To your best knowledge, is the mobile home park in compliance with the following regulations and permits?										
		ater:	yes	no	Act 250 permit(s	no					
	Sewer/Septic:		yes	no	Mobile Home P	ark re	gistration:	yes	no		
	Ele	ectrical:	yes	no	Municipal perm	its:		yes	no		
	Reasons for noncompliance:										
4.	a.	Asking Price:	\$		Price Includes:	Nur	Number of Acres				
		Other buildings				Mo	bile homes				
		Equipment / vehicles			Othe	er items					
		Use this space of									
	b. Sale Terms:										
	c.	c. Is there a private sale pending?					be contingent on mobile home owners' rights.				
				le home owne	ers, their <u>complete</u> m	nailing	g address,	lot number	, and the number of		
		lds held by each									
		FICATION - I cer	tify that t	he foregoing ar	nd attached information		ue and corre	ect.			
Ow Dat	ner: te:				Co-Owner Date:	r:					
_ ~					Date.						

SEND BY CERTIFIED MAIL RETURN RECEIPT REQUESTED TO MOBILE HOME OWNERS AND:

Alex Farrell, Commissioner
Department of Housing & Community Development
One National Life Drive
Deane C. Davis Building, sixth floor
Montpelier, VT 05620-0501

INSTRUCTIONS

- 1. Name and address of owner: 1. Provide the name(s) of actual owner(s) of the mobile home park. If the mobile home park is owned by a partnership or corporation, include all partners or principals of the corporation; 1a. Provide the mailing address for the park owner(s); 1b. Telephone number(s) where owner can be reached.
- 2. Name and description of the mobile home park: Provide the name of the mobile home park, if any. If none, the Department uses the park owner(s) name; 2a. Provide the actual physical address/location of the mobile home park; 2b. City or Town(s) to which property taxes assessed on the mobile home park are paid; 2c. Year the park was established; 2d. The year(s), if any, that additional lots were developed in the mobile home park; 2e. Number of developed lots in the mobile home park and number of mobile homes currently sited; number of mobile homes that you own and number owned by leaseholders; 2f. Current lot rent (including any capital improvements surcharge) and the date of the most recent rent increase.
- 3. **Utilities and permits**: Answer "Yes" or "No" to indicate whether the mobile home park is served by municipal water and sewer. If "No", provide explanation as to the water source and type of septic systems for the mobile home park. Check off "Yes" or "No" whether, to the owner's best knowledge, the mobile home park is in compliance with the required permits and/or registrations listed. For any "No" answer provide an explanation of the reason for the noncompliance and any steps being taken to correct the noncompliance.
- 4. **Asking price and terms**: Provide the asking price for the mobile home park; 4a. Indicate the amount of land/acreage that is included, all buildings included with the sale, including any mobile homes that you own that are included, garages, equipment, sheds/storage etc.; Provide detailed descriptions of any buildings (e.g. type of building, age, size, condition, value); 4b. Sale terms: indicate whether or not there are any special conditions to the sale or if, for example, you are offering owner financing; 4c. Indicate whether or not a private sale is pending. Department may request a copy of any purchase and sale agreement or offer.

Attach a complete list of the mobile home owners' names and mailing addresses, lot number, and number of leaseholds held by each. The mobile home park owner must sign and date the form. SEND BY CERTIFIED MAIL RETURN RECEIPT REQUESTED to the Commissioner of Housing and Community Development and each mobile home owner along with a copy of the notification letter.

If you have any questions call (802) 828-3749 or email arthur.hamlin@vermont.gov.

USE THE SPACE BELOW OR ADDITIONAL SHEETS FOR MORE INFORMATION

MOBILE HOME PARK SALE NOTIFICATION LETTER TO MOBILE HOME OWNERS

Date:

Certified Mail Return Receipt Requested

mobile park be years. 7 park's r group, o	or approve a nonprofit corporation to buy the	you the opportunity to consider buying the ing the park to sell the property within five I closure of the park. If a majority of the y negotiate to buy the mobile home park as a ne mobile home park.						
	The property that is for sale includes {describe in detail}:							
•	Number of Acres	No. Mobile Home Lots						
	Buildings	No. of Mobile Homes						
	Equip. / Vehicles	Other items						
	The asking price for the above property is \$							
	The terms and conditions of the sale are:							
	_							
		le home park is is not in compliance [Discuss the status of compliance:]						

As required by law, for 45 days following receipt of proper notice to the Department of Housing and Community Development and your receipt of this notice, {I/we} will not commit to selling the mobile home park to anyone.

If during the 45-day notice period, {I/we} receive notice from a group representing a majority of the mobile home owners or a nonprofit approved by you stating that you are interested in buying the mobile home park, then you will have an additional 120 days to negotiate in good faith with {me/us} to buy the mobile home park, for a total of 165 days from the notice, and during the entire 165-day period, {I/we} will not commit to selling the mobile home park to anyone except a group representing a majority of the mobile home owners or a nonprofit approved by you, and will consider any offers that you make to purchase the park.

By law, this notice is good for a period of one year from the expiration of the 45-day notice period. While this notice is in effect, {I/we} will not sell the mobile home park for a price more than five percent below the asking price disclosed in this notice or less than five percent above a final written offer made by a group representing a majority of you or a nonprofit approved by you without providing you a new notice and opportunity to consider purchase.

In a few weeks, the Department of Housing and Community Development may schedule an informational meeting to tell you more about your rights. If you would be interested in meeting with the Department or have any questions, contact the Housing Division at (802) 828-3749 or email arthur.hamlin@vermont.gov.

Sincerely,

{Owner}

Required Enclosures

List of mobile home owners' names and mailing addresses, and # of leaseholds Notification to Department of Intent to Sell a Mobile Home Park form

cc: Alex Farrell, Commissioner
Department of Housing and Community Development