

JAN 29 1996

LOCAL GOVERNMENT

HOUSE FILE 2117  
BY MARTIN, VAN FOSSEN,  
and HARRISON

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the powers and duties of landowners and  
2 tenants in manufactured home parks, providing for other  
3 properly related matters, providing for injunctive relief and  
4 civil penalties, and including an applicability provision.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2117

1 Section 1. NEW SECTION. 562D.1 SHORT TITLE -- PURPOSE.

2 1. This chapter may be cited as the "Manufactured Home  
3 Owner's Bill of Rights Act".

4 2. The general assembly finds that unregulated market  
5 forces result in unfair and unconscionable practices in manu-  
6 factured housing park tenancies and that, once a home is  
7 situated on a park site, the difficulty and cost of moving the  
8 home gives the park operator disproportionate power in setting  
9 the rent, fees, rules, and other aspects of the tenancy. The  
10 shortage of park spaces, existing law as to eviction rights,  
11 park operator restrictions of the resident's sale of the home,  
12 and park owner changes in the land use of the park exacerbate  
13 the problems of residents. The purpose of this chapter is to  
14 protect residents from a park operator's unconscionable  
15 actions and to provide residents with a minimum of security in  
16 their homes.

17 Sec. 2. NEW SECTION. 562D.2 DEFINITIONS.

18 As used in this chapter, unless the context otherwise  
19 requires:

20 1. "Manufactured home" means a residential structure,  
21 transportable in one or more sections, which is eight feet or  
22 more in width, and thirty-two body feet or more in length,  
23 built on an integral chassis, and designed to be used as a  
24 dwelling when connected to the required utilities. "Manu-  
25 factured home" includes the plumbing, heating, air  
26 conditioning, and electrical systems contained in the  
27 structure. A manufactured home includes a mobile home and a  
28 modular home as defined in section 435.1. A manufactured home  
29 does not include travel trailers, camping trailers, truck  
30 campers, or motor homes which are primarily designed as  
31 temporary living quarters for recreational camping or travel  
32 use and which either have their own motor power or are mounted  
33 on or drawn by another vehicle.

34 2. "Manufactured housing park" or "park" means a use of  
35 land in which four or more lots or spaces are offered for rent

1 or lease for the placement of manufactured housing and in  
2 which the primary use of the park or the manufactured home  
3 section of the park is residential.

4 3. "Park operator" means an owner or manager of a  
5 manufactured housing park, including park employees and any  
6 subsequent purchaser of a park.

7 4. "Rental agreement" means any agreement between a park  
8 operator and a resident establishing the terms and conditions  
9 whereby a manufactured home is placed upon a rented or leased  
10 lot in a manufactured housing park. A lease is a rental  
11 agreement.

12 5. "Resident" is a person who has a tenancy in a  
13 manufactured housing park under a rental agreement.

14 6. "Resident association" means any organization of  
15 residents representing a majority of the residents of the  
16 park, which is organized for the purpose of resolving matters  
17 relating to living conditions in the manufactured housing  
18 park.

19 7. "Use-based charges" means charges for services or  
20 facilities that are based on the amount of the resident's use  
21 of a particular service or facility. A charge is not use-  
22 based if a resident is charged when the resident does not use  
23 the service or facility, or if different residents are  
24 assessed the same charge for using different levels of service  
25 or facilities.

26 Sec. 3. NEW SECTION. 562D.3 UNFAIR AND DECEPTIVE  
27 PRACTICES.

28 A park operator shall not commit any of the following acts:

29 1. Engage in unfair or deceptive acts or practices or  
30 unfair methods of competition.

31 2. Require, as a condition to the rental of any site, the  
32 purchase of a manufactured home from the park operator, or any  
33 dealer, manufacturer, or agent named by the operator.

34 3. Represent to any person that the purchase of a  
35 manufactured home from the park operator or any dealer,

1 manufacturer, or agent named by the operator will give the  
2 purchaser an advantage over others in the rental or continued  
3 occupancy of a site.

4 4. Discriminate or threaten to discriminate regarding the  
5 amount of rental charges or in any other respect against a  
6 resident for failure of the resident to purchase a  
7 manufactured home from the operator or any dealer,  
8 manufacturer, or agent named by the operator.

9 5. Solicit or receive any payment or other thing of value  
10 from any person upon the representation or understanding that  
11 the consideration will give that person an advantage over  
12 others in the rental or continued occupancy of a site.

13 6. Use a manufactured housing park site to display an  
14 unoccupied manufactured home offered for sale, or rent a site  
15 to a manufactured housing dealer for purposes other than  
16 accommodation of a manufactured home occupied as a residence,  
17 if the use or rental of the site leaves no site in the manu-  
18 factured housing park available to a prospective resident who  
19 does not purchase a manufactured home from the operator or  
20 manufactured housing dealer.

21 Sec. 4. NEW SECTION. 562D.4 RENTAL TERMS AND AGREEMENTS.

22 1. All rental agreements shall be for a term of five  
23 years, unless a longer period is mutually agreed upon by both  
24 the resident and park operator.

25 2. A resident who executes a rental agreement may cancel  
26 the agreement by notifying the park operator in writing within  
27 seven days of the resident's execution of the rental  
28 agreement.

29 3. The maximum amount that a park operator may establish  
30 and seek as damages for a resident's early termination of a  
31 rental agreement is two months' rent, except that if the  
32 manufactured housing space is reoccupied within twenty days of  
33 vacating, the damages shall be a maximum of one month's rent.

34 4. During the first rental term, a park operator may  
35 propose whatever rental amount the operator chooses, including

1 rental increases, if the amounts or methods of determining the  
2 increases are fully and clearly determinable and disclosed in  
3 the rental agreement, are not unreasonable, and are binding on  
4 the park operator for the term of the rental agreement.

5 5. A park operator may require, at the inception of a  
6 resident's first rental agreement, a security deposit not  
7 exceeding one month's rent. The security deposit, as well as  
8 interest at a rate of five percent per annum, shall be  
9 returned to the resident when the lease is terminated if the  
10 resident has paid in full all rent and other charges due, has  
11 caused only minimal damage to the leased premises, and has  
12 left the lot reasonably clean and free of debris. Within  
13 fifteen days of the termination of the rental agreement, the  
14 park operator shall provide the resident with an itemized list  
15 of charges due and damages to the premises and the estimated  
16 cost of repair for each, and make payment for the difference  
17 between the security deposit and the charges due and estimated  
18 cost of repair of damages to the premises. Failure to comply  
19 with this requirement within fifteen days constitutes  
20 admission by the park operator that no damages are due, and  
21 the park operator shall immediately remit to the resident the  
22 full amount of the security deposit.

23 6. At the expiration of a rental agreement, the agreement  
24 will be automatically renewed for a term of five years with  
25 the same terms as the previous rental agreement, unless the  
26 resident notifies the park operator at least thirty days prior  
27 to the agreement's termination of an intent to move or the  
28 park operator seeks to change the terms of the agreement  
29 pursuant to subsections 7 and 8.

30 7. Six months prior to the end of a rental term a park  
31 operator shall offer the resident a renewal rental agreement  
32 with a term of at least five years, a proposed rental amount,  
33 and any fee or other changes proposed for that term.

34 8. If a resident does not accept the terms proposed by a  
35 park operator pursuant to subsection 7, the park operator may

1 initiate a binding appraisal process, pursuant to section  
2 562D.15, whereby an appraiser agreed to by the resident and  
3 the park operator shall determine the fair market value of the  
4 lot rent and other charges over the next five years, based on  
5 the existing rental agreements of other residents in the same  
6 park. The amount determined by the appraiser, including any  
7 built-in rent increases, shall be binding for the next five-  
8 year period.

9 9. A resident with a rental agreement which does not  
10 comply with this chapter shall, as soon as practical, be  
11 offered a five-year rental agreement complying with this  
12 chapter, effective on the termination of the existing rental  
13 agreement. If the resident does not accept the terms, the  
14 resident may initiate a binding appraisal process, pursuant to  
15 section 562D.15, whereby an appraiser agreed to by the  
16 resident and park operator shall determine the fair market  
17 value of the lot rent and other charges over the next five  
18 years, based on new rental agreements of other residents in  
19 the same park, and, if necessary, new rental agreements in  
20 other comparable parks. The amount determined by the  
21 appraiser, including any rental increases, shall be binding  
22 for the five-year period.

23 10. If a park operator decreases any services which are  
24 required by a rental agreement, the park operator shall reduce  
25 the rental amount accordingly. If the park operator fails to  
26 reduce the rental amount, an individual resident or a resident  
27 association may initiate a binding arbitration proceeding,  
28 pursuant to section 562D.15, to determine the appropriate  
29 reduction in rent, and to determine the amount of the refund  
30 the park operator owes residents for excessive rent payments  
31 already made.

32 Sec. 5. NEW SECTION. 562D.5 OTHER FEES AND CHARGES.

33 1. A park operator shall not charge residents any fees or  
34 charges other than a monthly rent charge or a security  
35 deposit, except for use-based charges that are specified in a

1 rental agreement.

2 2. Charges for existing use-based services or facilities  
3 shall be specified in the rental agreement, and shall only be  
4 increased as established in the rental agreement. Any  
5 increase shall be reasonably related to the increases in the  
6 park operator's costs.

7 3. The following fees are specifically prohibited and any  
8 rental agreement provision establishing the fees is void:

9 a. Entrance and exit fees.

10 b. Fees for a resident's resale of a manufactured home,  
11 assignment of the lease, or sublet of a manufactured home.

12 c. Fees for additional family members.

13 d. Short-term guest fees.

14 e. Pet fees, unless special facilities are provided for  
15 pets.

16 4. A park operator may charge a penalty for late payment  
17 of rent or other fees after the payments are fifteen days  
18 delinquent. The late charge shall not exceed five percent of  
19 the amount owed and may be imposed only once for a particular  
20 late payment.

21 5. A park operator's utility service charge shall not ex-  
22 ceed prevailing residential utility rates in the vicinity,  
23 shall be use-based as provided in subsection 2, and shall be  
24 periodically invoiced in writing, specifying the charge, the  
25 rate, and the amount of the utility service used. The park  
26 operator shall post in a conspicuous place the prevailing  
27 residential utilities rate schedule as published by the  
28 serving utility.

29 6. A park operator shall not restrict the choice of  
30 vendors from whom a resident may purchase goods or services,  
31 or in any other way engage in conduct that discourages a resi-  
32 dent from selecting the vendor of the resident's choice. This  
33 subsection shall not apply to the following:

34 a. Snow removal, lawn care, or similar site maintenance  
35 services performed by the operator, upon the failure of a

1 resident to fulfill the resident's site obligations under the  
2 rental agreement. A charge shall not be imposed for site  
3 maintenance services performed by the operator under this  
4 paragraph unless the resident, if available, is given prior  
5 notice and a reasonable opportunity to perform the resident's  
6 obligation under the rental agreement. Charges for site  
7 maintenance services shall be set forth in the rental  
8 agreement, and shall be reasonable and limited to the park  
9 operator's actual costs.

10 b. A nondiscriminatory prohibition against sales sollicita-  
11 tions within the manufactured housing park.

12 7. If the park operator sells cable or other television  
13 service at a charge above that prevailing in the community,  
14 there shall be a presumption that park rules restricting  
15 antennas or otherwise restricting a resident's access or  
16 choice of television service are unreasonable and void.

17 Sec. 6. NEW SECTION. 562D.6 PARK RULES.

18 1. The park operator may establish rules governing the  
19 rental occupancy of a manufactured home lot and the use of  
20 common areas and facilities, but a rule shall not be unrea-  
21 sonable, unfair, or unconscionable.

22 2. Any rule which does not apply uniformly to all manufac-  
23 tured home residents in similar situations shall create a  
24 rebuttable presumption that the rule is unfair.

25 3. Each common area facility shall be open or available to  
26 residents at reasonable hours and the hours of the common  
27 recreational facility shall be posted at the facility.

28 4. If the residents of a park have formed a resident  
29 association, then a change in a rule shall not be implemented  
30 without the approval of the association. If the approval is  
31 withheld, the park operator may initiate an arbitration  
32 procedure with the resident association pursuant to section  
33 562D.15. If the arbitrator finds that the rule change is  
34 unreasonable, unfair, or unconscionable, the rule shall not be  
35 implemented. If a resident association has not been



1 established, the rule changes shall be submitted directly to  
2 the department of justice for review and prior approval. A  
3 park operator or resident may appeal the approval or failure  
4 to approve a rule to the district court of the county in which  
5 the park is located.

6 5. Except in a bona fide emergency, a change in a rule  
7 shall not be effective until at least sixty days after the  
8 residents receive notice of the change.

9 6. When a rule is enforced against a resident, the  
10 resident may seek judicial review of the rule.

11 Sec. 7. NEW SECTION. 562D.7 TERMS OF RENTAL AGREEMENT.

12 1. All rental agreements and renewal agreements shall be  
13 in writing and signed by the park operator or manager and the  
14 resident. The park operator shall give the resident a copy of  
15 the park's standard rental agreement, with all park rules and  
16 attachments, and the pamphlet required by subsection 5, at the  
17 time the prospective resident initially contacts the park  
18 concerning a prospective vacancy, and a completed agreement  
19 after the rental agreement has been signed.

20 2. A rental agreement or renewal agreement shall contain,  
21 but is not limited to, the following provisions:

22 a. The rental term, which shall be at least five years,  
23 and a statement of the resident's right to a five-year renewal  
24 agreement at a fair market rental value.

25 b. The monthly rental amount and the method for  
26 specifically determining the amount of any changes in rent  
27 over the lease term. If the rent amount changes over the term  
28 of the lease, and the lease does not specify the dollar amount  
29 of the subsequent rent levels, the rental agreement shall  
30 clearly specify the formula or method for determining those  
31 changes, and shall also provide examples of how the formula or  
32 method would work in each year of the lease term.

33 c. The rules of the park.

34 d. A warranty of habitability, as specified in section  
35 562D.8.

- 1 e. A description of the park operator's maintenance  
2 responsibilities.
- 3 f. A list of facilities and services which the park  
4 operator will provide.
- 5 g. Any late charges, fees, or charges for services,  
6 including any increases during the term of the lease. If the  
7 amount of fees or charges change over the term of the lease,  
8 and the lease does not specify the dollar amount of the  
9 subsequent levels of fees or charges, the rental agreement  
10 shall specify formula or method for determining those changes,  
11 and shall also give clear and realistic examples of how the  
12 formula or method would work in each year of the lease term.
- 13 h. Disclosure of the park operator's reservation of the  
14 right to evict a resident for a change in the use of the  
15 property during the lease term.
- 16 i. If there is a temporary zoning permit for the use of  
17 the land, the date when the zoning permit expires.
- 18 j. A description of the resident's manufactured home site  
19 and the address or site number, and the number and location of  
20 any accompanying automobile parking spaces.
- 21 k. The park operator's name and address for the delivery  
22 of all official notices and also the name and telephone number  
23 of the individual who may be contacted for emergency  
24 maintenance, pursuant to section 562D.8, subsection 3.
- 25 l. The amount of any security deposit imposed by the park  
26 operator.
- 27 m. Any penalties the park operator may impose for the  
28 resident's early termination.
- 29 n. The grounds for eviction.
- 30 o. Other terms or conditions of occupancy.
- 31 p. A prominent disclosure that the resident's rights and  
32 park operator's obligations are specified in a pamphlet  
33 attached to the rental agreement.
- 34 q. A prominent disclosure that the resident may cancel the  
35 rental agreement with no obligation for the next seven days

1 after signing the agreement.

2 3. A provision for rent increases or increases in fees  
3 over the term of the rental agreement shall be initialed by  
4 the resident.

5 4. The rental agreement shall be clearly written in under-  
6 standable language, in at least ten point type, in a form and  
7 presentation approved by the department of justice.

8 5. The attorney general shall prepare and distribute  
9 within ninety days of the effective date of this Act a  
10 pamphlet specifying a resident's rights and a park operator's  
11 obligations as established in this chapter.

12 6. The park operator shall attach one copy of the pamphlet  
13 specified in subsection 5 to each rental agreement.

14 7. A rental agreement shall not contain any terms which  
15 are illegal, unfair, unconscionable, or unenforceable.

16 Sec. 8. NEW SECTION. 562D.8 WARRANTY OF HABITABILITY --  
17 OBLIGATIONS OF PARK OPERATOR.

18 1. In any rental agreement a park operator is deemed to  
19 covenant and warrant that the space and its associated  
20 facilities are fit for human habitation.

21 2. The park operator shall do all of the following:

22 a. Comply with codes, statutes, ordinances, and adminis-  
23 trative rules applicable to the manufactured housing park.

24 b. Maintain all common areas of the park in a clean and  
25 safe condition.

26 c. Maintain in good working condition all electrical  
27 appliances, plumbing facilities, sanitary facilities, and  
28 recreational facilities which the park operator furnishes.

29 d. Maintain and protect all utilities provided to the  
30 manufactured home and keep water and sewer lines in good  
31 working condition. Maintenance responsibilities shall extend  
32 to the point where the normal manufactured home utility hook-  
33 ups connect to those provided by the park operator or utility  
34 company.

35 e. Maintain in a safe and secure location individual

1 mailboxes for the residents.

2 f. Maintain roads within the manufactured housing park in  
3 good and safe condition including snow removal and adequate  
4 drainage, and be responsible for damage to a vehicle which is  
5 the direct result of any unrepaired poorly maintained access  
6 road within the park.

7 g. Take reasonable steps to exterminate rodents, vermin,  
8 or other pests dangerous to the health and safety of the  
9 resident when infestation exists on the common premises or in  
10 the interior of a manufactured home as a result of infestation  
11 existing on the common premises.

12 h. Maintain the premises and regrade them when necessary  
13 to prevent the accumulation of stagnant water and the detri-  
14 mental effects of moving water.

15 i. Take all necessary steps to maintain the integrity of  
16 the foundation of the resident's manufactured home.

17 j. Keep the common areas of the park free from any species  
18 of weed or plant growth which is noxious or detrimental to the  
19 health of the residents.

20 k. Provide for the removal of garbage, rubbish, and other  
21 waste incidental to the occupancy of the manufactured housing  
22 space.

23 1. Cooperate with and assist residents in applying for  
24 property tax abatements, as applicable.

25 3. The park operator shall authorize a manager, assistant  
26 manager, or other employee to make repairs that are the  
27 responsibility of the park operator or enter into a contract  
28 with a third party for the repairs. The park operator shall  
29 contract with a third party to provide emergency repairs that  
30 are the responsibility of the park operator on occasions when  
31 the manager, assistant manager, or other designated employee  
32 is not physically present in the park, and shall notify each  
33 resident of the telephone number where the third party may be  
34 reached directly.

35 4. If the park operator fails to comply with the

1 requirements of this section, the resident may recover damages  
2 for the breach under section 562D.15 and also may notify the  
3 park operator of the resident's intention to correct the  
4 condition at the park operator's expense. After being  
5 notified by the resident in writing, if the park operator  
6 fails to comply within fifteen days or more promptly, as  
7 conditions reasonably require in case of emergency, the  
8 resident may cause the work to be done by a contractor and,  
9 after submitting to the park operator an itemized statement,  
10 deduct from the resident's rent the actual and reasonable cost  
11 of the work.

12 Sec. 9. NEW SECTION. 562D.9 RESIDENT ASSOCIATIONS.

13 1. The membership of a resident association may elect  
14 officers of the association at a meeting at which a majority  
15 of the members are present. Except in emergency situations,  
16 the resident association shall provide notice to all residents  
17 of any association meeting at least seven days prior to the  
18 meeting. All residents may attend meetings, but the park  
19 operator and the operator's employees shall not be members and  
20 shall not attend meetings unless specifically invited to a  
21 particular portion of a meeting. A resident association may  
22 not impose fees, dues, or assessments upon members or the  
23 residents unless two-thirds of the members or residents agree  
24 to the specific fees, dues, or assessments. An officer or  
25 member of a resident association shall not be personally  
26 financially responsible for the acts or omissions of the  
27 association or another officer or member of the association.

28 2. A park operator shall not increase a resident's rent or  
29 decrease services, change park rules, bring or threaten to  
30 bring an action for eviction or other civil action, or take  
31 any other action in retaliation after any of the following  
32 occur:

33 a. The resident has expressed an intention to complain or  
34 has complained to a governmental agency about conditions in  
35 the park.

1 b. The resident has made any complaint in good faith to  
2 the park operator.

3 c. The resident has filed or expressed an intention to  
4 file a lawsuit or administrative action against the park  
5 operator.

6 d. The resident has organized or is a member of a resident  
7 association.

8 e. The resident has performed or expressed intent to  
9 perform any other act for the purpose of asserting, protect-  
10 ing, or invoking the protection of any right secured to  
11 residents under federal, state, or local law.

12 3. An attempt to evict a resident, except for nonpayment  
13 of rent, within six months after the resident has taken an  
14 action specified in subsection 2, shall create a rebuttable  
15 presumption that the eviction action is in retaliation against  
16 the resident.

17 4. A park operator shall not harass or threaten a resident  
18 association, or engage in unfair or deceptive conduct to  
19 inhibit or interfere with the creation or operation of an  
20 association by the residents.

21 5. A park operator shall permit meetings by a resident  
22 association or residents relating to manufactured home living  
23 or social or educational purposes, including forums for or  
24 speeches by public officials or candidates for public office.

25 6. A park operator shall meet and consult with residents  
26 upon written request, within thirty days of the request,  
27 either individually, collectively, or with representatives of  
28 a group of residents on the following matters:

29 a. Amendments to park rules and regulations.

30 b. Standards for maintenance of physical improvements in  
31 the park.

32 c. Addition, alteration, or deletion of services, equip-  
33 ment, or physical improvements.

34 7. Except in the case of an emergency or when the resident  
35 has abandoned the manufactured home, a park operator shall not

1 enter a manufactured home without the prior written consent of  
2 the resident. The consent may be revoked in writing by the  
3 resident at any time. The park operator shall have a right of  
4 entry upon the land where a manufactured home is situated for  
5 maintenance of utilities, for maintenance of the premises, and  
6 protection of the manufactured housing park, at any reasonable  
7 time, but not in a manner or at a time which would interfere  
8 with the resident's quiet enjoyment.

9 Sec. 10. NEW SECTION. 562D.10 EVICTION -- FORECLOSURE.

10 1. The park operator may terminate the rental agreement by  
11 following the procedures as provided in subsection 4 and for  
12 only one or more of the following reasons:

13 a. Nonpayment of rent, as specified in subsection 2.

14 b. Violation of a park rule, as specified in subsection 3.

15 c. Disorderly conduct that results in disruption of the  
16 rights of others to the peaceful enjoyment and use of the  
17 premises, endangers other residents or park personnel, or  
18 causes substantial damage to the park premises.

19 d. The resident's conviction of a crime, the commission of  
20 which threatens the health, safety, or welfare of the other  
21 residents or the park operator, as specified in subsection 3.

22 e. Changes in the use of the land if the requirements of  
23 section 562D.12 are met.

24 2. A park operator shall not institute eviction procedures  
25 pursuant to subsection 4 for nonpayment of rent until forty-  
26 five days have elapsed from the date the resident receives  
27 notice that rent is delinquent, and only if the resident has  
28 not tendered that delinquent payment during the forty-five-day  
29 period. Failure to pay a fee or late charge is not grounds  
30 for eviction. A payment made by a resident to a park operator  
31 shall be attributed first to delinquent rent payments, then to  
32 current rent payments, and last to fees, charges, or late  
33 fees.

34 3. Violation of a park rule or regulation shall only be  
35 grounds for eviction if the rule has been properly established

1 pursuant to section 562D.6, and the rule is not unfair,  
2 unreasonable, or unconscionable; the resident has had at least  
3 sixty days' notice of the rule before the violation took  
4 place; the rule violation is likely to continue or recur; and  
5 the continuing violation or recurrence would have a signifi-  
6 cant adverse impact on the park or its residents. The conduct  
7 specified in subsection 1, paragraph "c", shall only be  
8 grounds for eviction if there is a likelihood of future  
9 conduct that would also be grounds for eviction pursuant to  
10 that paragraph.

11 4. The park operator may terminate the rental agreement or  
12 evict the resident only through court order. The court shall  
13 determine if the grounds for eviction as provided in this  
14 section have been met. An eviction shall not be ordered if  
15 the court determines that the eviction proceeding is in  
16 retaliation for the resident's conduct, as provided in section  
17 562D.9, subsection 2 or 3.

18 5. In any eviction action for nonpayment of rent, the  
19 resident shall be entitled to raise, by defense or counter-  
20 claim, any claim against the park operator relating to or  
21 arising out of the tenancy for breach of warranty, for breach  
22 of the rental agreement, or violation of any law. The amounts  
23 which the resident may claim shall include, but shall not be  
24 limited to, the difference between the agreed-upon rent and  
25 the fair value of the use and occupation of the manufactured  
26 home lot, any amounts reasonably spent by the resident to  
27 repair defects in the manufactured housing park, and any  
28 damages as provided in section 562D.16. The court, upon  
29 hearing, may require the resident to deposit with the clerk of  
30 the district court the fair value of the use and occupation of  
31 the premises less the amount awarded the resident for any  
32 claim under this section, or installments periodically as the  
33 court may direct, for the occupation of the premises. The  
34 funds may be expended for the repair of the premises by  
35 certain persons as the court after hearing may direct,



1 including, if appropriate, a receiver. When all of the  
2 conditions found by the court have been corrected, the court  
3 shall direct that the balance of funds, if any, remaining with  
4 the clerk shall be paid to the park operator.

5 6. Any court order for eviction based on the resident's  
6 nonpayment of rent shall specify that the sheriff shall not  
7 serve an eviction notice for at least thirty days after the  
8 court order and that the resident may cure the eviction order  
9 by paying the full amount due up until the time the resident  
10 is actually evicted by the sheriff. A court order for  
11 eviction for reasons other than nonpayment of rent may specify  
12 conditions whereby the resident may cure the violation and  
13 remain in the tenancy.

14 7. Notwithstanding section 554.9503, a secured party, in  
15 taking possession of a manufactured home, shall proceed  
16 through judicial process.

17 8. A resident who has been evicted from the park shall  
18 have one hundred twenty days in which to sell the resident's  
19 manufactured home in the park. The resident shall be  
20 responsible for paying the rental amount during that period  
21 and for regular maintenance of the manufactured home lot  
22 during the one-hundred-twenty-day period. The park shall have  
23 a lien on the manufactured home to the extent the payments are  
24 not made or the maintenance is not performed, and during that  
25 period, no one may reside in the manufactured home.

26 Sec. 11. NEW SECTION. 562D.11 SALE OF HOME -- LEASE.

27 1. A park operator shall not deny any resident the right  
28 to sell or interfere with the sale of a manufactured home on a  
29 rented space or require the resident to remove the home from  
30 the space solely on the basis of a sale of the home. A park  
31 operator shall not limit the sale of homes on the basis of the  
32 home's age or physical condition or in any way misrepresent  
33 that the homes may not be sold.

34 2. A park operator or employee of the park shall not act  
35 as an agent or broker in the sale of a resident's manufactured

1 home, nor shall the park operator or an employee receive a  
2 commission or fee from the sale of any home owned by a  
3 resident.

4 3. A park operator shall not place unreasonable, unfair,  
5 or discriminatory restrictions on for-sale signs or on access  
6 to the park by prospective purchasers or realtors, or  
7 interfere with a resident's efforts to sell a manufactured  
8 home.

9 4. Except as specified in subsections 5 and 6, a resident  
10 shall have the right to assign the rental agreement to the  
11 purchaser of the resident's manufactured home, or to sublease  
12 the manufactured home site.

13 5. The resident shall provide the park operator with  
14 notice of any assignment or sublease, and the park operator  
15 may only disapprove of the assignment or sublease if, within  
16 seven calendar days, the park operator provides the resident  
17 with written notice of the disapproval with the reasons for  
18 the disapproval stated in the notice. However, disapproval  
19 shall only be for reasons provided in subsection 6.

20 6. The park operator may disapprove the assignment of a  
21 rental agreement or a sublease only if the assignee or  
22 sublessee does not have the financial ability to pay the  
23 rental amount or would pose an unreasonable hazard to the  
24 safety or peaceful enjoyment of the residents of the  
25 manufactured housing park. The age or condition of the  
26 manufactured home is not grounds for disapproving an assign-  
27 ment or sublease. The park operator shall not impose an  
28 application or other fee on the prospective assignee or  
29 sublessee. The park operator shall not disapprove an  
30 assignment from the resident to a creditor of the resident.

31 7. The resident or prospective sublessee or assignee may  
32 seek judicial review of the park operator's disapproval, and  
33 the burden shall be on the park operator to prove that the  
34 disapproval was for reasons permitted by subsection 6 and that  
35 the disapproval was objectively reasonable and in good faith.

1 If the court finds that the disapproval was not justified, the  
2 court shall order the assignment or sublease of the rental  
3 agreement and award any actual damages, costs, and reasonable  
4 attorney's fees to the resident or prospective sublessee or  
5 assignee. If the court finds that the disapproval by the park  
6 operator was not in good faith, the court shall instead award  
7 treble damages, but not less than two months' rent, costs, and  
8 attorney fees.

9     Sec. 12. NEW SECTION. 562D.12 LAND USE CHANGE.

10    1. The park operator may terminate a rental agreement in  
11 order to change the park's land use only if all of the  
12 following conditions are met:

13    a. The rental agreement or renewal agreement clearly and  
14 conspicuously discloses a change in land use as a ground for  
15 terminating the rental agreement.

16    b. Notice is sent to the resident as specified by subsec-  
17 tion 2.

18    c. Payment has been made to the resident pursuant to  
19 subsection 4 or the resident's home has been relocated, pur-  
20 suant to subsection 5.

21    d. The park operator has a present intent to change the  
22 land use to a use other than a manufactured housing park.

23    2. To terminate a rental agreement for a change in land  
24 use, the park operator shall send notice to the resident at  
25 least eighteen months before the change in land use,  
26 specifying the date of the changed land use, and that the  
27 resident, at any time during the next twelve months, may elect  
28 to sell the home to the park for fair market value as  
29 determined by an independent appraiser, or to have the park  
30 operator, at the operator's expense, relocate the home to  
31 another park within a one-hundred-mile radius. The notice  
32 shall also inform the resident that the resident may elect the  
33 date of the home sale or relocation at any time from receipt  
34 of the notice until the date of the changed land use.

35    3. The resident may elect within twelve months of receipt

1 of notice of the changed land use either to sell the home to  
2 the park operator, as provided in subsection 4, or to relocate  
3 the home, as provided in subsection 5, and may specify the  
4 date of the sale or relocation. If the resident has not made  
5 the election within twelve months, the park operator may make  
6 the election, but may not exercise the election without six  
7 months' notice to the resident.

8 4. If purchase of the manufactured home by the park  
9 operator is elected, the purchase price, unless the parties  
10 agree otherwise, shall be determined by an appraiser agreed to  
11 by the resident and the park operator. The purchase price  
12 shall be based on the home's fair market retail value, as  
13 presently sited, with all appurtenances to the home. The fair  
14 market values shall not be determined solely by the home's  
15 national automobile dealers association book value or other  
16 estimate of value that does not take into account the siting  
17 of the manufactured home.

18 5. If relocation of the manufactured home is elected, the  
19 park operator shall bear the full cost and responsibility to  
20 disconnect and move the home, transport it to the new site  
21 selected by the resident, and resite the home with all hook-  
22 ups so that it is substantially in the same condition as  
23 before the move, with any required and comparable  
24 appurtenances. The park operator shall be responsible for all  
25 repairs to bring the home to its former condition, as well as  
26 suitable substitute lodging for the resident until the move  
27 and repairs are completed.

28 Sec. 13. NEW SECTION. 562D.13 SALE OR LEASE OF PARK.

29 1. A park operator shall notify the residents, within  
30 seven days, of any bona fide offer to buy or lease the park  
31 that the owner intends to accept, any listing of the park with  
32 a realtor, or any advertisement or other public notice that  
33 the park is for sale or the land upon which the park is  
34 located is for lease.

35 2. A group of residents or a resident association shall

1 have the right to purchase or lease the park, as the case may  
2 be, if the group or association submits within sixty days of  
3 the notice provided pursuant to subsection 1, a proposed  
4 purchase and sale or lease agreement with substantially  
5 equivalent terms and conditions as any offer the park owner  
6 intends to accept, and within another sixty days obtains any  
7 necessary financing or guarantees. An owner shall not unrea-  
8 sonably refuse to enter into or unreasonably delay the  
9 execution of a purchase and sale or lease agreement with a  
10 group of residents or a resident association that has made a  
11 legitimate offer to meet the price and substantially  
12 equivalent terms and conditions of an offer to purchase or  
13 lease the park. This subsection shall not prohibit an owner  
14 from requiring a group of residents or a resident association  
15 which is offering to lease a park to place in escrow an amount  
16 necessary to pay the rent on the park for a period of no  
17 greater than one year for the purpose during the term of the  
18 lease.

19 3. The effective period of the right of first refusal  
20 provided by subsection 2 shall obtain separately for each  
21 substantially different legitimate offer to purchase or lease  
22 the park, and for each offer substantially equivalent to an  
23 offer made more than three months prior to the later offer.

24 4. A right of first refusal shall not apply to a  
25 government taking by eminent domain or negotiated purchase, a  
26 forced sale pursuant to a foreclosure, except that the park  
27 owner must notify the residents of any impending or actual  
28 foreclosure action, transfer by gift, device, or operation of  
29 law, or a sale to a person who would be included within the  
30 table of descent and distribution if there were to be a death  
31 intestate of a park owner.

32 5. If the resident association of a manufactured housing  
33 park is not the successful purchaser or lessee of the manu-  
34 factured housing park, the seller or lessor of the park shall  
35 prove compliance with this section by filing an affidavit of

1 compliance in the official records of the county where the  
2 property is located within seven days of the sale or lease of  
3 the park.

4 Sec. 14. NEW SECTION. 562D.14 LEGAL STUDY.

5 1. The attorney general shall submit a report to the  
6 general assembly within six months of the effective date of  
7 this Act delineating any legal impediments presently existing  
8 in state law to cooperative or similar purchase of  
9 manufactured housing parks by resident associations or other  
10 groups of residents, and proposing the legal changes necessary  
11 to remove those impediments.

12 2. The attorney general shall prepare a report for  
13 dissemination at a minimal charge to the public compiling  
14 information from other states on successful approaches and  
15 methods for resident associations and other groups of  
16 residents to purchase manufactured housing parks.

17 Sec. 15. NEW SECTION. 562D.15 ARBITRATION -- APPRAISALS.

18 1. If the resident or resident association and the park  
19 operator fail to select an appraiser or arbitrator pursuant to  
20 section 562D.4, subsection 8, 9, or 10, section 562D.6,  
21 subsection 4, or section 562D.12, subsection 4, the court upon  
22 application of a party shall appoint the arbitrator or  
23 appraiser.

24 2. The arbitrator or appraiser decision shall be a signed  
25 written document with copies provided to each party. The  
26 decision shall apportion expenses and other fees incurred  
27 between the parties as is equitable except that the fees for  
28 the arbitrator or appraiser will be divided equally by the two  
29 parties.

30 3. Parties have the right in the arbitration or appraisal  
31 procedure to be represented by attorneys or, in the case of  
32 the resident, by the resident association.

33 4. Upon application of a party, a court may vacate,  
34 modify, or correct a decision if the decision was procured by  
35 undue means; if the appraiser or arbitrator demonstrated bias

1 or misconduct prejudicial to the rights of a party; if the  
2 arbitrator or appraiser exceeded the arbitrator's or  
3 appraiser's powers; or if the decision was demonstrably  
4 irrational. If the court vacates a decision, the court shall  
5 appoint a new arbitrator or appraiser.

6 Sec. 16. NEW SECTION. 562D.16 PRIVATE REMEDIES.

7 1. A park operator who fails to comply with any  
8 requirement of this chapter shall be liable to a resident, an  
9 applicant for residency, or a resident association for the sum  
10 of all of the following:

11 a. Any actual damage, including any emotional distress,  
12 sustained by the resident, applicant for residency, or  
13 resident association.

14 b. For an individual action, twice the monthly rental  
15 amount. For a class action, one month's rent for each class  
16 member or for an action by a resident association, the sum of  
17 one thousand dollars.

18 c. The resident or resident association's reasonable  
19 attorney's fees and costs, including an upward multiplier of  
20 the fees to account for the contingent nature or other risk of  
21 the litigation.

22 2. The court may order temporary and permanent injunctive  
23 relief and other equitable relief as may be appropriate,  
24 including appointment of a receiver to operate the park, if  
25 necessary.

26 3. If the court determines that a park operator's  
27 violation is willful or reckless, or if the court finds that  
28 the park operator has not attempted to resolve the dispute in  
29 good faith, the court shall award at least treble damages in  
30 addition to the relief specified in subsection 1, paragraphs  
31 "b" and "c", and may award punitive damages greater than  
32 treble damages. There shall be a presumption that any attempt  
33 to unlawfully evict a resident or terminate utility service,  
34 or prevent the resident from entering the resident's home, is  
35 a willful or reckless violation of section 562D.10.

1 4. If the court finds that the action brought by the  
2 resident or resident association was brought in bad faith,  
3 knowing that the action was groundless, and was brought for  
4 the purpose of harassment, the court shall award the park  
5 operator reasonable attorney fees, but only as necessary to  
6 defend the action relating to this chapter.

7 5. The provisions of this chapter shall not bar any claim  
8 against any person.

9 6. For purposes of a resident enforcing rights under the  
10 rental agreement, all terms required by this chapter to be  
11 included in the rental agreement shall be deemed as a matter  
12 of law to be part of the rental agreement, whether  
13 incorporated in the actual agreement or not.

14 7. The resident has a lien against the realty on which the  
15 manufactured housing park is situated for amounts owed the  
16 resident pursuant to section 562D.12 or 562D.15, for the cost  
17 of any relocation that the park operator is obligated to  
18 perform under section 562D.12, but fails to perform or  
19 complete, and for all costs and fees associated with enforcing  
20 this obligation.

21 8. The rights of residents or obligations of park  
22 operators under this chapter are not waived by any provision  
23 of the rental agreement, the park rules, or any attachments to  
24 the agreement or rules. In addition to the remedies specified  
25 in sections 562D.16 and 562D.17, an agreement attempting to  
26 limit these rights is void. Any rights of a resident or  
27 obligation of a park operator may be settled by means of a  
28 written compromise that is knowingly, intelligently, and  
29 voluntarily entered into by a resident. A compromise is  
30 presumed to be knowing, intelligent, and voluntary only if the  
31 resident was represented by an attorney in executing the  
32 compromise.

33 Sec. 17. NEW SECTION. 562D.17 STATE REMEDIES.

34 The attorney general and the county attorney may seek  
35 temporary and permanent injunctions for any violation of this



1 chapter, civil penalties in the amount of ten thousand dollars  
2 per violation, and restitution on behalf of all residents or  
3 resident associations injured by a violation. In a successful  
4 action, the court shall award costs and attorney fees.

5 Sec. 18. NEW SECTION. 562D.18 APPLICABILITY.

6 This chapter applies to rental agreements executed,  
7 renewed, or extended on or after the effective date of this  
8 Act.

9 Sec. 19. Section 435.1, subsection 4, unnumbered paragraph  
10 3, Code Supplement 1995, is amended to read as follows:

11 A mobile home park must be classified as to whether it is a  
12 residential mobile home park or a recreational mobile home  
13 park or both. ~~The mobile home park residential landlord~~  
14 ~~tenant-Act~~ Chapter 562D only applies to residential mobile  
15 home parks.

16 Sec. 20. Section 555B.1, subsection 1, Code 1995, is  
17 amended by striking the subsection and inserting in lieu  
18 thereof the following:

19 1. "Abandoned" means, with regard to a manufactured home,  
20 when the tenant has been absent from the manufactured home  
21 without reasonable explanation for thirty days or more during  
22 which time there is either a default of rent three days after  
23 the rent is due, or the rental agreement is terminated. A  
24 tenant's return to the manufactured home does not change its  
25 status as abandoned unless the tenant pays to the landlord all  
26 costs incurred for the manufactured home space, including  
27 costs of removal, storage, notice, attorney's fees, and all  
28 rent and utilities due and owing.

29 Sec. 21. Section 555B.2, subsection 1, Code 1995, is  
30 amended to read as follows:

31 1. A real property owner may remove or cause to be removed  
32 a mobile home and other personal property which is unlawfully  
33 parked, placed, or abandoned on that real property, and may  
34 cause the mobile home and personal property to be placed in  
35 storage until the owner of the personal property pays a fair

1 and reasonable charge for removal, storage, or other expense  
2 incurred, including reasonable attorneys' fees, or until a  
3 judgment of abandonment is entered pursuant to section 555B.8  
4 provided that there is no lien on the mobile home or personal  
5 property other than a tax lien pursuant to chapter 435. For  
6 purposes of this chapter, a lien other than a tax lien exists  
7 only if the real property owner receives notice of a lien on  
8 the standardized registration form completed by a tenant  
9 ~~pursuant to section 562B.27, subsection 3,~~ or a lien has been  
10 filed in state or county records on a date before the mobile  
11 home is considered to be abandoned. The real property owner  
12 or the real property owner's agent is not liable for damages  
13 caused to the mobile home and personal property by the removal  
14 or storage unless the damage is caused willfully or by gross  
15 negligence.

16 Sec. 22. Section 555B.7, Code 1995, is amended to read as  
17 follows:

18 555B.7 REMEDY NOT EXCLUSIVE.

19 An action under this chapter may be brought in connection  
20 with a claim for monetary damages, possession, or recovery as  
21 provided in ~~section 562B.25 or 562B.30 or~~ chapter 648.

22 Sec. 23. Section 648.3, Code 1995, is amended to read as  
23 follows:

24 648.3 NOTICE TO QUIT.

25 Before action can be brought in any except the first of the  
26 above classes, three days' notice to quit must be given to the  
27 defendant in writing. However, a landlord who has given a  
28 tenant three days' notice to pay rent and has terminated the  
29 tenancy as provided in section 562A.27, subsection 2, ~~or~~  
30 ~~section 562B.25, subsection 2,~~ if the tenant is renting the  
31 mobile home or the land from the landlord may commence the  
32 action without giving a three-day notice to quit.

33 Sec. 24. Section 648.19, Code 1995, is amended to read as  
34 follows:

35 648.19 NO JOINDER OR COUNTERCLAIM -- EXCEPTION.

1 An action of this kind shall not be brought in connection  
2 with any other action, with the exception of a claim for rent  
3 or recovery as provided in section 555B.3, 562A.24, or  
4 562A.32, ~~562B-227-562B-257-or-562B-277~~ nor shall it be made  
5 the subject of counterclaim. When joined with an action for  
6 rent or recovery as provided in section 555B.3, 562A.24, or  
7 562A.32, ~~562B-227-562B-257-or-562B-277~~ notice of hearing as  
8 provided in section 648.5 is sufficient.

9 Sec. 25. REPEAL AND APPLICABILITY PROVISION. Chapter  
10 562B, Code 1995, is repealed. However, a rental agreement  
11 executed pursuant to chapter 562B remains effective until the  
12 agreement expires or is subject to renewal. Thereafter, a  
13 rental agreement shall be negotiated and executed pursuant to  
14 chapter 562D.

15 EXPLANATION

16 This bill provides for the regulation of rental and lease  
17 agreements and general relationship between mobile,  
18 manufactured, and modular homeowners and mobile home park  
19 owners. The bill defines and prohibits the use of unfair and  
20 deceptive practices by the manufactured home park owner,  
21 specifies rental terms and agreements, and provides for and  
22 prohibits certain charges and fees. The bill also addresses  
23 park rules, the terms of a lease or rental agreement,  
24 maintenance, and habitability requirements, the rights of  
25 resident associations, evictions and foreclosure procedures,  
26 the procedures for the lease or sale of a home, land use  
27 changes and rights of tenants, the sale of the park and  
28 tenant's rights, arbitration and appraisal procedures relating  
29 to the sale of homes or parks, and private remedies.

30 This bill creates a new chapter 562D and repeals chapter  
31 562B which currently relates to landlord-tenant relations in  
32 mobile home parks.

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