



SPONSOR: Rep. Carson & Sen. Ennis

HOUSE OF REPRESENTATIVES
149th GENERAL ASSEMBLY

HOUSE BILL NO. 436
AS AMENDED BY
HOUSE AMENDMENT NO. 2

AN ACT TO AMEND TITLE 25 OF THE DELAWARE CODE RELATING TO MANUFACTURED HOME AND RENTED LOT TRANSFERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend § 7022, Title 25 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 7022. Manufactured home transfer; rented lot transfer.

(b)(1) A rental agreement for a lot in a manufactured home community is only ~~not~~ transferable from ~~the tenant~~ an individual tenant, or heir who owns the manufactured home on the lot to ~~the buyer or~~ under the rental agreement to a transferee to whom the tenant intends to sell or transfer title to the home, unless the if all of the following apply:

a. The home qualifies for retention in the manufactured home community according to written standards promulgated ~~pursuant to~~ under § 7020 of this title, ~~and unless the~~ title. The community owner may conduct an exterior inspection of the home to determine if it qualifies for retention consistent with the written standards.

b. ~~landlord accepts the buyer or~~ After a review of the proposed rental agreement transferee's written application, the landlord accepts the proposed rental agreement transferee as a tenant.

(2) Acceptance or rejection of a ~~buyer or proposed rental agreement~~ transferee under this subsection must be on the same basis by which the landlord accepts or rejects any prospective tenant.

(3) A landlord ~~who rejects a prospective tenant~~ must give the rejected ~~prospective tenant~~ proposed rental agreement transferee a written statement that explains the ~~cause~~ specific eligibility requirement not satisfied and the grounds for the rejection.

(4) Within 15 days of the receipt of a completed application package, including the applicable fee, under subsection (c), a landlord must provide written notice, to the tenant under the lot rental agreement and the proposed rental agreement transferee, that states whether the proposed rental agreement transferee is accepted or rejected. If the application is rejected the notice must comply with B (3) above.

(d) If a landlord accepts a ~~prospective tenant~~, proposed rental agreement transferee, the transfer of an existing rental agreement must be completed using one of the following 2 ~~methods~~. ~~The selection of the method is~~ methods at the exclusive discretion of the ~~tenant/seller of individual tenant, or heir, under the lot rental agreement for the manufactured home, and the buyer is~~ proposed rental agreement transferee and landlord are bound by that selection. ~~selection~~:

(1) The ~~tenant/seller~~ tenant proposing to transfer the existing lot rental agreement agrees to an assignment of the ~~lease to the buyer~~, lot rental agreement to an approved rental agreement transferee, with all of the existing obligations and benefits, including ~~but not limited to~~ the rental amount under the existing rental agreement, for the remaining term of the agreement.

a. If ~~this option is elected~~, the method under paragraph (d)(1) of this section is selected, the existing rental agreement between the ~~tenant/seller~~ existing tenant and the landlord is simultaneously assigned by the ~~tenant-seller~~ existing tenant and assumed by the ~~buyer and the buyer~~ approved rental agreement transferee and the approved rental agreement transferee becomes the new tenant.

b. Upon the sale, assignment, and assumption, the landlord ~~will~~ must amend the existing lot rental agreement and list the ~~buyer~~ approved rental agreement transferee as the new tenant.

(2) The ~~tenant-seller~~ tenant who is selling the manufactured home chooses to terminate the existing lot rental agreement. The buyer ~~may~~ must then negotiate the terms of and enter into a new rental agreement for a full term at a rental amount set by the landlord. If this ~~option method~~ is ~~elected~~, selected, the existing rental agreement is terminated upon the execution of the new rental agreement.