

STATE OF NEW YORK

8554

IN SENATE

May 10, 2018

Introduced by Sen. LITTLE -- (at request of the New York State Homes and Community Renewal) -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the real property law, in relation to the duties and responsibilities of manufactured home park owners and residents, the sale of manufactured home parks; and to amend the executive law, the real property law, the vehicle and traffic law and the estates, powers and trusts law, in relation to the conveyance and encumbrance of manufactured homes as real property

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

- 1 Section 1. This act shall be known and may be cited as the "New York
2 Manufactured Home Modernization Act".
- 3 § 2. Subdivision a of section 233 of the real property law, as amended
4 by chapter 566 of the laws of 1996, is amended to read as follows:
- 5 a. Wherever used in this section:
- 6 1. The term "manufactured home tenant" means one who rents space in a
7 manufactured home park from a manufactured home park owner or operator
8 for the purpose of parking his manufactured home or [~~one who rents a~~
9 ~~manufactured home in a manufactured home park from a manufactured home~~
10 ~~park owner or operator~~] a manufactured home renter as defined in this
11 subdivision.
- 12 2. The term "manufactured home renter" means one who rents a manufac-
13 tured home in a manufactured home park from a manufactured home park
14 owner or operator or from an entity in which the manufactured home park
15 owner or operator owns an interest.
- 16 3. The term "manufactured home owner" means one who holds title to a
17 manufactured home.
- 18 [~~3-~~] 4. The term "manufactured home park" means a contiguous parcel of
19 privately owned land which is used for the accommodation of [~~three~~] five
20 or more manufactured homes occupied for year-round living.
- 21 5. The term "manufactured home park owner" means any person or entity
22 owning an interest in the land of a manufactured home park.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 6. The term "manufactured home park operator" means any person or
2 entity responsible for the operation or management of a manufactured
3 home park.

4 [~~4~~] 7. The term "manufactured home" means a structure, transportable
5 in one or more sections, which in the traveling mode, is eight body feet
6 or more in width or forty body feet or more in length, or, when erected
7 on site, is three hundred twenty or more square feet, and which is built
8 on a permanent chassis and designed to be used as a dwelling with or
9 without a permanent foundation when connected to the required utilities,
10 and includes the plumbing, heating, air-conditioning, and electrical
11 systems contained therein; except that such term shall include a "mobile
12 home" as defined in paragraph [~~five~~] eight, and shall include a struc-
13 ture which meets all the requirements of this subdivision except the
14 size requirements and with respect to which the manufacturer voluntarily
15 files a certification required by the secretary of housing and urban
16 development.

17 [~~5~~] 8. The term "mobile home" means a moveable or portable unit,
18 manufactured prior to January first, nineteen hundred seventy-six,
19 designed and constructed to be towed on its own chassis, comprised of
20 frame and wheels, connected to utilities, and designed and constructed
21 without a permanent foundation for year-round living. A unit may contain
22 parts that may be folded, collapsed or telescoped when being towed and
23 expanded later to provide additional cubic capacity as well as two or
24 more separately towable components designed to be joined into one inte-
25 gral unit capable of being again separated into the components for
26 repeated towing. "Mobile home" shall mean units designed to be used
27 exclusively for residential purposes, excluding travel trailers.

28 9. The term "rent-to-own contract" shall mean any agreement between a
29 manufactured home park owner or operator and a manufactured home renter
30 which provides that after a specified term or other contingency the
31 manufactured home renter will take ownership of the rented home.

32 10. The term "rent-to-own payments" shall mean any payments made by a
33 manufactured home renter pursuant to a rent-to-own contract which are in
34 addition to rental payments for the rented site and the rented home.

35 § 3. Subdivision e of section 233 of the real property law, as amended
36 by chapter 566 of the laws of 1996, is amended to read as follows:

37 e. Leases. 1. The manufactured home park owner or operator shall offer
38 every manufactured home tenant prior to occupancy, the opportunity to
39 sign a lease for a minimum of one year, which offer shall be made in
40 writing. All lease offers, including initial and renewal leases, shall
41 include a rider regarding tenant rights. Such rider shall be in a form
42 approved or promulgated by the commissioner of housing and community
43 renewal and which shall be made available to manufactured home park
44 owners and operators.

45 2. (i) On or before, as appropriate, (a) the first day of October of
46 each calendar year with respect to a manufactured home owner [~~then in~~
47 ~~good standing~~] who is not currently a party to a written lease with a
48 manufactured home park owner or operator or (b) the ninetieth day next
49 preceding the expiration date of any existing written lease between a
50 manufactured home owner [~~then in good standing~~] and a manufactured home
51 park owner or operator, the manufactured home park owner or operator
52 shall submit to each such manufactured home owner a written offer to
53 lease for a term of at least twelve months from the commencement date
54 thereof unless the manufactured home park owner or operator has previ-
55 ously furnished the manufactured home owner with written notification of
56 a proposed change of use pursuant to paragraph six of subdivision b of

1 this section. Any such offer shall include a copy of the proposed lease
2 containing such terms and conditions, including provisions for rent and
3 other charges, as the manufactured home park owner shall deem appropri-
4 ate; provided such terms and conditions are consistent with all rules
5 and regulations promulgated by the manufactured home park operator prior
6 to the date of the offer and are not otherwise prohibited or limited by
7 applicable law. Such offer shall also contain a statement advising the
8 manufactured home owner that if he or she fails to execute and return
9 the lease to the manufactured home park owner or operator within thirty
10 days after submission of such lease, the manufactured home owner shall
11 be deemed to have declined the offer of a lease and shall not have any
12 right to a lease from the manufactured home park owner or operator for
13 the next succeeding twelve months.

14 ~~(ii) [For purposes of this paragraph, a manufactured home owner shall
15 be deemed in good standing if he or she is not in default in the payment
16 of more than one month's rent to the manufactured home park owner, and
17 is not in violation of paragraph three, four or five of subdivision b of
18 this section. No manufactured home park owner or operator shall refuse
19 to provide a written offer to lease based on a default of rent payments
20 or a violation of paragraph three, four or five of subdivision b of this
21 section unless, at least thirty days prior to the last date on which the
22 owner or operator would otherwise be required to provide such written
23 offer to lease, the owner or operator notifies the manufactured home
24 owner, in writing, of the default in rent or the specific grounds
25 constituting the violation and such grounds continues up and until the
26 fifth calendar day immediately preceding the last date on which the
27 written offer would otherwise be required to be made.~~

28 ~~(iii)~~] For purposes of this paragraph, the commencement date of any
29 lease offered by the manufactured home park owner to the manufactured
30 home owner shall be the ninetieth day after the date upon which the
31 manufactured home park owner shall have provided the offer required
32 pursuant to this paragraph; provided, however, that no such lease shall
33 be effective if, on such commencement date, the manufactured home owner
34 is in default of more than one month's rent. In the event the manufac-
35 tured home owner shall have failed to execute and return said lease to
36 the manufactured home park owner or operator within thirty days after it
37 is submitted to the manufactured home owner as required by subparagraph
38 (i) of this paragraph the manufactured home owner shall be deemed to
39 have declined to enter said lease.

40 3. No lease provision shall be inconsistent with any rule or regu-
41 lation in effect at the commencement of the lease.

42 4. If a manufactured home park owner or operator fails to offer a
43 tenant a lease as provided in this subdivision, the tenant shall have
44 all the rights of a leaseholder and may not be evicted for other than
45 the reasons specified in paragraphs two, three, four, five or six of
46 subdivision b of this section.

47 § 4. Paragraph 3 of subdivision g of section 233 of the real property
48 law, as amended by chapter 566 of the laws of 1996, is amended to read
49 as follows:

50 3. No fees, charges, assessments or rental fees may be increased by
51 manufactured home park owner or operator without specifying the date of
52 implementation of said fees, charges, assessments or rental fees which
53 date shall be no less than ninety days after written notice to all manu-
54 factured home tenants. Failure on the part of the manufactured home park
55 owner or operator to fully disclose all fees, charges or assessments
56 shall prevent the manufactured home park owner or operator from collect-

1 ing said fees, charges or assessments, and refusal by the manufactured
2 home tenant to pay any undisclosed charges shall not be used by the
3 manufactured home park owner or operator as a cause for eviction in any
4 court of law. Rent, utilities and charges for facilities and services
5 available to the tenant may not be increased unless a lease has been
6 offered to the tenant as required by subdivision e of this section.

7 § 5. Subdivision m of section 233 of the real property law, as amended
8 by chapter 566 of the laws of 1996, is amended to read as follows:

9 m. Warranty of habitability, maintenance, disruption of services. In
10 every written or oral lease or rental agreement entered into by a manu-
11 factured home tenant, the manufactured home park owner or operator shall
12 be deemed to covenant and warrant that the premises so leased or rented
13 and the manufactured home if rented, including rental through a rent-to-
14 own contract, and all areas used in connection therewith in common with
15 other manufactured home tenants or residents including all roads within
16 the manufactured home park are fit for human habitation and for the uses
17 reasonably intended by the parties and that the occupants of such prem-
18 ises and such manufactured homes if rented shall not be subjected to any
19 conditions which would be dangerous, hazardous or detrimental to their
20 life, health or safety. When any such condition has been caused by the
21 misconduct of the manufactured home tenant or lessee or persons under
22 his direction or control, it shall not constitute a breach of such
23 covenants and warranties. The rights and obligations of the manufactured
24 home park owner or operator and the manufactured home tenant shall be
25 governed by the provisions of this subdivision and subdivisions two and
26 three of section two hundred thirty-five-b of this article.

27 § 6. Subdivision o of section 233 of the real property law, as amended
28 by chapter 566 of the laws of 1996, is amended to read as follows:

29 o. Whenever a lease shall provide that in any action or summary
30 proceeding the manufactured home park owner or operator may recover
31 attorney's fees and/or expenses [~~incurred as the result of the failure~~
32 ~~of the tenant to perform any covenant or agreement contained in such~~
33 ~~lease, or that amounts paid by the manufactured home park owner or oper-~~
34 ~~ator therefor shall be paid by the tenant as additional rent,] awarded
35 by a court in an eviction proceeding there shall be implied in such
36 lease a covenant by the manufactured home park owner or operator, to pay
37 to the tenant the reasonable attorney's fees and/or expenses incurred by
38 the tenant to the same extent as is provided in section two hundred
39 thirty-four of this article which section shall apply in its entirety. A
40 manufactured home park owner or operator may not demand that a tenant
41 pay attorney's fees unless such fees have been awarded pursuant to a
42 court order.~~

43 § 7. Subdivision r of section 233 of the real property law, as amended
44 by chapter 566 of the laws of 1996, is amended to read as follows:

45 r. Limitation on late charges. A late charge on any rental payment by
46 a manufactured home owner which has become due and remains unpaid shall
47 not exceed and shall be enforced to the extent of five percent of such
48 delinquent payment; provided, however, that no charge shall be imposed
49 on any rental payment by a manufactured home owner received within ten
50 days after the due date. In the absence of a specific provision in the
51 lease or the manufactured home park's rules and regulations, no late
52 charge on any delinquent rental payment shall be assessed or collected.
53 Late charges may not be compounded and shall not be considered addi-
54 tional rent.

55 § 8. Subdivision v of section 233 of the real property law, as amended
56 by chapter 566 of the laws of 1996, is amended to read as follows:

1 v. On and after April first, nineteen hundred eighty-nine, the commis-
2 sioner of housing and community renewal shall have the power and duty to
3 enforce and ensure compliance with the provisions of this section.
4 However, the commissioner shall not have the power or duty to enforce
5 manufactured home park rules and regulations established under subdivi-
6 sion f of this section. On or before January first, nineteen hundred
7 eighty-nine, each manufactured home park owner or operator shall file a
8 registration statement with the commissioner and shall thereafter file
9 an annual registration statement on or before January first of each
10 succeeding year. The commissioner [~~by regulation,~~] shall provide that
11 such registration statement shall include [~~only~~] the names and contact
12 information of all persons or entities owning an interest in the park,
13 the names of all tenants of the park, all services provided by the park
14 owner to the tenants, other information as may be required by the
15 commissioner, including but not limited to information regarding leases
16 and real property tax payments, and a copy of all current manufactured
17 home park rules and regulations if the rules and regulations have
18 changed since they were last submitted. Whenever there shall be a
19 violation of this section, the commissioner of housing and community
20 renewal shall collect a fee of ten dollars per site from the owner or
21 operator of any manufactured home park which was not timely registered,
22 and an application may be made by the commissioner of housing and commu-
23 nity renewal in the name of the people of the state of New York to a
24 court or justice having jurisdiction by a special proceeding to issue an
25 injunction, and upon notice to the defendant of not less than five days,
26 to enjoin and restrain the continuance of such violation; and if it
27 shall appear to the satisfaction of the court or justice that the
28 defendant has, in fact, violated this section, an injunction may be
29 issued by such court or justice, enjoining and restraining any further
30 violation and with respect to this subdivision, directing the filing of
31 a registration statement. In any such proceeding, the court may make
32 allowances to the commissioner of housing and community renewal of a sum
33 not exceeding two thousand dollars against each defendant, and direct
34 restitution. Whenever the court shall determine that a violation of
35 this section has occurred, the court may impose a civil penalty of not
36 more than one thousand five hundred dollars for each violation. Such
37 penalty shall be deposited in the manufactured home cooperative fund,
38 created pursuant to section fifty-nine-h of the private housing finance
39 law. In connection with any such proposed application, the commissioner
40 of housing and community renewal is authorized to take proof and make a
41 determination of the relevant facts and to issue subpoenas in accordance
42 with the civil practice law and rules. The provisions of this subdivi-
43 sion shall not impair the rights granted under subdivision u of this
44 section.

45 § 9. Section 233 of the real property law is amended by adding a new
46 subdivision y to read as follows:

47 y. 1. (i) No manufactured home park owner or operator shall offer or
48 execute a rent-to-own contract unless the manufactured park owner or
49 operator possesses documentation of ownership of the manufactured home,
50 including a certificate of title to the home, if the home is a manufac-
51 tured home subject to being titled pursuant to article forty-six of the
52 vehicle and traffic law, or for mobile homes not subject to being titled
53 pursuant to such law, such other documentation, which may include a bill
54 of sale, or deed, sufficient to establish ownership.

55 (ii) Every rent-to-own contract shall be in writing and clearly state
56 all terms, including but not limited to: a description of the home to be

1 leased, including the name of the manufacturer, the serial number and
2 the year of manufacture; the site number upon which the home is located
3 in the manufactured home park; an itemized statement of any payments to
4 be made during the term of the contract, including the initial lot rent,
5 the rental amount for the home, and the amount of the rent-to-own
6 payments; the term of the agreement; the number of payments, itemized,
7 required to be made over the term of the agreement; the annual percent-
8 age rate of the amount financed, if applicable; the amount of any addi-
9 tional fees to be paid during the term. A rent-to-own contract may not
10 require a manufactured home tenant to pay any additional fees for trans-
11 fer of ownership at the end of the lease period other than the rent-to-
12 own payments made during the term of the contract.

13 (iii) Every rent-to-own contract shall clearly state that the manufac-
14 tured home renter is occupying a rented home, until ownership is trans-
15 ferred, and that the manufactured home park owner and operator shall be
16 responsible for compliance with the warranty of habitability, including
17 but not limited to all major repairs and capital improvements.

18 (iv) With the execution of every rent-to-own contract, the manufac-
19 tured home park owner or operator shall offer the manufactured home
20 renter a lease for the site on which the home is located as provided in
21 subdivision e of this section, and, if the term of the rent-to-own
22 contract is longer than the term of the initial site lease, shall offer
23 renewal leases on the same terms as provided to manufactured home owners
24 within the park pursuant to subdivision e of this section, provided that
25 such renewal lease may not include a rent increase greater than that
26 imposed on similarly situated homeowners within the park.

27 (v) The manufactured home park owner or operator shall provide each
28 manufactured home renter who is a party to a rent-to-own an itemized
29 accounting listing all payments made pursuant to the rent-to-own
30 contract. Such accounting shall be provided no less than once each year,
31 beginning one year from the execution of the rent-to-own contract. Upon
32 request by a manufactured home renter, the manufactured home park owner
33 or operator shall provide such an accounting within ten days of such
34 request.

35 2. Any successor to ownership of the manufactured home park shall be
36 bound by the terms of a rent-to-own contract entered in to after the
37 effective date of this subdivision.

38 3. If a manufactured home park tenant's tenancy is terminated by the
39 landlord during the term of a rent-to-own contract, all rent-to-own
40 payments made during the term of the contract shall be refunded to the
41 renter; if a manufactured home park owner or operator fails to refund
42 such payments, in an eviction proceeding, the court may award the tenant
43 damages in the amount of the rent-to-own payments which have not been
44 refunded.

45 4. It is a violation of this section for a manufactured home park
46 owner or operator to make any material misrepresentation, either written
47 or oral, regarding any of the terms of a rent-to-own contract, or to
48 obtain, or attempt to obtain, a waiver from any manufactured home renter
49 of any protection or right provided under this subdivision.

50 5. (i) If a manufactured home park owner or operator violates the
51 provisions of this subdivision or wrongfully evicts a manufactured home
52 renter who is a party to a rent-to-own contract, a court may award
53 damages including treble the economic damages suffered by the manufac-
54 tured home renter, which may include all rent-to-own payments. The court
55 may also provide for reasonable attorney fees and costs of litigation,
56 and other equitable relief.

1 (ii) Failure of the manufactured home park owner or operator to comply
2 with this section shall give the manufactured home renter the uncondi-
3 tional right to cancel the lease with the option to purchase the
4 contract and receive immediate refund of all payments and deposits made
5 on account of or in contemplation of the lease with the option to
6 purchase contract.

7 § 10. Subdivision 2 of section 233-a of the real property law, as
8 added by chapter 561 of the laws of 2008, is amended to read as follows:

9 2. (a) If a manufactured home park owner receives a bona fide offer to
10 purchase a manufactured home park that such manufactured home park owner
11 intends to accept, or respond with a counteroffer, or if the manufac-
12 tured home park owner takes any action to market or offer the park for
13 sale, such manufactured home park owner shall require the prospective
14 purchaser to provide, in writing, the certification required by para-
15 graph (b) of this subdivision, and shall not accept any offer to
16 purchase, nor respond with a counteroffer until such manufactured home
17 park owner has [~~received such certification~~] met the requirements of
18 this section.

19 (b) A purchaser seeking to purchase a manufactured home park, or the
20 land upon which a manufactured home park is located, shall provide such
21 owner with a written letter certifying whether or not the purchaser
22 will, upon the closing of the sale of the park, or within sixty months
23 of such closing, give the notice required pursuant to paragraph six of
24 subdivision b of section two hundred thirty-three of this article, of
25 its intention to use the land upon which the manufactured home park is
26 located for a purpose other than manufactured home lot rentals.

27 (c) If a manufactured home park owner takes any action to market or
28 offer the park for sale, or receives a bona fide offer to purchase a
29 manufactured home park that such manufactured home park owner intends to
30 accept or respond to with a counteroffer, [~~such counteroffer~~] a manufac-
31 tured home park owner shall include a notice stating that such accept-
32 ance or counteroffer shall be subject to the right of the homeowners of
33 the manufactured home park to purchase the manufactured home park pursu-
34 ant to this subdivision. Notwithstanding any provision of law or agree-
35 ment to the contrary, every acceptance [~~of a counteroffer~~] by a prospec-
36 tive purchaser of a manufactured home park shall be [~~deemed to be~~]
37 subject to the right of the homeowners of the manufactured home park to
38 purchase the manufactured home park pursuant to this [~~subdivision if the~~
39 ~~purchaser certifies pursuant to paragraph (b) of this subdivision that~~
40 ~~he or she intends to change the use of the land~~] section.

41 § 11. Subdivision 3 of section 233-a of the real property law, as
42 added by chapter 561 of the laws of 2008, is amended to read as follows:

43 3. (a) If a manufactured home park owner takes any action to market or
44 offer the park for sale, or receives a bona fide offer to purchase a
45 manufactured home park that such manufactured home park owner intends to
46 accept or respond to with a counteroffer, [~~and the purchaser has certi-~~
47 ~~fied pursuant to paragraph (b) of subdivision two of this section that~~
48 ~~he intends to change the use of the land,~~] such manufactured home park
49 owner shall notify:

50 (i) the officers of the manufactured homeowners' association within
51 such park of [~~the offer to purchase and~~] all the terms thereof; provided
52 that the park owner has been notified of the establishment of a manufac-
53 tured homeowners' association and been provided with the names and
54 addresses of the officers of such association; or

55 (ii) if no homeowners' association exists, all manufactured homeowners
56 in the manufactured home park; and

1 (iii) the commissioner of housing and community renewal.

2 (b) The manufactured home park owner's notification shall state (i)
3 the price [~~and~~]; (ii) material terms and conditions of sale [~~or, in the~~
4 ~~case where such manufactured home park owner intends to make a counter-~~
5 ~~offer, the price and material terms and conditions~~] upon which such
6 manufactured home park owner would sell the park; (iii) that the manu-
7 factured homeowners have the right to organize a manufactured homeown-
8 er's association or a manufactured homeowners' cooperative for the park;
9 (iv) that purchase financing may be available through the New York state
10 homes and community renewal; and (v) that the manufactured homeowners'
11 association, a cooperative, or manufactured home owners or tenants have
12 one hundred sixty days to exercise their right to purchase the park in
13 accordance with this section.

14 (c) (i) If a manufactured homeowners' association exists at the time
15 of the offer, the association shall have the right to purchase the park;
16 provided that the association shall have delivered to the manufactured
17 home park owner an executed offer to purchase which meets the identical
18 price, terms, and conditions of the offer or counteroffer provided in
19 the notice of the manufactured home park owner within one hundred [~~twen-~~
20 ~~ty~~] sixty days of receipt of notice from the manufactured home park
21 owner, unless otherwise agreed to in writing. During this time period,
22 the park owner shall not accept a final unconditional offer to purchase
23 the park.

24 (ii) If an offer to purchase by the association is not delivered with-
25 in such one hundred [~~twenty~~] sixty day period, then, unless the park
26 owner thereafter elects to offer to sell the park at a price lower than
27 the price specified in the notice to the homeowners' association or at
28 terms substantially different from those presented to the association,
29 the park owner has no further obligations under this section.

30 (iii) If the park owner, after such one hundred [~~twenty~~] sixty day
31 period, elects to offer to sell the park at a price lower than the price
32 specified in the notice given or at terms substantially different from
33 those previously presented to the association, then the association
34 shall be entitled to notice thereof and shall have an additional [~~ten~~]
35 forty-five days after receipt of notice of the revised terms to deliver
36 to the park owner an executed offer to purchase which meets the revised
37 price, terms, and conditions as presented by the park owner.

38 (d) (i) If there is no existing homeowners' association at the time of
39 the offer, the homeowners shall have the right to purchase the park;
40 provided the following conditions are met:

41 (A) The manufactured homeowners shall have the right to form a manu-
42 factured homeowners' association, whether incorporated or not.

43 (B) Such homeowners' association shall include at least fifty-one
44 percent of all manufactured homeowners, who shall have given written
45 consent to forming a manufactured homeowners' association. The
46 provisions of section two hundred twenty-three-b of this article shall
47 apply to the formation of a manufactured homeowners' association.

48 (C) The association, acting through its officers, shall have given
49 notice to the park owner of its formation, the names and addresses of
50 its officers, and delivered an executed offer to purchase the park at
51 the identical price, terms, and conditions of the offer presented in the
52 notification given by the park owner within one hundred [~~twenty~~] sixty
53 days of receipt of notice from the park owner, unless otherwise agreed
54 to in writing. During this time period, the park owner shall not accept
55 a final unconditional offer to purchase the park.

1 (ii) If the homeowners fail to form a manufactured homeowners' associ-
2 ation, or if upon the formation of a manufactured homeowners' associ-
3 ation, the association does not deliver an executed offer to purchase as
4 set forth in paragraph (a) of this subdivision within the one hundred
5 [~~twenty~~] sixty day period, then, unless the park owner elects to offer
6 the park at a price lower than the price specified in the notice previ-
7 ously presented to the homeowners, the park owner has no further obli-
8 gation under this section; and

9 (iii) If the park owner thereafter elects to sell the park at a price
10 lower than the price specified in the notice to the homeowners or at
11 terms substantially different from those previously presented, then the
12 association shall have an additional [~~ten~~] forty-five days after receipt
13 of notice of the revised terms to deliver to the park owner an executed
14 offer to purchase which meets the revised price, terms, and conditions
15 as presented by the park owner.

16 § 12. The executive law is amended by adding a new section 602-a to
17 read as follows:

18 § 602-a. Sale of manufactured home notice requirements. 1. When a
19 manufactured home is sold or offered for sale. a. If a manufactured home
20 is appraised, the appraisal shall be prepared by a licensed or certified
21 appraiser pursuant to article six-E of this chapter, shall comply with
22 the Uniform Standards of Appraisal Practice, as applicable, and the
23 appraisal shall include a cover sheet which itemizes the value of the
24 unsited manufactured home, the value of any adjacent or attached struc-
25 tures located on the site and the value of the sited location, if appli-
26 cable, and valuations of sales of comparable properties.

27 b. In the case of a new manufactured home, a retailer shall provide to
28 a prospective purchaser a written disclosure which states the retail
29 price of the unsited manufactured home, any applicable taxes, the set-up
30 and transportation costs, and the value of the sited location, if appli-
31 cable.

32 c. A legible copy of the disclosure required in paragraph b of this
33 subdivision shall be prominently displayed on a new manufactured home in
34 a location that is clearly visible to a prospective purchaser from the
35 exterior.

36 2. Notice to purchaser. a. When a retailer and purchaser agree for the
37 sale of a manufactured home, the retailer shall deliver a notice to the
38 purchaser and obtain a signed receipt from the purchaser. The notice
39 must include the following or substantially similar statements: (i)
40 under the laws of New York, the purchaser shall elect whether the home
41 will be real property or personal property and it may be financed as
42 residential real property if it is titled as real property pursuant to
43 section three hundred thirty-nine-nn of the real property law, except if
44 the manufactured home is already titled as real property it shall remain
45 titled as real property; (ii) the purchaser's election may affect the
46 amount of the monthly payments and costs for a loan to buy the home, the
47 purchaser's legal rights in the home, and the taxation of the home; and
48 (iii) the purchaser should consult a trusted adviser, other than the
49 retailer, about this election.

50 b. A retailer may not direct or otherwise steer a purchaser to classi-
51 fy the manufactured home as real property or personal property for
52 purposes of financing or otherwise.

53 3. Notice of warranty. Any retailer that sells a manufactured home
54 that is covered by a warranty shall provide notice to the purchaser that
55 the warranties apply and that the conversion to real property alone does
56 not change nor void any rights arising from breach of warranty.

1 § 13. Subdivision 1 of section 290 of the real property law, as
 2 amended by chapter 549 of the laws of 2011, is amended to read as
 3 follows:

4 1. The term "real property," as used in this article, includes lands,
 5 tenements and hereditaments and chattels real, except a lease for a term
 6 not exceeding three years, and a manufactured home if it is financed or
 7 conveyed as residential real property pursuant to section three hundred
 8 thirty-nine-nn of the real property law.

9 § 14. The real property law is amended by adding a new article 9-C to
 10 read as follows:

11 ARTICLE 9-C
 12 MANUFACTURED HOME ACT

13 Section 339-ll. Short title.

14 339-mm. Definitions.

15 339-nn. Manufactured homes warranty deeds.

16 339-oo. Manufactured homes affixed to land.

17 339-pp. Recording.

18 339-qq. Procedure to convert manufactured home to real property.

19 339-rr. Relocation of a manufactured home to another county or
 20 state.

21 339-ss. Home warranty.

22 339-tt. Relation to other law.

23 339-uu. Disposition of liens on vehicles.

24 339-vv. Conveyance and encumbrances.

25 339-wv. Severability.

26 § 339-ll. Short title. This article shall be known and may be cited as
 27 the "Manufactured Home Act".

28 § 339-mm. Definitions. As used in this article, unless the context
 29 otherwise requires: (a) the term "recording officer" shall have the same
 30 meaning as such term is defined in section two hundred ninety of this
 31 chapter.

32 (b) "Retailer" shall have the same meaning as such term is defined in
 33 section six hundred one of the executive law.

34 § 339-nn. Manufactured home warranty deeds. 1. (a) Any manufactured
 35 home purchased from a retailer on or after January first, two thousand
 36 nineteen that is financed as residential real property or will be titled
 37 as residential real property shall be conveyed by a warranty deed draft-
 38 ed in substantially the form provided in subdivision two of this
 39 section.

40 (b) An owner of a manufactured home shall, upon financing or refinanc-
 41 ing a manufactured home as residential real property or selling a manu-
 42 factured home that has been or will be converted to residential real
 43 property, issue to the grantee or purchaser either a warranty deed or a
 44 quitclaim deed that is drafted in substantially the form provided in
 45 subdivisions two or three of this section.

46 2. A deed that is substantially in the form provided in this subdivi-
 47 sion shall, when duly executed and delivered, have the force and effect
 48 of a deed in fee simple to the grantee, the heirs, successors, and
 49 assigns, to their own use, with covenants on the part of the grantor,
 50 for the grantor, the grantor's heirs, executors, and administrators
 51 that, at the time of the delivery of the deed, the grantor was lawfully
 52 seized in fee simple of the manufactured home; that the manufactured
 53 home was free from all encumbrances, except as stated; that the grantor
 54 had good right to sell and convey the same to the grantee, the grantee's
 55 heirs, successors, and assigns; and that the grantor and the grantor's

1 heirs, executors, and administrators shall warrant and defend the same
 2 to the grantee and the grantee's heirs, successors, and assigns, against
 3 the lawful claims and demands of all persons. No owner of land on which
 4 a manufactured home is affixed to land shall unreasonably withhold the
 5 consent required by this statutory form.

6 Form for Manufactured home Warranty Deed

7 _____, of _____, County, State of _____, ("Grantor"), for
 8 consideration paid, grants to _____ of Street, _____ (City, Town, Village)
 9 of _____, _____ County, State of _____ ("Grantee"), with warranty
 10 Covenants as provided in subdivision 1 of § 339-nn of the real proper-
 11 ty law, the _____ (description of manufactured home being conveyed:
 12 name of manufacturer, model and serial number and encumbrances,
 13 exceptions, reservations, if any) which manufactured home is affixed to
 14 land, or is to be affixed to land, at _____ (state name of park, if
 15 any, and street address), _____ (City, Town, Village) of
 16 _____ County, State of New York. The tract or parcel of land
 17 upon which the manufactured home is Affixed to land, or is to be affixed
 18 to land, is owned by _____ by deed dated and recorded at _____
 19 Book _____, Page _____ in the land records of the _____ County
 20 _____ (City, Town, Village) of _____.

21 the manufactured home has been affixed to land in accordance with
 22 Real Property Law § 339-oo.

23 Signed this _____ day of _____, _____.

24 (Here add acknowledgment)

25 _____, owner of the tract or parcel of land upon which the
 26 aforsaid manufactured home is affixed to land, or is to be affixed to
 27 land, hereby consents to the conveyance of the manufactured home.

28 Signed this _____ day of _____, _____.

29 (Here add acknowledgment)

30 Check box if the manufactured home has been relocated from one
 31 site to another within New York, and attach a Relocation Statement.

32 3. A deed that is substantially in the form provided in this subdivi-
 33 sion shall, when duly executed and delivered, have the force and effect
 34 of a deed in fee simple to the grantee, the heirs, successors, and
 35 assigns, to their own use. No owner of land on which the manufactured
 36 home is affixed to land shall unreasonably withhold consent required by
 37 this statutory form.

38 Form for Manufactured home Quitclaim Deed

39 _____, of _____, _____ County, State of _____ ("Grantor"), for
 40 consideration paid, grants to _____ of _____ Street, (City, Town,
 41 Village) of _____, _____ County, State of _____ ("Gran-
 42 tee"), with quitclaim covenants, the (description of manufactured home
 43 being conveyed: name of manufacturer, model and serial number and
 44 encumbrances, exceptions, reservations, if any) which manufactured home
 45 is affixed to land, or is to be affixed to land, at _____ (state
 46 name of park, if any, and street address), _____ (City, Town, Village)
 47 of _____ County, State of New York.

48 The tract or parcel of land upon which the manufactured home is
 49 affixed to land or is to be affixed to land, is owned by _____ by
 50 deed dated _____ and recorded at Book _____, Page _____, in the land
 51 records of (City, Town, Village) of _____ County, State of New York.

52 the manufactured home has been affixed to land in accordance with
 53 Real Property Law § 339-oo.

54 Signed this _____ day of _____, _____.

55 (Here add acknowledgment)

1 and liens of manufactured homes which are considered real property to
2 the extent that it does not conflict with this article, in which case
3 this article shall control.

4 2. No mortgage recording tax shall be imposed at the time a deed is
5 recorded for a manufactured home.

6 § 339-gg. Procedure to convert manufactured home to real property. 1.
7 Any manufactured home that is financed pursuant to a motor vehicle loan,
8 motor vehicle retail installment contract, "rent-to-own" contract as
9 defined in paragraph nine of subdivision a of section two hundred thir-
10 ty-three of this chapter, or another form of chattel mortgage, if the
11 manufactured home is subsequently financed or conveyed as real property
12 pursuant to this section, or a manufactured home sold outright to be
13 transferred as real property if previously owned as chattel, the manu-
14 factured home shall be converted to real property as follows:

15 (i) if the manufactured home has a certificate of title as a vehicle,
16 the manufactured homeowner shall follow the procedures in section twen-
17 ty-one hundred twenty-one of the the vehicle and traffic law for release
18 of the security interest, except that the commissioner of motor vehicles
19 may release the lienholder's rights on the certificate but shall not
20 issue a new certificate upon satisfaction of the requirements of that
21 section. The manufactured homeowner shall provide proof of the conver-
22 sion to real property to the commissioner of motor vehicles in accord-
23 ance with section twenty-one hundred twenty-four of the vehicle and
24 traffic law; and

25 (ii) if the chattel mortgage or security interest is filed with a
26 recording officer or department of state, the homeowner must file a
27 termination statement of the security interest once they have been
28 released of the lien by the lienholder with the recording officer where
29 the chattel mortgage for the manufactured home was last recorded and as
30 required by this section.

31 2. A request to purge the security interest shall be filed with a
32 recording officer of the county where the manufactured home will be
33 affixed to land, and shall include the most recent uniform bill of sale
34 and either the certificate of origin or a certificate of title, and the
35 terminated uniform commercial code financing statement or statements,
36 and an executed warranty or quitclaim deed, which shall be drafted
37 substantially in the form provided in this section.

38 3. Upon the filing by the recording officer of the deed, and upon the
39 owner's procuring the consent of the holders of any security interest in
40 the manufactured home shown to be unreleased, the manufactured home
41 shall become real property.

42 4. Upon receiving a request to purge the security interest of a manu-
43 factured home which fulfills the requirements of this section, or upon
44 filing a deed in accordance with subdivision two of section three
45 hundred thirty-nine-oo of this article, the recording officer shall mark
46 or stamp the most recent of either the vehicle bill of sale or certif-
47 icate of origin or certificate of title with the word "converted", and
48 shall send the marked or stamped document to the department of motor
49 vehicles to inform the commissioner that the manufactured home has been
50 converted to real property and shall no longer be a registered vehicle
51 in the department of motor vehicles. The commissioner of motor vehicles
52 shall maintain records of the conversion in the same manner and duration
53 as it keeps its records for vehicles.

54 5. (a) A manufactured home that has been converted to real property
55 shall not be converted or redefined as personal property.

(b) A manufactured home that is converted to real property shall continue to be considered a manufactured home for the purposes of the New York state uniform fire prevention and building code, the New York state energy code, article twenty-one-b of the executive law, and article thirty-five of the general business law.

§ 339-rr. Relocation of a manufactured home to another county or state. 1. If a deed for any manufactured home is recorded by the recording officer of the county in which the manufactured home is affixed to land, and if that manufactured home is relocated to another site within the state of New York, the owner of the manufactured home shall, within fifteen days of the relocation, do all of the following:

(i) File with the recording officer where the deed was last recorded a relocation statement substantially in the form provided in this subdivision;

(ii) File with the recording officer where the manufactured home is relocated a copy of the relocation statement as required by this subdivision, together with the deed filed with the recording officer of the county where the manufactured home was previously sited. If the records of a county in which the deed or conveyance is recorded are destroyed, an attested copy of the deed or other conveyance from the recording officer shall have the same validity as a copy from the recording officer's office; and

(iii) Provide a copy of the relocation statement filed pursuant to this subdivision to the holders of any unreleased, recorded security interests in the manufactured home.

Form for Relocation Statement

_____, of _____, County, State of _____, is the owner of (description of manufactured home: name of manufacturer, model and serial number and encumbrances, exceptions, reservations, if any), which manufactured home has been relocated.

The manufactured home was previously located at _____ (state name of park, if any, and street address), (City, Town, Village) of _____ County, State of New York and title, if any, to the same was recorded at Book _____, Page _____, in the records of the (City, Town, Village) of _____. The manufactured home is/has been relocated to _____ (state name of park, if any, and street address), _____ (City, Town, Village) of _____, _____ County, State of New York and title, if any, to the same was recorded at Book _____, Page _____, in the records of the (City, Town, Village) of _____. The tract or parcel of land upon which the manufactured home is Affixed to land is owned by _____ by deed dated _____ and recorded at Book _____, Page _____ in the land records of the (City, Town, Village) of _____.

The manufactured home is subject to an existing mortgage by _____ in favor of _____, recorded at Book _____, Page _____, in the land records of the (City, Town, Village) of _____.

If the relocation is to a county in New York other than the county in which the deed to the Grantor was recorded, a duplicate original of the deed to the Grantor shall be recorded in the land records of the county of the relocation at the same time this statement is recorded.

Signed this _____ day of _____, _____.

2. An out-of-state transfer statement substantially in the form provided in this subdivision shall, when duly executed and recorded by the recording officer in which the manufactured home was previously located, have the force and effect of transferring title of the manufactured home to the grantee, the grantee's heirs, successors, and assigns

1 and terminating the record title or deed of the manufactured home in the
 2 county records under circumstances by which the manufactured home is
 3 relocated outside this state. No owner of land on which a manufactured
 4 home is sited shall unreasonably withhold the consent required by this
 5 statutory form. No manufactured home may be relocated to a site outside
 6 this state unless all holders of liens, attachments, or encumbrances, if
 7 any, consent in writing on the transfer statement.

8 Form for Out-of-State Transfer Statement

9 _____, of _____, County, State of _____ ("Grantor"), for consider-
 10 ation paid, _____ grants to _____, (complete mailing address)
 11 _____, of _____ Street, (City, Town, Village) of _____,
 12 _____ County, State of ("Grantee"), the _____ (Description of
 13 manufactured home being conveyed: name of manufacturer, model and serial
 14 number and encumbrances, exceptions, reservations, if any) which manu-
 15 factured home was situated at (state name of park, if any, and street
 16 address (City, Town, Village) of _____ County, State of New
 17 York. The tract or parcel of land upon which the manufactured home was
 18 affixed to land is owned by _____ by deed dated _____
 19 and recorded at Book _____, Page _____ in the _____ County
 20 Registry of Deeds.

21 The manufactured home is transferred subject to an existing mortgage
 22 by _____ in favor of _____, recorded at Book _____, Page _____, in
 23 the land records of the County (City, Town, Village) of _____, State
 24 of New York.

25 Signed this _____ day of _____,
 26 (Here add acknowledgment) _____, owner of the tract or parcel
 27 of land upon which the aforesaid manufactured home was situated, hereby
 28 consents to the conveyance of the manufactured home.

29 Signed _____ this day of _____,
 30 (Here add acknowledgment)
 31 _____, holder of (lien, attachment or encumbrance) hereby consent
 32 to the conveyance of the aforesaid manufactured home, subject to condi-
 33 tion that the aforesaid (lien, attachment or encumbrance) shall remain
 34 in force and effect thereon.

35 Signed this _____ day of _____,
 36 (Here add acknowledgment)

37 3. An attachment, mortgage, security interest, lien, or other encum-
 38 brance on a manufactured home, when properly perfected, shall be
 39 enforceable until released or discharged notwithstanding the relocation
 40 of the manufactured home within or outside this state.

41 4. Nothing in this section shall impair any rights existing under law
 42 prior to the effective date of this section of anyone claiming an inter-
 43 est in a manufactured home, except as provided in this section.

44 § 339-ss. Home warranty. A warranty that applies to a manufactured
 45 home when it is sold and rights arising from a breach of the warranty
 46 are not affected by a subsequent change in the home's classification as
 47 real property pursuant to this article. No additional warranty applies
 48 to a manufactured home solely because of a subsequent change in the
 49 home's classification as real property.

50 § 339-tt. Relation to other law. 1. If a manufactured home becomes
 51 real property pursuant to this article, it is not a fixture and is not
 52 subject to the law of fixtures after the conversion.

53 2. Any statutory fees for the recording of deeds as authorized by this
 54 chapter are applicable to this article.

1 3. Any fees to be paid to the department of motor vehicles as author-
2 ized by section twenty-one hundred twenty-five of the vehicle and traf-
3 fic law shall be due according to such section.

4 § 339-uu. Disposition of liens on vehicles. Neither the act of affix-
5 ing a manufactured home to land, nor the recording of a deed, nor the
6 financing of a manufactured home as real property, shall impair the
7 rights of any holder of a security interest in a manufactured home
8 perfected as provided in section twenty-one hundred eighteen of the
9 vehicle and traffic law, unless the procedures for a release of any lien
10 as provided in section twenty-one hundred twenty-one of the vehicle and
11 traffic law are complete. Upon the filing of such a release, the securi-
12 ty interest created under the vehicle and traffic law terminates.

13 § 339-vv. Conveyance and encumbrances. Except as provided in this
14 article, financing as residential real property is not necessary to
15 convey or encumber a manufactured home.

16 § 339-ww. Severability. If any provision of this article or the appli-
17 cation thereof to any person or circumstances is held invalid, the inva-
18 lidity shall not affect other provisions or applications of the article
19 which can be given effect without the invalid provision or application,
20 and to this end the provisions of this article are declared to be sever-
21 able.

22 § 15. The section heading and paragraph 2 of subdivision (a) of
23 section 2124 of the vehicle and traffic law, as added by chapter 322 of
24 the laws of 1993, are amended to read as follows:

25 Suspension [~~ex~~], revocation, or non-transferability of certificates.

26 (2) [~~Notwithstanding any other provision of law, the~~] The commissioner
27 shall not suspend or revoke a certificate of title to a vehicle which is
28 a mobile home or manufactured home by reason of the fact that, at any
29 time, in any manner, it shall have become attached to realty except that
30 the commissioner shall not transfer title ownership to or issue a dupli-
31 cate title for a manufactured home once in receipt of notice in such
32 form and manner as the commissioner may prescribe that such manufactured
33 home has been converted to real property pursuant to section three
34 hundred thirty-nine-gg of the real property law.

35 § 16. Paragraph 4 of section 6-2.1 of the estates, powers and trusts
36 law, as amended by chapter 480 of the laws of 1995, is amended to read
37 as follows:

38 (4) Only as to real property and, on and after January first, nineteen
39 hundred ninety-six, as to the shares of stock of a cooperative apartment
40 corporation allocated to an apartment or unit together with the appur-
41 tenant proprietary lease, and, on and after January first, two thousand
42 nineteen a manufactured home that has been converted to real property
43 pursuant to section three hundred thirty-nine-gg of the real property
44 law, tenancy by the entirety.

45 § 17. This act shall take effect January 1, 2019.