

Minnesotans for Opportunity to Purchase

HF 112 (Bernardy) / SF 1282 (Housley)

Give homeowners a chance to buy the land under their homes.

Imagine waking up one morning to find out the land under your home was sold the night before. That's a fear more than 180,000 Minnesotans living in manufactured home communities ("mobile home parks") face each day. Increasingly, these communities are being bought up by out-of-state investors. In 2020, 70% of Minnesota's manufactured home sites that sold went to out-of-state speculative buyers.

Homeowners ask manufactured home park owners for two things:

1. Let us know if you're planning to sell.
2. Give us 60 days to put together a competitive offer.

Question	Answer
Can't the homeowners already put in an offer on the land like any other buyer?	Today, most homeowners find out the land is sold after the sale has already gone through or an agreement has already been signed. The majority of manufactured home community sales <u>are not publicly listed</u> .
Will this bill prevent Realtors from providing their expertise on sales?	Most community sales are not publicly advertised. Many brokers and landowners overlook homeowners because they don't see them as viable buyers. In fact, homeowners are very motivated buyers because they are already deeply invested in the property by virtue of owning a home there.
Whose interests are being balanced by this bill?	The bill balances homeowners' interests with the interests of the landowner and other private buyers. Landowners are not required to sell to the homeowners. They simply need to provide a "good faith" opportunity to the homeowners to purchase the land.
Aren't residents of manufactured home communities just like any other renter? Why should they get this opportunity to purchase?	90% of park residents are homeowners. They only rent the land. This ownership structure makes homeowners uniquely vulnerable to: <ul style="list-style-type: none">• Escalating site rents that outstrip the equity in their home• Water/sewer systems not maintained by landowner• Losing their most valuable assets—their homes and communities
Will this bill cause landowners to sell the land for less money?	The nine manufactured home communities that have sold to the residents in the last 15 years sold for fair market value. A competitive offer from homeowners enhances the landowner's ability to sell.
Will this bill slow the sale process?	Communities routinely take more than year to sell. If a landowner needs to move quickly, homeowners can move quickly, too, just like other buyers.
Don't we already have a bill like this that is already law?	No, there is not an Opportunity to Purchase law in Minnesota. Many people confuse Opportunity to Purchase with Right of First Refusal. Right of First Refusal is already law, but the law only applies to communities being sold for redevelopment.

Opportunity to Purchase simply gives homeowners a chance to buy the land under their homes.

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