from the disk of

Rep. Gene Whisnand

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VOTE YES on HB 4038A



Oregon Manufactured Home Park Owners <u>and</u> Residents Negotiated Compromise Changes to Notice of Potential Sale of Park

9-0-0 vote from the Housing and Human Services Committee

Stability for Residents, Preservation of Affordable Housing for Oregon Communities

- Manufactured home parks are Oregon's largest source of privately developed affordable housing. Parks are communities residents take care of one another, and look out for one another.
- HB 4038A provides clear timelines and notices to allow residents to compete to buy their parks from willing landlord/owner sellers.
- HB 4038A facilitates resident or non-profit ownership of parks, preserving these Oregon communities when a park owner decides to sell.

Fairness to Park Owners

- Provides a process comparable to the practices of the private market, and sets out clear and reasonable timelines for each party to negotiate a possible purchase.
- Specifies that park owners may solicit other offers throughout the process and accept the best one.
- Creates a defense for park owners who comply and for all minor errors. Current exemptions are included, and the bill clarifies the exemption for 1031 exchange sales.
- Removes the right of first refusal in current law, and shortens timelines.
- Owners have a remedy against tenants who violate a confidentiality agreement.

Improvements to Current Law for Both Sides

- The current law governing the park sale process is vague, and doesn't work well for park owners or for park residents.
 - Problem for tenants: Park residents don't currently get good notice of park sales, so don't have the opportunity to compete to buy and preserve their parks.
 - Problem for park owners: Current law contains no clear defense for park owners in compliance, has no liability exception for minor errors, and contains a 14 day right of first refusal.

Negotiated Compromise Supported by Park Owners and Park Residents

- HB 4038A is the product of an interim workgroup, chaired by Representative Whisnant and Representative Nathanson. The workgroup included 7 landlord representatives and 3 resident representatives.
- The compromise is supported by advocates for residents and by the Manufactured Housing Oregon State Tenants Association, as well as by Manufactured Housing Communities of Oregon (MHCO), the largest Oregon landlord/community owner organization.