

## SENATE AMENDMENTS TO A-ENGROSSED HOUSE BILL 4038

By COMMITTEE ON RULES

February 28

- 1 On page 1 of the printed A-engrossed bill, line 2, after “provisions;” insert “and”.
- 2 In line 4, after “2005” insert a period and delete the rest of the line.
- 3 Delete lines 6 through 27 and delete page 2.
- 4 On page 3, delete lines 1 through 16 and insert:
- 5 **“SECTION 1. (1) An owner of a manufactured dwelling park shall give written notice of**
- 6 **the owner’s interest in selling the park before the owner markets the park for sale or when**
- 7 **the owner receives an offer to purchase that the owner intends to consider, whichever oc-**
- 8 **curs first.**
- 9 **“(2) The owner shall give the notice required by subsection (1) of this section to:**
- 10 **“(a) All tenants of the park; or**
- 11 **“(b) A tenants committee, if there is an existing committee of tenants formed for pur-**
- 12 **poses including the purchase of the park and with which the owner has met in the 12-month**
- 13 **period immediately before delivery of the notice.**
- 14 **“(3) The owner shall also give the notice required by subsection (1) of this section to the**
- 15 **Office of Manufactured Dwelling Park Community Relations of the Housing and Community**
- 16 **Services Department.**
- 17 **“(4) The notice must include the following:**
- 18 **“(a) The owner is considering selling the park.**
- 19 **“(b) The tenants, through a tenants committee, have an opportunity to compete to pur-**
- 20 **chase the park.**
- 21 **“(c) In order to compete to purchase the park, within 10 days after delivery of the notice,**
- 22 **the tenants must form or identify a single tenants committee for the purpose of purchasing**
- 23 **the park and notify the owner in writing of:**
- 24 **“(A) The tenants’ interest in competing to purchase the park; and**
- 25 **“(B) The name and contact information of the representative of the tenants committee**
- 26 **with whom the owner may communicate about the purchase.**
- 27 **“(d) The representative of the tenants committee may request financial information de-**
- 28 **scribed in section 2 (2) of this 2014 Act from the owner within the 10-day period.**
- 29 **“(e) Information about purchasing a manufactured dwelling park is available from the**
- 30 **Office of Manufactured Dwelling Park Community Relations of the Housing and Community**
- 31 **Services Department.**
- 32 **“SECTION 2. (1) Within 10 days after delivery of the notice described in section 1 of this**
- 33 **2014 Act, if the tenants choose to compete to purchase the manufactured dwelling park in**
- 34 **which the tenants reside, the tenants must notify the owner in writing of:**
- 35 **“(a) The tenants’ interest in competing to purchase the park;**

1       “(b) The formation or identification of a single tenants committee formed for the purpose  
2 of purchasing the park; and

3       “(c) The name and contact information of the representative of the tenants committee  
4 with whom the owner may communicate about the purchase.

5       “(2) During the 10-day period, in order to perform a due diligence evaluation of the op-  
6 portunity to compete to purchase the park, the representative of the tenants committee may  
7 make a written request for the kind of financial information that a seller of a park would  
8 customarily provide to a prospective purchaser.

9       “(3) Of the financial information described in subsection (2) of this section, the owner  
10 shall provide the following information within seven days after delivery of the request by the  
11 tenants committee for the information:

12       “(a) The asking price, if any, for the park;

13       “(b) The total income collected from the park and related profit centers, including stor-  
14 age and laundry, in the 12-month period immediately before delivery of the notice required  
15 by section 1 of this 2014 Act;

16       “(c) The cost of all utilities for the park that were paid by the owner in the 12-month  
17 period immediately before delivery of the notice required by section 1 of this 2014 Act;

18       “(d) The annual cost of all insurance policies for the park that were paid by the owner,  
19 as shown by the most recent premium;

20       “(e) The number of homes in the park owned by the owner; and

21       “(f) The number of vacant spaces and homes in the park.

22       “(4) The owner may:

23       “(a) Designate all or part of the financial information provided pursuant to this section  
24 as confidential.

25       “(b) If the owner designates financial information as confidential, establish, in cooper-  
26 ation with the representative of the tenants committee, a list of persons with whom the  
27 tenants may share the information, including any of the following persons that are either  
28 seeking to purchase the park on behalf of the tenants committee or assisting the tenants  
29 committee in evaluating or purchasing the park:

30       “(A) A nonprofit organization or a housing authority.

31       “(B) An attorney or other licensed professional or adviser.

32       “(C) A financial institution.

33       “(c) Require that persons authorized to receive the confidential information:

34       “(A) Sign a confidentiality agreement before receiving the information;

35       “(B) Refrain from copying any of the information; and

36       “(C) Return the information to the owner when the negotiations to purchase the park  
37 are completed or terminated.

38       “(5) Within 15 days after delivery of the financial information described in subsection (3)  
39 of this section, if the tenants choose to continue competing to purchase the park, the ten-  
40 ants committee must:

41       “(a) Form a corporate entity under ORS chapter 60, 62 or 65 that is legally capable of  
42 purchasing real property or associate with a nonprofit corporation or housing authority that  
43 is legally capable of purchasing real property or that is advising the tenants about purchas-  
44 ing the park in which the tenants reside.

45       “(b) Submit to the owner a written offer to purchase the park, in the form of a proposed

1 purchase and sale agreement, and either a copy of the articles of incorporation of the cor-  
2 porate entity or other evidence of the legal capacity of the formed or associated corporate  
3 entity to purchase real property.

4 “(6)(a) The owner may accept the offer to purchase in the tenants committee’s purchase  
5 and sale agreement, reject the offer or submit a counteroffer.

6 “(b) If the parties reach agreement on the purchase, the purchase and sale agreement  
7 must specify the price, due diligence duties, schedules, timelines, conditions and any exten-  
8 sions.

9 “(c) If the tenants do not act as required within the time periods described in this section  
10 and section 1 of this 2014 Act, if the tenants violate the confidentiality agreement described  
11 in this section or if the parties do not reach agreement on a purchase, the owner is not ob-  
12 ligated to take additional action under sections 1 to 5 of this 2014 Act.”.

13 On page 4, after line 5, insert:

14 “(e) Any sale or transfer of an interest in a limited liability company to any of the limited li-  
15 ability company’s members.”.

16 In line 6, delete “(e)” and insert “(f)”.

17 In line 7, delete “(f)” and insert “(g)”.

18 In line 9, delete “(g)” and insert “(h)”.

19 In line 11, delete “(h)” and insert “(i)”.

20 In line 13, delete “(i)” and insert “(j)”.

21 In line 15, delete “(j)” and insert “(k)”.

22 On page 13, delete lines 13 and 14.  
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