

House Bill 3007

Sponsored by Representatives NATHANSON, TOMEI; Representatives CLEM, HOYLE, KENY-GUYER

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires owner of residential facility to offer tenants opportunity to purchase facility before owner offers to sell facility to third party. Establishes process for tenants considering purchase of facility.

A BILL FOR AN ACT

1
2 Relating to tenant purchase of residential facility; creating new provisions; amending ORS 90.100,
3 90.555, 90.634, 90.800, 90.830, 456.579 and 456.581 and sections 6 and 9, chapter 826, Oregon Laws
4 2005; and repealing ORS 90.760, 90.810, 90.815, 90.820 and 308.905.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 90.800 is amended to read:

7 90.800. (1) The State of Oregon encourages affordable housing options for all Oregonians. One
8 housing alternative chosen by many Oregonians is facility living. The Legislative Assembly finds
9 that many facility residents would like to join together, **alone or in cooperation with a nonprofit**
10 **organization or a housing authority**, to purchase the facility in which they live in order to have
11 greater control over the costs and environment of their housing. The Legislative Assembly also
12 finds that current market conditions place residents at a disadvantage with other potential investors
13 in the purchase of facilities.

14 (2) It is the policy of the State of Oregon to encourage facility residents to participate in the
15 housing marketplace by [*insuring*] **ensuring** that technical assistance, financing opportunities, no-
16 tice of sale of facilities and the option to purchase facilities are made available to residents who
17 choose to participate in the purchase of a facility.

18 (3) [*The purpose of ORS 90.100, 90.630, 90.760, 90.800 to 90.840, 308.905, 446.003,*] **One purpose**
19 **of ORS 90.505 to 90.840**, 456.579 and 456.581 is to strengthen the private housing market in Oregon
20 by encouraging all Oregonians to have the ability to participate in the purchase of housing of their
21 choice.

22 **SECTION 2.** (1) **Sections 3 to 8 of this 2013 Act are added to and made a part of ORS**
23 **90.505 to 90.840.**

24 (2) **ORS 90.830 is added to and made a part of sections 3 to 8 of this 2013 Act.**

25 **SECTION 3.** As used in sections 3 to 8 of this 2013 Act:

26 (1) **"Affiliate" means:**

27 (a) **A shareholder of a transferring corporation; and**

28 (b) **A corporation or entity owned or controlled, directly or indirectly, by the transferring**
29 **corporation or by another corporation or entity owned or controlled, directly or indirectly,**
30 **by a shareholder of the transferring corporation.**

31 (2) **"Soliciting or initiating" means, with reference to an offer, action of a facility owner**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 designed to encourage a potential purchaser to make an offer to purchase, including listing
 2 the facility for sale with a real estate broker or other person in the business of selling real
 3 estate, contacting potential purchasers about a sale of the facility, contacting others who
 4 might assist the owner to find potential purchasers, attending or participating, in person,
 5 by telephone or electronically, in meetings advertised or promoted for the purpose of finding
 6 purchasers and notifying other persons that the facility is for sale.

7 (3) "Unsolicited offer" means an offer to purchase the facility that the owner has neither
 8 solicited nor initiated.

9 **SECTION 4.** (1) Except as provided in section 5 of this 2013 Act, before a facility owner
 10 may offer to sell the facility to any other party, the owner must offer tenants of the facility
 11 an opportunity to purchase the facility.

12 (2) Subject to subsection (3) of this section, to take advantage of the opportunity to
 13 purchase provided by this section, the tenants, within 100 days after the date of delivery of
 14 the notice required by subsection (4) of this section, must:

15 (a) Take actions required by this subsection and subsections (6) and (11) of this section;

16 (b) Complete the purchase of the facility by entering into a written agreement with the
 17 owner and by conducting, or causing to be conducted, any necessary appraisal, environ-
 18 mental assessment or capital needs assessment and arranging for necessary financing; and

19 (c) Close the transaction.

20 (3) The owner and the tenants may agree to extend the 100-day period described in sub-
 21 section (2) of this section to allow for:

22 (a) Financing contingencies;

23 (b) Completion of due diligence evaluation;

24 (c) Exceptional circumstances, including time required to obtain regulatory approvals,
 25 that have been previously identified in the transaction as due diligence contingencies; or

26 (d) Other commercially reasonable basis.

27 (4) The owner shall give written notice of the owner's intention to offer the facility for
 28 sale to:

29 (a) Each tenant of the facility; and

30 (b) The Office of Manufactured Dwelling Park Community Relations.

31 (5) The notice required by subsection (4) of this section must state:

32 (a) That the owner intends to offer the facility for sale;

33 (b) That sections 3 to 8 of this 2013 Act require the owner to offer tenants the opportu-
 34 nity to purchase the facility before the owner may offer to sell the facility to a party that
 35 is not a tenant of the facility;

36 (c) That in order to take advantage of the opportunity to purchase provided by this sec-
 37 tion, the tenants must act within statutory timelines, the first one of which is 30 days after
 38 the date of delivery of the notice described in this subsection;

39 (d) That if the tenants do not reach an agreement with the owner to purchase the facil-
 40 ity, the owner may sell the facility to a party that is not a tenant of the facility;

41 (e) That entities exist that can help tenants understand their rights and evaluate the
 42 opportunity to purchase, and that the Office of Manufactured Dwelling Park Community
 43 Relations:

44 (A) Can provide a list of such entities; and

45 (B) May refer one or more of the entities to tenants notwithstanding any contrary pro-

1 **visions of ORS 90.750 or 90.755;**

2 **(f) That tenants with questions may contact the Office of Manufactured Dwelling Park**
 3 **Community Relations; and**

4 **(g) The telephone number for the Office of Manufactured Dwelling Park Community Re-**
 5 **lations.**

6 **(6) To take advantage of the opportunity to purchase provided by this section, tenants,**
 7 **within 30 days after the date of delivery of the notice required by subsection (4) of this sec-**
 8 **tion, must:**

9 **(a) Give written notice to the owner of the tenants' interest in purchasing the facility;**

10 **(b) Designate, if asked to do so by the owner, one or more representatives to negotiate**
 11 **with the owner on behalf of the tenants;**

12 **(c) Provide the owner with evidence that the tenants have either:**

13 **(A) Formed an entity for the purpose of purchasing the facility; or**

14 **(B) Associated with a nonprofit organization, housing authority or housing consultant for**
 15 **the purpose of purchasing the facility; and**

16 **(d) Demonstrate to the owner the tenants' commitment to making the purchase by or-**
 17 **dering an appraisal of the facility, beginning a capital needs assessment or otherwise incur-**
 18 **ring costs to evaluate the opportunity to purchase the facility.**

19 **(7) At the written request of tenants, made during the 30-day period described in sub-**
 20 **section (6) of this section, the owner shall provide the tenants with financial information**
 21 **regarding the facility that is necessary to perform a due diligence evaluation of the oppor-**
 22 **tunity to purchase provided by this section. If the request for financial information is deliv-**
 23 **ered within 15 days after the date of delivery of the notice required by subsection (4) of this**
 24 **section and the owner does not provide the financial information within seven days after the**
 25 **date of delivery of the request, the 30-day period is extended to the 10th day after the owner**
 26 **provides the information.**

27 **(8) The financial information deemed necessary to perform a due diligence evaluation of**
 28 **the opportunity to purchase provided by this section is the information that would be pro-**
 29 **vided customarily by sellers of facilities of similar size to prospective purchasers. However,**
 30 **the owner is not required to expend additional moneys to produce information that is not**
 31 **available, or is not used by the owner, in the ordinary course of facility operations. The fi-**
 32 **nanacial information must include:**

33 **(a) The offering price of the facility;**

34 **(b) Three years of data detailing operating income;**

35 **(c) Three years of data detailing operating expenses;**

36 **(d) Five years of data detailing capital improvements;**

37 **(e) Capitalization rate, if used or known by the owner; and**

38 **(f) Current vacancies.**

39 **(9) The owner may designate all or a portion of the financial information, provided orally**
 40 **or in writing, to be confidential, and the owner and the tenants may agree to designate ad-**
 41 **ditional information as confidential. During negotiations regarding the opportunity to pur-**
 42 **chase a facility under this section, the tenants may make the owner's confidential**
 43 **information available only to other tenants, to a nonprofit organization, housing authority**
 44 **or housing consultant associated with the tenants for the purpose of purchasing the facility**
 45 **or to a licensed professional or financial institution that is assisting the tenants to evaluate**

1 or purchase the facility. After negotiations that do not result in the sale of the facility to
 2 tenants, the obligation of the owner and tenants to maintain the confidentiality of informa-
 3 tion designated as confidential continues indefinitely or for a specific period agreed to by the
 4 owner and the tenants.

5 (10) During the 30-day period described in subsection (6) of this section, the owner shall
 6 allow a representative of a nonprofit organization, a housing authority or a housing con-
 7 sultant to enter the facility at reasonable times and offer to meet with the tenants to explain
 8 the tenants' rights and evaluate the opportunity to purchase the facility:

9 (a) If the nonprofit organization, housing authority or housing consultant was referred
 10 by the Office of Manufactured Dwelling Park Community Relations; and

11 (b) Notwithstanding contrary provisions of ORS 90.750 or 90.755.

12 (11) To take advantage of the opportunity to purchase provided by this section, the ten-
 13 ants, within 50 days after the date on which the owner delivers the notice required by sub-
 14 section (4) of this section, must:

15 (a) Submit to the owner a written purchase offer for the facility that is signed by the
 16 tenants or an authorized representative of the tenants; and

17 (b) Reach an agreement in principal for the purchase with the owner.

18 (12) Consistent with the obligation under ORS 90.130 to perform or enforce duties in good
 19 faith, the owner:

20 (a) Must provide tenants the same opportunity to purchase the facility that the owner
 21 would provide to any other bona fide purchaser in an arm's length transaction.

22 (b) May reject a purchase offer from tenants for any lawful reason.

23 (c) May withdraw an unaccepted offer to sell or otherwise cease marketing the facility
 24 for sale.

25 (d) Is not required by this section to sell the facility to tenants or any other party.

26 (13) Except as provided by subsection (14) of this section, the owner may offer the facility
 27 for sale, or sell the facility, to any party without further duty to tenants under this section,
 28 if:

29 (a) The tenants do not meet the requirements of subsection (2), (6) or (11) of this section;
 30 or

31 (b) The owner rejects a final offer from tenants.

32 (14) The owner is not required to offer tenants the opportunity to purchase the facility
 33 under this section if two years or less have passed after the owner and tenants previously
 34 negotiated a potential purchase unsuccessfully under this section. The two-year period de-
 35 scribed by this subsection runs from:

36 (a) The end of the 100-day period after the date of delivery of the notice required by
 37 subsection (4) of this section, the date on which the owner and tenants agree to end negoti-
 38 ations under this section or the date the owner rejects a final offer from tenants; or

39 (b) The date the owner withdraws unaccepted offers for sale and ceases to market the
 40 facility for sale if:

41 (A) The owner and tenants did not complete a transfer of the facility;

42 (B) The owner offered or marketed the facility for sale to any other parties and withdrew
 43 unaccepted offers and ceased to market the facility for sale.

44 (15) This section does not require an owner and tenants to agree to terms of a sale that
 45 are not expressly contained in the final written sale agreement.

1 **SECTION 5.** (1) A facility owner is not required to comply with section 4 of this 2013 Act
 2 when the owner receives an unsolicited offer to purchase the facility before the owner de-
 3 livers the notice described in section 4 (4) of this 2013 Act.

4 (2) When the owner who receives an unsolicited offer as described in subsection (1) of
 5 this section intends, in good faith, to consider the offer, the owner:

6 (a) Shall provide written notice of the unsolicited offer to tenants of the facility and to
 7 the Office of Manufactured Dwelling Park Community Relations.

8 (b) Is not required to include details of the unsolicited offer in the notice. However, in
 9 the notice to tenants only, the owner shall include an estimate of the value of the facility.

10 (3) Tenants may submit a competing offer to the owner in the manner that any other
 11 bona fide potential purchaser would submit an offer. However, the owner does not have a
 12 duty to wait for or accept an offer from tenants and may proceed to sell the facility imme-
 13 diately.

14 **SECTION 6.** (1) If a facility owner sells a facility, but does not comply with sections 4
 15 and 5 of this 2013 Act:

16 (a) Tenants, in the aggregate, may recover from the owner the greater of \$10,000 or 10
 17 percent of the sales price up to a maximum of \$100,000.

18 (b) Noncompliance with sections 4 and 5 of this 2013 Act:

19 (A) Does not affect the validity of the sale or the transfer of title; and

20 (B) Is not grounds to set aside the sale or the transfer of title when the owner has
 21 complied with ORS 90.830.

22 (2) Notwithstanding subsection (1) of this section, when the noncompliance of the owner
 23 is technical in nature and does not deprive the tenants of the opportunity to purchase the
 24 facility provided by section 4 of this 2013 Act, the tenants may recover only actual damages
 25 under this section.

26 (3) When tenants act, in bad faith, to prevent a sale of the facility to another party, the
 27 owner may recover from tenants, in the aggregate, actual damages incurred by the owner
 28 as a result of the uncompleted sale.

29 (4) If tenants intentionally or recklessly disclose confidential information, the owner is
 30 relieved of any further duty to comply with section 4 of this 2013 Act.

31 **SECTION 7.** Sections 4 and 5 of this 2013 Act do not apply to:

32 (1) A sale or transfer to an individual who would be in a table of descent and distribution
 33 if the facility owner were to die intestate.

34 (2) A transfer by gift, devise or operation of law.

35 (3) A transfer by a corporation to an affiliate.

36 (4) A transfer by a partnership to one of its partners.

37 (5) A conveyance of an interest in the facility incidental to the financing of the facility.

38 (6) A conveyance resulting from a foreclosure of a mortgage, deed of trust or other in-
 39 strument encumbering the facility or a deed given in lieu of the foreclosure.

40 (7) A sale or transfer between or among joint tenants or tenants in common owning the
 41 facility.

42 (8) A transfer of an interest in the facility into the tax-qualified deferred compensation
 43 plan or tax-qualified retirement account of the owner.

44 (9) The purchase of a facility by a governmental entity under the power of eminent do-
 45 main.

1 **SECTION 8. A facility owner that intends to sell the facility, pursuant to section 4 or 5**
2 **of this 2013 Act, may not enter into an agreement with a real estate broker that prohibits**
3 **disclosure by the owner of the existence of an offer to purchase the facility.**

4 **SECTION 9.** ORS 90.830 is amended to read:

5 90.830. (1) A facility owner may at any time record, in the County Clerk Lien Record of the
6 county where a facility is situated, an affidavit in which the facility owner certifies that:

7 [(a) *With reference to an offer by the owner for the sale of the facility, the owner has complied with*
8 *the provisions of ORS 90.820;*]

9 [(b) *With reference to an offer received by the owner for the purchase of the facility, or with ref-*
10 *erence to a counteroffer that the owner intends to make, or has made, for the sale of the facility, the*
11 *owner has complied with the provisions of ORS 90.820;*]

12 [(c) *Notwithstanding compliance with the provisions of ORS 90.820, no contract for the sale of the*
13 *facility has been executed between the owner and a facility purchase association, tenants' association*
14 *or tenants' association supported nonprofit organization;*]

15 [(d) *The provisions of ORS 90.820 are inapplicable to a particular sale or transfer of the facility*
16 *by the owner, and compliance with those subsections is not required; or]*

17 [(e) *A particular sale or transfer of the facility is exempted from the provisions of this section and*
18 *ORS 90.820.*]

19 [(2) *Any party acquiring an interest in a facility, and any and all title insurance companies and*
20 *attorneys preparing, furnishing or examining any evidence of title, have the absolute right to rely on*
21 *the truth and accuracy of all statements appearing in the affidavit and are under no obligation to in-*
22 *quire further as to any matter or fact relating to the facility owner's compliance with the provisions*
23 *of ORS 90.820.*]

24 **(a) With reference to an offer by the owner to sell the facility, the owner has complied**
25 **with section 4 of this 2013 Act or that section 4 of this 2013 Act does not apply to the par-**
26 **ticular sale or transfer pursuant to section 7 of this 2013 Act; or**

27 **(b) With reference to an unsolicited offer received by the owner to purchase the facility,**
28 **the owner has complied with sections 4 or 5 of this 2013 Act or sections 4 and 5 of this 2013**
29 **Act do not apply to the particular sale or transfer pursuant to section 7 of this 2013 Act.**

30 **(2) The following parties have an absolute right to rely on the truth and accuracy of**
31 **statements appearing in the affidavit and are not obliged to inquire further as to a matter**
32 **or fact relating to the compliance of the facility owner with sections 4 or 5 of this 2013 Act:**

33 **(a) A party acquiring an interest in the facility and the party's agent, representative or**
34 **attorney.**

35 **(b) A title insurance or escrow company preparing closing documents or furnishing or**
36 **examining evidence of title.**

37 (3) It is the purpose and intention of this section to preserve the marketability of title to facil-
38 ities, and, accordingly, the provisions of this section shall be liberally construed in order that all
39 persons may rely on the record title to facilities.

40 **SECTION 10.** ORS 90.100 is amended to read:

41 90.100. As used in this chapter, unless the context otherwise requires:

42 (1) "Accessory building or structure" means any portable, demountable or permanent structure,
43 including but not limited to cabanas, ramadas, storage sheds, garages, awnings, carports, decks,
44 steps, ramps, piers and pilings, that is:

45 (a) Owned and used solely by a tenant of a manufactured dwelling or floating home; or

1 (b) Provided pursuant to a written rental agreement for the sole use of and maintenance by a
 2 tenant of a manufactured dwelling or floating home.

3 (2) "Action" includes recoupment, counterclaim, setoff, suit in equity and any other proceeding
 4 in which rights are determined, including an action for possession.

5 (3) "Applicant screening charge" means any payment of money required by a landlord of an
 6 applicant prior to entering into a rental agreement with that applicant for a residential dwelling
 7 unit, the purpose of which is to pay the cost of processing an application for a rental agreement for
 8 a residential dwelling unit.

9 (4) "Building and housing codes" includes any law, ordinance or governmental regulation con-
 10 cerning fitness for habitation, or the construction, maintenance, operation, occupancy, use or ap-
 11 pearance of any premises or dwelling unit.

12 (5) "Carbon monoxide alarm" has the meaning given that term in ORS 105.836.

13 (6) "Carbon monoxide source" has the meaning given that term in ORS 105.836.

14 (7) "Conduct" means the commission of an act or the failure to act.

15 (8) "Dealer" means any person in the business of selling, leasing or distributing new or used
 16 manufactured dwellings or floating homes to persons who purchase or lease a manufactured dwelling
 17 or floating home for use as a residence.

18 (9) "Domestic violence" means:

19 (a) Abuse between family or household members, as those terms are defined in ORS 107.705; or

20 (b) Abuse, as defined in ORS 107.705, between partners in a dating relationship.

21 (10) "Drug and alcohol free housing" means a dwelling unit described in ORS 90.243.

22 (11) "Dwelling unit" means a structure or the part of a structure that is used as a home, resi-
 23 dence or sleeping place by one person who maintains a household or by two or more persons who
 24 maintain a common household. "Dwelling unit" regarding a person who rents a space for a manu-
 25 factured dwelling or recreational vehicle or regarding a person who rents moorage space for a
 26 floating home as defined in ORS 830.700, but does not rent the home, means the space rented and
 27 not the manufactured dwelling, recreational vehicle or floating home itself.

28 (12) "Essential service" means:

29 (a) For a tenancy not consisting of rental space for a manufactured dwelling, floating home or
 30 recreational vehicle owned by the tenant and not otherwise subject to ORS 90.505 to 90.840:

31 (A) Heat, plumbing, hot and cold running water, gas, electricity, light fixtures, locks for exterior
 32 doors, latches for windows and any cooking appliance or refrigerator supplied or required to be
 33 supplied by the landlord; and

34 (B) Any other service or habitability obligation imposed by the rental agreement or ORS 90.320,
 35 the lack or violation of which creates a serious threat to the tenant's health, safety or property or
 36 makes the dwelling unit unfit for occupancy.

37 (b) For a tenancy consisting of rental space for a manufactured dwelling, floating home or rec-
 38 recreational vehicle owned by the tenant or that is otherwise subject to ORS 90.505 to 90.840:

39 (A) Sewage disposal, water supply, electrical supply and, if required by applicable law, any
 40 drainage system; and

41 (B) Any other service or habitability obligation imposed by the rental agreement or ORS 90.730,
 42 the lack or violation of which creates a serious threat to the tenant's health, safety or property or
 43 makes the rented space unfit for occupancy.

44 (13) "Facility" means a manufactured dwelling park or a marina.

45 [(14) "Facility purchase association" means a group of three or more tenants who reside in a fa-

1 *cility and have organized for the purpose of eventual purchase of the facility.]*

2 [(15)] (14) "Fee" means a nonrefundable payment of money.

3 [(16)] (15) "First class mail" does not include certified or registered mail, or any other form of
4 mail that may delay or hinder actual delivery of mail to the recipient.

5 [(17)] (16) "Fixed term tenancy" means a tenancy that has a fixed term of existence, continuing
6 to a specific ending date and terminating on that date without requiring further notice to effect the
7 termination.

8 [(18)] (17) "Floating home" has the meaning given that term in ORS 830.700. "Floating home"
9 includes an accessory building or structure.

10 [(19)] (18) "Good faith" means honesty in fact in the conduct of the transaction concerned.

11 [(20)] (19) "Hotel or motel" means "hotel" as that term is defined in ORS 699.005.

12 [(21)] (20) "Informal dispute resolution" means, but is not limited to, consultation between the
13 landlord or landlord's agent and one or more tenants, or mediation utilizing the services of a third
14 party.

15 [(22)] (21) "Landlord" means the owner, lessor or sublessor of the dwelling unit or the building
16 or premises of which it is a part. "Landlord" includes a person who is authorized by the owner,
17 lessor or sublessor to manage the premises or to enter into a rental agreement.

18 [(23)] (22) "Landlord's agent" means a person who has oral or written authority, either express
19 or implied, to act for or on behalf of a landlord.

20 [(24)] (23) "Last month's rent deposit" means a type of security deposit, however designated, the
21 primary function of which is to secure the payment of rent for the last month of the tenancy.

22 [(25)] (24) "Manufactured dwelling" means a residential trailer, a mobile home or a manufac-
23 tured home as those terms are defined in ORS 446.003. "Manufactured dwelling" includes an acces-
24 sory building or structure. "Manufactured dwelling" does not include a recreational vehicle.

25 [(26)] (25) "Manufactured dwelling park" means a place where four or more manufactured
26 dwellings are located, the primary purpose of which is to rent space or keep space for rent to any
27 person for a charge or fee.

28 [(27)] (26) "Marina" means a moorage of contiguous dwelling units that may be legally trans-
29 ferred as a single unit and are owned by one person where four or more floating homes are secured,
30 the primary purpose of which is to rent space or keep space for rent to any person for a charge or
31 fee.

32 [(28)] (27) "Month-to-month tenancy" means a tenancy that automatically renews and continues
33 for successive monthly periods on the same terms and conditions originally agreed to, or as revised
34 by the parties, until terminated by one or both of the parties.

35 [(29)] (28) "Organization" includes a corporation, government, governmental subdivision or
36 agency, business trust, estate, trust, partnership or association, two or more persons having a joint
37 or common interest, and any other legal or commercial entity.

38 [(30)] (29) "Owner" includes a mortgagee in possession and means one or more persons, jointly
39 or severally, in whom is vested:

40 (a) All or part of the legal title to property; or

41 (b) All or part of the beneficial ownership and a right to present use and enjoyment of the
42 premises.

43 [(31)] (30) "Person" includes an individual or organization.

44 [(32)] (31) "Premises" means:

45 (a) A dwelling unit and the structure of which it is a part and facilities and appurtenances

1 therein;

2 (b) Grounds, areas and facilities held out for the use of tenants generally or the use of which
3 is promised to the tenant; and

4 (c) A facility for manufactured dwellings or floating homes.

5 [(33)] **(32)** "Prepaid rent" means any payment of money to the landlord for a rent obligation not
6 yet due. In addition, "prepaid rent" means rent paid for a period extending beyond a termination
7 date.

8 [(34)] **(33)** "Recreational vehicle" has the meaning given that term in ORS 446.003.

9 [(35)] **(34)** "Rent" means any payment to be made to the landlord under the rental agreement,
10 periodic or otherwise, in exchange for the right of a tenant and any permitted pet to occupy a
11 dwelling unit to the exclusion of others. "Rent" does not include security deposits, fees or utility
12 or service charges as described in ORS 90.315 (4) and 90.532.

13 [(36)] **(35)** "Rental agreement" means all agreements, written or oral, and valid rules and regu-
14 lations adopted under ORS 90.262 or 90.510 (6) embodying the terms and conditions concerning the
15 use and occupancy of a dwelling unit and premises. "Rental agreement" includes a lease. A rental
16 agreement shall be either a week-to-week tenancy, month-to-month tenancy or fixed term tenancy.

17 [(37)] **(36)** "Roomer" means a person occupying a dwelling unit that does not include a toilet and
18 either a bathtub or a shower and a refrigerator, stove and kitchen, all provided by the landlord, and
19 where one or more of these facilities are used in common by occupants in the structure.

20 [(38)] **(37)** "Screening or admission criteria" means a written statement of any factors a landlord
21 considers in deciding whether to accept or reject an applicant and any qualifications required for
22 acceptance. "Screening or admission criteria" includes, but is not limited to, the rental history,
23 character references, public records, criminal records, credit reports, credit references and incomes
24 or resources of the applicant.

25 [(39)] **(38)** "Security deposit" means a refundable payment or deposit of money, however desig-
26 nated, the primary function of which is to secure the performance of a rental agreement or any part
27 of a rental agreement. "Security deposit" does not include a fee.

28 [(40)] **(39)** "Sexual assault" has the meaning given that term in ORS 147.450.

29 [(41)] **(40)** "Squatter" means a person occupying a dwelling unit who is not so entitled under a
30 rental agreement or who is not authorized by the tenant to occupy that dwelling unit. "Squatter"
31 does not include a tenant who holds over as described in ORS 90.427 (7).

32 [(42)] **(41)** "Stalking" means the behavior described in ORS 163.732.

33 [(43)] **(42)** "Statement of policy" means the summary explanation of information and facility
34 policies to be provided to prospective and existing tenants under ORS 90.510.

35 [(44)] **(43)** "Surrender" means an agreement, express or implied, as described in ORS 90.148 be-
36 tween a landlord and tenant to terminate a rental agreement that gave the tenant the right to oc-
37 cupy a dwelling unit.

38 [(45)] **(44)** "Tenant":

39 (a) Except as provided in paragraph (b) of this subsection:

40 (A) Means a person, including a roomer, entitled under a rental agreement to occupy a dwelling
41 unit to the exclusion of others, including a dwelling unit owned, operated or controlled by a public
42 housing authority.

43 (B) Means a minor, as defined and provided for in ORS 109.697.

44 (b) For purposes of ORS 90.505 to 90.840, means only a person who owns and occupies as a
45 residence a manufactured dwelling or a floating home in a facility and persons residing with that

1 tenant under the terms of the rental agreement.

2 (c) Does not mean a guest or temporary occupant.

3 [(46)] (45) "Transient lodging" means a room or a suite of rooms.

4 [(47)] (46) "Transient occupancy" means occupancy in transient lodging that has all of the fol-
5 lowing characteristics:

6 (a) Occupancy is charged on a daily basis and is not collected more than six days in advance;

7 (b) The lodging operator provides maid and linen service daily or every two days as part of the
8 regularly charged cost of occupancy; and

9 (c) The period of occupancy does not exceed 30 days.

10 [(48)] (47) "Vacation occupancy" means occupancy in a dwelling unit, not including transient
11 occupancy in a hotel or motel, that has all of the following characteristics:

12 (a) The occupant rents the unit for vacation purposes only, not as a principal residence;

13 (b) The occupant has a principal residence other than at the unit; and

14 (c) The period of authorized occupancy does not exceed 45 days.

15 [(49)] (48) "Victim" means:

16 (a) The person against whom an incident related to domestic violence, sexual assault or stalking
17 is perpetrated; or

18 (b) The parent or guardian of a minor household member against whom an incident related to
19 domestic violence, sexual assault or stalking is perpetrated, unless the parent or guardian is the
20 perpetrator.

21 [(50)] (49) "Week-to-week tenancy" means a tenancy that has all of the following characteristics:

22 (a) Occupancy is charged on a weekly basis and is payable no less frequently than every seven
23 days;

24 (b) There is a written rental agreement that defines the landlord's and the tenant's rights and
25 responsibilities under this chapter; and

26 (c) There are no fees or security deposits, although the landlord may require the payment of an
27 applicant screening charge, as provided in ORS 90.295.

28 **SECTION 11.** ORS 90.555 is amended to read:

29 90.555. (1) A facility tenant may not rent the tenant's manufactured dwelling or floating home
30 to another person for a period exceeding three days unless the facility landlord, facility tenant and
31 dwelling or home renter enter into a written subleasing agreement specifying the rights and obli-
32 gations of the landlord, tenant and renter during the renter's occupancy of the dwelling or home.
33 The subleasing agreement shall include, but need not be limited to, provisions that require the
34 dwelling or home renter to timely pay directly to the facility landlord the space rent, any separately
35 assessed fees payable under the rental agreement and any separately billed utility or service charge
36 described in ORS 90.532 (1)(b) or (c), and provisions that grant the dwelling or home renter the same
37 rights as the facility tenant to cure a violation of the rental agreement for the facility space, to
38 require facility landlord compliance with ORS 90.730 and to be protected from retaliatory conduct
39 under ORS 90.765. This subsection does not authorize a facility tenant to rent a manufactured
40 dwelling or floating home to another person in violation of the rental agreement between the facility
41 tenant and the facility landlord.

42 (2) Notwithstanding **the definition of "tenant" in** ORS 90.100 [(45)], a facility tenant who en-
43 ters into a subleasing agreement continues to be the tenant of the facility space and retains all
44 rights and obligations of a facility tenant under the rental agreement and this chapter. The occu-
45 pancy of a manufactured dwelling or floating home by a renter as provided in a subleasing agree-

1 ment does not constitute abandonment of the dwelling or home by the facility tenant.

2 (3) The rights and obligations of the dwelling or home renter under a subleasing agreement are
 3 in addition to the rights and obligations retained by the facility tenant under subsection (2) of this
 4 section. The rights and obligations of the dwelling or home renter under the subleasing agreement
 5 are separate from any rights or obligations of the renter under ORS 90.100 to 90.465 applicable to
 6 the renter's occupancy of the manufactured dwelling or floating home owned by the facility tenant.

7 (4) Unless otherwise provided in the subleasing agreement, a facility landlord may terminate a
 8 subleasing agreement:

9 (a) Without cause by giving the dwelling or home renter written notice not less than 30 days
 10 prior to the termination;

11 (b) If a condition described in ORS 90.380 (5)(b) exists for the facility space, by giving the renter
 12 the same notice to which the facility tenant is entitled under ORS 90.380 (5)(b); or

13 (c) Subject to the cure right established in subsection (1) of this section and regardless of
 14 whether the landlord terminates the rental agreement of the facility tenant:

15 (A) For nonpayment of facility space rent; or

16 (B) For any conduct by the dwelling or home renter that would be a violation of the rental
 17 agreement under ORS 90.396 or 90.398 if committed by the facility tenant.

18 (5) Upon termination of a subleasing agreement by the facility landlord, whether with or without
 19 cause, the dwelling or home renter and the facility tenant are excused from continued performance
 20 under any agreement for the renter's occupancy of the manufactured dwelling or floating home
 21 owned by the facility tenant.

22 (6)(a) If, during the term of a subleasing agreement, the facility landlord gives notice to the fa-
 23 cility tenant of a rental agreement violation, of a law or ordinance violation or of the facility's
 24 closure, conversion or sale, the landlord shall also promptly give a copy of the notice to the dwelling
 25 or home renter. The giving of notice to the dwelling or home renter does not constitute notice to
 26 the facility tenant unless the tenant has expressly appointed the renter as the tenant's agent for
 27 purposes of receiving notice.

28 (b) If the facility landlord gives notice to the dwelling or home renter that the landlord is ter-
 29 minating the subleasing agreement, the landlord shall also promptly give a copy of the notice to the
 30 facility tenant. The landlord shall give the notice to the facility tenant in the same manner as for
 31 giving notice of a rental agreement violation.

32 (c) If, during the term of a subleasing agreement, the facility tenant gives notice to the facility
 33 landlord of a rental agreement violation, termination of tenancy or sale of the manufactured dwell-
 34 ing or floating home, the tenant shall also promptly give a copy of the notice to the dwelling or
 35 home renter.

36 (d) If the dwelling or home renter gives notice to the facility landlord of a violation of ORS
 37 90.730, the renter shall also promptly give a copy of the notice to the facility tenant.

38 **SECTION 12.** ORS 90.634 is amended to read:

39 90.634. (1) A landlord may not assert a lien under ORS 87.162 for dwelling unit rent against a
 40 manufactured dwelling or floating home located in a facility. Notwithstanding **the definition of**
 41 **"tenant" in** ORS 90.100 [(45)] and 90.675 and regardless of whether the owner of a manufactured
 42 dwelling or floating home occupies the dwelling or home as a residence, a facility landlord that is
 43 entitled to unpaid rent and receives possession of the facility space from the sheriff following
 44 restitution pursuant to ORS 105.161 may sell or dispose of the dwelling or home as provided in ORS
 45 90.675.

(2) If a manufactured dwelling or floating home was occupied immediately prior to abandonment by a person other than the facility tenant, and the name and address of the person are known to the landlord, a landlord selling or disposing of the dwelling or home under subsection (1) of this section shall promptly send the person a copy of the notice sent to the facility tenant under ORS 90.675 (3). Notwithstanding ORS 90.425, the facility landlord may sell or dispose of goods left in the dwelling or home or upon the dwelling unit by the person in the same manner as if the goods were left by the facility tenant. If the name and address of the person are known to the facility landlord, the landlord shall promptly send the person a copy of the written notice sent to the facility tenant under ORS 90.425 (3) and allow the person the time described in the notice to arrange for removal of the goods.

SECTION 13. ORS 456.579 is amended to read:

456.579. (1) There is established separate and distinct from the General Fund an account to be known as the Mobile Home Parks Purchase Account. Except as otherwise provided by law, all moneys appropriated or credited to the Mobile Home Parks Purchase Account are appropriated continuously for and shall be used by the Director of the Housing and Community Services Department for the purpose of carrying out the duties and responsibilities imposed upon the Housing and Community Services Department under ORS [90.100,] 90.630, [90.760,] 90.800 to 90.840, [308.905,] 446.003 and 456.581 and this section. Interest earned on the account shall be credited to the account.

(2) Except for loans provided in ORS 90.840, the account described in subsection (1) of this section shall not be connected to or commingled in any way with the funds described in ORS 456.720.

(3) For the purpose of carrying out the provisions of ORS [90.100,] 90.630, [90.760,] 90.800 to 90.840, [308.905,] 446.003 and 456.581 and this section, the Housing and Community Services Department may seek funds [from sources other than that described in ORS 308.905 (1)]. Such funds shall be credited to the Mobile Home Parks Purchase Account.

SECTION 14. ORS 456.581 is amended to read:

456.581. The Mobile Home Parks Purchase Account established in ORS 456.579 shall be used by the Housing and Community Services Department to provide:

(1) Technical assistance to tenants' associations, manufactured dwelling park nonprofit cooperatives and tenants' association supported nonprofit organizations [and to facility purchase associations, as defined in ORS 90.100,] and to help tenants in activities related to the purchase or preservation of a mobile home park or manufactured dwelling park by a tenants' association, manufactured dwelling park nonprofit cooperative[,] or tenants' association supported nonprofit organization [or facility purchase association].

(2) By rule, loans for initial costs for purchasing a mobile home park or manufactured dwelling park that the department determines has a significant percentage of residents who are persons of lower income. Loans provided under this section may be made only if the department is of the opinion that the purchase is economically feasible and only to[:]

[(a)] a tenants' association, manufactured dwelling park nonprofit cooperative or a tenants' association supported nonprofit organization[; or]

[(b)] A facility purchase association established pursuant to ORS 90.815 that includes more than 50 percent of the tenants residing in the park].

SECTION 15. Section 6, chapter 826, Oregon Laws 2005, is amended to read:

Sec. 6. Amounts received as a result of the sale of a manufactured dwelling park to [a tenants' association, facility purchase association or tenants' association supported nonprofit organization as

1 *described in ORS 90.820]* **facility residents joined together, alone or in cooperation with a**
2 **nonprofit organization or a housing authority**, to a community development corporation as de-
3 scribed in ORS 458.210 or to a housing authority as defined in ORS 456.005 are exempt from the tax
4 imposed by this chapter.

5 **SECTION 16.** Section 9, chapter 826, Oregon Laws 2005, is amended to read:

6 **Sec. 9.** Amounts received as a result of the sale of a manufactured dwelling park to [*a tenants'*
7 *association, facility purchase association or tenants' association supported nonprofit organization as*
8 *described in ORS 90.820]* **facility residents joined together, alone or in cooperation with a**
9 **nonprofit organization or a housing authority**, to a community development corporation as de-
10 scribed in ORS 458.210 or to a housing authority as defined in ORS 456.005 are exempt from the tax
11 imposed by this chapter.

12 **SECTION 17.** **ORS 90.760, 90.810, 90.815, 90.820 and 308.905 are repealed.**
13 _____