

April 9, 2021

Chair Moran and Members of the House Ways and Means Committee:

Thank you for the opportunity to submit written testimony on HF 1077, the Housing Finance and Policy Omnibus Bill.

Minnesota Realtors® (MNR) was founded in 1919 and is a statewide business trade association with a membership of over 21,000 real estate professionals working with buyers and sellers of all types of property in every corner of the state.

Support for Homeownership

MNR appreciates the appropriations in the bill which support homeownership, including: Workforce Homeownership Program (Art. 1, Sec. 2, Subd. 5); Home Ownership Assistance Fund (Art. 1, Sec. 2, Subd. 10); Owner-Occupied Housing Rehabilitation (Art. 1, Sec. 12, Subd. 12) and Homeownership Education, Counseling, and Training (Art. 1, Sec. 2 Subd. 14).

Addressing Manufactured Home Title Issues

MNR appreciates the inclusion of language in the bill (Art 7., Sec. 2) simplifying the process by which manufactured homeowners cancel their certificate of title when affixing their home to the land, making it real property.

Simplifying this process will make it easier to sell and transfer manufactured homes, which are one of the most affordable type of home on the market today.

Manufactured Home Park Opportunity to Purchase

MNR opposes the language in Art. 7, Sec. 4 creating a manufactured home park residents' "opportunity to purchase" process.

One of the fundamental rights of any property owner is the ability to freely market and sell their property without unreasonable restrictions. An owner of any property, including a manufactured home park, may have numerous business or personal reasons for deciding to sell a property and then when to put the property on the market. This "opportunity to purchase" process would substantially interfere with this important property right.

Residents are already free to submit an offer on any park when the property goes on the market. In fact, for manufactured home parks, current law even includes a "Notice

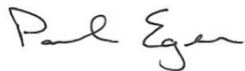
of Sale” provision which states, “...*the owner must provide concurrent written notice to a resident of each manufactured home in the park that the park is being offered for sale*” (this provision is being repealed in HF 1077).

MNR also opposes policies that adversely affect the timeliness of the real estate transaction. The “opportunity to purchase” process in the DE amendment could represent a delay in the market time of the property of at least 91 days if the owner does not accept the offer submitted by the residents: a 60-day notice period followed by a minimum 31-day period if the owner rejects the offer submitted by the residents’ representative.

Meanwhile, there may be potential buyers with the resources to purchase, and invest in, the property, but who are not willing or able to wait out the delay mandated by this proposed process.

Thank you again for the opportunity to provide written testimony on HF 1077.

Sincerely,



Paul Eger
Vice President, Governmental Affairs
Minnesota Realtors®