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SENATE BILL DRS15232-NO-24A

Short Title: Mobile Home Park Act.

(Public)

Sponsors: Senators Meyer, Smith, and Mayfield (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO ENACT THE "MOBILE HOME PARK ACT" TO PROVIDE PROTECTIONS
FOR MOBILE HOMEOWNERS AND MOBILE HOME PARK MANAGEMENT AND
TO DIRECT THE NORTH CAROLINA HUMAN RIGHTS COMMISSION TO
REGULATE MOBILE HOME PARKS AND RESOLVE DISPUTES.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 42 of the General Statutes is amended by adding a new Article
to read:

"Article 8.

"Mobile Home Park Act.

"§ 42-80. Short title.

This Article shall be known and may be cited as the "Mobile Home Park Act."

"§ 42-81. Application of Article.

This Article shall apply only to mobile homes, as defined in G.S. 42-82. Unless indicated
otherwise, where there is a conflict with the provisions of this Chapter, the provisions of this
Article shall control.

"§ 42-82. Definitions.

As used in this Article, the following definitions apply:

(1) Commission. – The North Carolina Human Rights Commission.

(2) Entry fee. – Any fee paid to or received from an owner of a mobile home park
or an agent of the owner, except for the following:

a. Rent.

b. A security deposit against actual damages to the premises or to secure
rental payments, which deposit shall not be greater than the amount
allowed under this Article. Security deposits will remain the property
of the homeowner and shall be deposited into a separate trust account
by the landlord to be administered by the landlord as a private trustee.
For the purpose of preserving the corpus, the landlord will not
commingle the trust funds with other money but may keep the interest
and profits thereon as compensation for administering the trust
account.

c. Fees charged by any State, county, or city governmental agency.

d. Utilities.

e. Incidental reasonable charges for services actually performed by the
mobile home park owner, or an agent of the owner, and agreed to in
writing by the homeowner.



- f. Late fees.
- g. Membership fees paid to join a resident or homeowner cooperative that owns the mobile home park.
- (3) Homeowner. – An individual, including the individual's family, that owns a mobile home that is subject to a tenancy in a mobile home park pursuant to a rental agreement.
- (4) Management. – The owner, landlord, or person responsible for operating and managing a mobile home park, or an agent, employee, or representative authorized to act on behalf of the owner, landlord, or person responsible in connection with matters relating to tenancy in the mobile home park.
- (5) Mobile home. – A single-family dwelling built on a permanent chassis designed for long-term residential occupancy and containing complete electrical, plumbing, and sanitary facilities and designed to be installed in a permanent or semi-permanent manner with or without a permanent foundation, which is capable of being drawn over public highways as a unit, or in sections by special permit, or a manufactured home, as defined in G.S. 143-143.9(6), if the manufactured home is situated in a mobile home park.
- (6) Mobile home park. – A parcel of land used for the continuous accommodation of five or more occupied mobile homes and operated for the pecuniary benefit of the owner of the parcel of land or the owner's agents, lessees, or assignees. Mobile home park does not include mobile home subdivisions or property zoned for manufactured home subdivisions. The term also includes noncontiguous land parcels that are a part of the same subdivision.
- (7) Mobile home space. – A parcel of land within a mobile home park designated by the management to accommodate one mobile home and its accessory buildings and to which the required sewer and utility connections are provided by the mobile home park. The term also includes a mobile home lot.
- (8) Premises. – A mobile home park and existing facilities and appurtenances therein, including furniture and utilities where applicable, and grounds, areas, and existing facilities held out for the use of homeowners generally or the use of which is promised to the homeowner.
- (9) Rent. – Any money or other consideration to be paid to the management for the right of use, possession, and occupation of the premises.
- (10) Rental agreement. – An agreement, written or implied by law, between the management and the homeowner establishing the terms and conditions of a tenancy, including reasonable rules and regulations promulgated by the park management. The term also includes a lease agreement.
- (11) Subdivision. – A parcel of land that is divided into two or more parcels, separate interests, or interests in common, where each parcel or interest is owned by an individual or entity that owns both a mobile home and the land where the mobile home is situated. The term does not include parcels of land where the same owner owns a parcel or subdivided parcels or interests that are collectively used for the continuous accommodation of five or more occupied mobile homes and is operated for the pecuniary benefit of the landowner or the landowner's agents, lessees, or assignees.
- (12) Tenancy. – The rights of a homeowner to use a mobile home space within a mobile home park on which to locate, maintain, and occupy a mobile home, lot improvements, and accessory structures for human habitation, including the use of services and facilities of the mobile home park.

"§ 42-83. Tenancy; notice to quit.

(a) No tenancy or other lease or rental occupancy of space in a mobile home park shall commence without a written lease or rental agreement, and no tenancy in a mobile home park shall be terminated until a notice to quit has been given in accordance with G.S. 42-14.

(b) Service of the notice to quit shall be provided by delivering a copy to the homeowner or by affixing a copy of the notice to the main entrance of the mobile home.

(c) Except as otherwise provided in this subsection, the homeowner shall be given a period of not less than 90 days to sell the mobile home or remove any mobile home from the premises from the date the notice is served or posted. In those situations where a mobile home is being leased to, or occupied by, persons other than its owner and in a manner contrary to the rules and regulations of the landlord, then in that event, the tenancy may be terminated by the landlord upon giving a 30-day notice rather than said 90-day notice. If the tenancy is terminated on grounds specified in G.S. 42-85(a)(5), the homeowner shall be given a period of not less than 10 days to remove any mobile home from the premises from the date the notice is served or posted.

(d) No lease shall contain any provision by which the rights of the homeowner under this Article are waived, and any such waiver shall be deemed contrary to public policy and shall be unenforceable and void.

(e) The landlord or management of a mobile home park shall specify, in the notice required by this section, the reason for the termination, as described in G.S. 42-85, of any tenancy in the mobile home park. If the tenancy is being terminated based on the mobile home or mobile home lot being out of compliance with the rules and regulations adopted pursuant to G.S. 42-85(a)(3), the notice required by this section shall include a statement advising the homeowner that the homeowner has a right to cure the noncompliance within 30 days of the date of service or posting of the notice to quit. The 30-day period to cure any noncompliance set forth in this subsection shall run concurrently with the 60-day period to remove a mobile home from the premises as set forth in this section. Acceptance of rent by the landlord or management of a mobile home park during the 30-day right to cure period set forth in G.S. 42-85(a)(3) shall not constitute a waiver of the landlord's right to terminate the tenancy for any noncompliance set forth in G.S. 42-85(a)(3).

"§ 42-84. Action for termination.

(a) An action for termination shall be commenced in the manner described in G.S. 42-26.

(b) After commencement of the action and before judgment, any person not already a party to the action who is discovered to have a property interest in the mobile home shall be allowed to enter into a stipulation with the landlord and be bound thereby.

"§ 42-84.1. Condemnation or change of use of the mobile home park.

(a) When the owner of a mobile home park is formally notified by a notice of intent to acquire pursuant to a condemnation action or other similar provision of law, or a complaint in a condemnation action from an appropriate governmental agency that the mobile home park, or any portion thereof, is to be acquired by the governmental agency or may be the subject of a condemnation proceeding, the landlord shall, within 17 days, notify the homeowners in writing of the terms of the notice of intent to acquire or complaint received by the landlord.

(b) In those cases where the landlord desires to change the use of the mobile home park and where such change of use would result in eviction of inhabited mobile homes, the landlord shall first give the owner of each mobile home subject to such eviction a written notice of the landlord's intent to evict not less than 12 months prior to such change of use of the land, notice to be mailed to each homeowner. The notice shall advise the homeowner of the right to compensation pursuant to subsection (c) of this section.

(c) A landlord shall not make any oral or written statement threatening eviction for a violation or action that is not grounds for terminating a tenancy under G.S. 42-85. A homeowner may file a complaint pursuant to G.S. 42-108 or a civil action pursuant to G.S. 42-105 for a violation of this subsection. If a court determines that the landlord violated this subsection, the

court shall award a statutory penalty of up to twenty thousand dollars (\$20,000) to the homeowner in addition to any other remedies authorized under G.S. 42-91.

"§ 42-84.2. Homeowner recourse for change in use of park.

(a) As used in this section, the following definitions apply:

(1) In-place fair market value. – The fair market value of the mobile home and any attached appurtenances and structures on the lot owned by the homeowner, such as porches, decks, skirting, awnings, and sheds, taking into account the actual cost of all improvements made to the mobile home by the homeowner. Fair market value is determined based on the value of the mobile home in its current location prior to the decision to change the use of the mobile home park.

(2) Relocation costs. – Reasonable costs associated with relocating a mobile home, including the following:

a. Costs incurred to move the mobile home, furniture, and personal belongings therein to a replacement site.

b. Costs of disassembling, moving, and reassembling any attached appurtenances and structures on the lot owned by the homeowner, such as porches, decks, skirting, awnings, and sheds, which were not acquired by the landlord.

c. Costs of anchoring the unit.

d. Costs of connecting or disconnecting the mobile home to utilities.

e. Insurance coverage during transport.

f. Costs incurred to disassemble and reinstall any accessibility improvements, such as wheelchair ramps, lifts, and grab bars.

(b) If a landlord intends to change the use of the land comprising a mobile home park or part of a mobile home park and the change in use would result in the displacement of one or more mobile homes in the park, for each displaced mobile home, within 30 days of receipt of a written demand by the homeowner, the landlord shall provide the homeowner one of the following options:

(1) Payment of relocation costs to relocate the mobile home to a location of the homeowner's choosing within 100 miles of the park. Relocation costs shall be determined based on the lowest estimate obtained by the homeowner from a mobile home mover. The landlord may request a copy of the estimate to support the request for payment of relocation costs. If the homeowner exercises this option, the homeowner must actually relocate the mobile home and all personal belongings in accordance with the estimate used to determine relocation costs prior to the date of the change in use set forth in the notice required under G.S. 42-85. The homeowner shall be responsible for additional mileage costs to move the mobile home to a location more than 100 miles from the mobile home park.

(2) Submit a binding offer to purchase the mobile home for the greater of the following:

a. Seven thousand five hundred dollars (\$7,500) for a single-section mobile home or ten thousand dollars (\$10,000) for a multi-section mobile home.

b. One hundred percent (100%) of the in-place fair market value as determined through the appraisal process set forth in this section. Within 30 days of submitting the offer, the landlord shall hire a licensed appraiser to conduct an appraisal. If the homeowner disputes the appraised value of the mobile home, the homeowner may hire a licensed appraiser to obtain a second appraisal at the homeowner's

1 expense. To be considered, the homeowner must obtain the appraisal
2 within 60 days of receipt of the landlord's appraisal. The results of all
3 appraisals shall be provided by the appraiser, in writing, to both the
4 landlord and the homeowner. If a second appraisal is obtained, the
5 homeowner is entitled to the average of the two appraisals. If the
6 homeowner is not satisfied with the appraisal or appraisals received,
7 the homeowner may submit a request for payment of relocation costs
8 as provided in sub-subdivision a. of this subdivision. If the homeowner
9 exercises the option for purchase under this sub-subdivision, the sale
10 closing must occur prior to the date of the change in use set forth in
11 the notice provided pursuant to G.S. 42-85.

12 (c) If an appraiser conducting an appraisal pursuant to sub-subdivision b. of subdivision
13 (2) of subsection (b) of this section identifies lack of maintenance, deferred maintenance, or
14 deterioration of the mobile home park beyond normal wear and tear that negatively affects the
15 value of a mobile home, the appraiser shall determine the value of the mobile home with an
16 upward adjustment in value if necessary to eliminate the negative effect in value caused by the
17 lack of maintenance, deferred maintenance, or deterioration of the mobile home park beyond
18 normal wear and tear.

19 (d) Beginning July 1, 2026, and on July 1 of each year thereafter, the Commission shall
20 adjust the amount specified in sub-subdivision a. of subdivision (2) of subsection (b) of this
21 section in accordance with the percentage change for the previous 12 months at the time of the
22 calculation in the United States Department of Labor, Bureau of Labor Statistics, Consumer Price
23 Index for the Raleigh, North Carolina, area for all items and all urban consumers, or its successor
24 index. The Commission shall publish the adjusted amount on the Commission's website.

25 (e) A homeowner is entitled to the remedies provided in this section only if the
26 homeowner has not given notice to terminate the homeowner's lease or rental agreement as of
27 the date of the notice of the change in use.

28 (f) Any agreement made with a homeowner to waive any rights under this section is
29 invalid and ineffective for any purpose.

30 **"§ 42-85. Reasons for termination.**

31 (a) A tenancy shall be terminated only for one or more of the following reasons:

32 (1) Failure of the homeowner to comply with local ordinances and State laws and
33 regulations relating to mobile homes and mobile home lots.

34 (2) Conduct of the homeowner, on the mobile home park premises, which
35 constitutes an annoyance to other homeowners or interference with park
36 management.

37 (3) Failure of the homeowner to comply with written rules and regulations of the
38 mobile home park either established by the management in the rental
39 agreement at the inception of the tenancy, amended subsequently thereto with
40 the consent of the homeowner, or amended subsequently thereto without the
41 consent of the homeowner on 60 days' written notice if the amended rules and
42 regulations are reasonable; except that the homeowner shall have 30 days from
43 the date of service or posting of the notice to quit set forth in G.S. 42-83 to
44 cure any noncompliance on the mobile home or mobile home lot before an
45 action for termination may be commenced, except if local ordinances, State
46 laws and regulations, park rules and regulations, or emergency, health, or
47 safety situations require immediate compliance. If a homeowner was in
48 violation or noncompliance pursuant to this subdivision and was given notice
49 and a right to cure such noncompliance and within a 12-month period from
50 the date of service of the notice is in noncompliance of the same rule or
51 regulation and is given notice of the second noncompliance, there shall be no

1 right to cure the second noncompliance. Regulations applicable to recreational
2 facilities may be amended at the reasonable discretion of the management. For
3 the purposes of this subdivision, when the mobile home is owned by a person
4 other than the owner of the mobile home park, the mobile home is a separate
5 unit of ownership, and regulations that are adopted subsequent to the unit
6 location in the park without the consent of the homeowner and that place
7 restrictions or requirements on that separate unit are prima facie unreasonable.
8 Nothing in this subdivision shall prohibit a mobile home park owner from
9 requiring compliance with current park unit regulations at the time of sale or
10 transfer of the mobile home to a new owner. Transfer under this subdivision
11 shall not include transfer to a co-owner pursuant to death or divorce or to a
12 new co-owner pursuant to marriage.

13 (4) The making or causing to be made, with knowledge, of false or misleading
14 statements on an application for tenancy.

15 (5) Conduct of the homeowner or any lessee of the homeowner or any guest,
16 agent, invitee, or associate of the homeowner or lessee of the homeowner, that
17 meets any of the following criteria:

18 a. Occurs on the mobile home park premises and unreasonably
19 endangers the life of the landlord, any homeowner or lessee of the
20 mobile home park, any person living in the park, or any guest, agent,
21 invitee, or associate of the homeowner or lessee of the homeowner.

22 b. Occurs on the mobile home park premises and constitutes willful,
23 wanton, or malicious damage to or destruction of property of the
24 landlord, any homeowner or lessee of the mobile home park, any
25 person living in the park, or any guest, agent, invitee, or associate of
26 the homeowner or lessee of the homeowner.

27 c. Occurs on the mobile home park premises and constitutes criminal
28 activity, as defined in G.S. 42-59(2).

29 d. Is the basis for a pending action to declare the mobile home or any of
30 its contents a public nuisance under State or local law.

31 (b) In an action pursuant to this Article, the landlord shall have the burden of proving that
32 the landlord complied with the relevant notice requirements and that the landlord provided the
33 homeowner with a statement of reasons for the termination. In addition to any other defenses a
34 homeowner may have, it shall be a defense that the landlord's allegations are false or that the
35 reasons for termination are invalid.

36 **"§ 42-86. Nonpayment of rent; notice required for rent increase.**

37 (a) Any tenancy or other estate at will or lease in a mobile home park may be terminated
38 upon the landlord's written notice to the homeowner requiring, in the alternative, payment of rent
39 or the removal of the homeowner's unit from the premises, within a period of not less than 10
40 days after the date notice is served or posted, for failure to pay rent when due.

41 (b) Rent shall not be increased without 60 days' written notice to the homeowner. In
42 addition to the amount and the effective date of the rent increase, written notice shall include the
43 name, address, and telephone number of the mobile home park management, if the management
44 is a principal owner, or owner of the mobile home park and, if the owner is other than a natural
45 person, the name, address, and telephone number of the owner's chief executive officer or
46 managing partner; except that such ownership information need not be given if it was disclosed
47 in the rental agreement made pursuant to G.S. 42-98.

48 (c) A landlord shall not increase rent on a mobile home park lot if any of the following
49 criteria are met:

50 (1) The mobile home park does not have a current, active registration filed with
51 the Commission in accordance with G.S. 42-109.

(2) The mobile home park has any unpaid penalties or fees owed to the Commission.

(3) The landlord has not fully complied with any final agency order issued by the Commission.

(d) A notice of a rent increase issued in violation of this section is invalid and has no force or effect.

"§ 42-87. Notice required for termination.

(a) Where the tenancy of a mobile homeowner is being terminated under G.S. 42-83 or G.S. 42-86, the landlord or mobile home park owner shall provide the mobile homeowner with written notice as provided for in subdivision (2) of this subsection. Service of notice shall occur at the same time and in the same manner as service of any of the following:

(1) The notice to quit as provided in G.S. 42-83.

(2) The notice of nonpayment of rent as provided in G.S. 42-86.

(b) The notice required under this section shall be in at least 10-point type and shall read substantially as follows:

"IMPORTANT NOTICE TO THE HOMEOWNER:

This notice and the accompanying notice to quit/notice of nonpayment of rent are the first steps in the eviction process. Any dispute you may have regarding the grounds for eviction should be addressed with your landlord or the management of the mobile home park or in the courts if an eviction action is filed. Please be advised that the "Mobile Home Park Act," Article 8 of Chapter 42 of the North Carolina General Statutes, may provide you with legal protection:

NOTICE TO QUIT: The landlord or management of a mobile home park must serve to a homeowner a notice to quit in order to terminate a homeowner's tenancy. The notice must be in writing and must contain certain information, including:

The grounds for the termination of the tenancy;

Whether or not the homeowner has a right to cure under the "Mobile Home Park Act"; and

That the homeowner has a right to mediation pursuant to G.S. 42-101 of the "Mobile Home Park Act."

NOTICE OF NONPAYMENT OF RENT: The landlord or management of a mobile home park must serve to a homeowner a notice of nonpayment of rent in order to terminate a homeowner's tenancy. The notice must be in writing and must require that the homeowner either make payment of rent and any applicable fees due and owing or remove the owner's unit from the premises, within a period of not less than 10 days after the date the notice is served or posted, for failure to pay rent when due.

CURE PERIODS: If the homeowner has a right to cure under the "Mobile Home Park Act," the landlord or management of a mobile home park cannot terminate a homeowner's tenancy without first providing the homeowner with a time period to cure the noncompliance. "Cure" refers to a homeowner remedying, fixing, or otherwise correcting the situation or problem that caused the tenancy to be terminated pursuant to G.S. 42-83, 42-85, or 42-86.

COMMENCEMENT OF LEGAL ACTION TO TERMINATE THE TENANCY: After the last day of the notice period, a legal action may be commenced to take possession of the space

leased by the homeowner. In order to evict a homeowner, the landlord or management of the mobile home park must prove:

The landlord or management complied with the notice requirements of the "Mobile Home Park Act";

The landlord or management provided the homeowner with a statement of reasons for termination of the tenancy; and

The reasons for termination of the tenancy are true and valid under the "Mobile Home Park Act."

A homeowner must appear in court to defend against an eviction action. If the court rules in favor of the landlord or management of the mobile home park, the homeowner will have not less than 48 hours from the time of the ruling to remove the mobile home and to vacate the premises. If a tenancy is being terminated pursuant to G.S. 42-85(a)(5), the homeowner shall have not less than 48 hours from the time of the ruling to remove the home and vacate the premises. In all other circumstances, if the homeowner wishes to extend such period beyond 48 hours but not more than 30 days from the date of the ruling, the homeowner shall prepay to the landlord an amount equal to any total amount declared by the court to be due to the landlord, as well as a pro rata share of rent for each day following the court's ruling that the mobile homeowner will remain on the premises. All prepayments shall be paid by certified check, by cashier's check, or by wire transfer and shall be paid no later than 48 hours after the court ruling."

"§ 42-88. When termination prohibited.

A tenancy or other estate at will or lease in a mobile home park may not be terminated solely for the purpose of making the homeowner's space in the park available for another mobile home or trailer coach.

"§ 42-89. Homeowner meetings; assembly in common areas.

(a) Homeowners shall have the right to meet and establish a homeowners' association. Meetings of homeowners or the homeowners' association relating to mobile home living and affairs in the mobile home park common area, community hall, or recreation hall, if such a facility or similar facility exists, shall not be subject to prohibition by the mobile home park management if the common area or hall is reserved according to the mobile home park rules and such meetings are held at reasonable hours and when the facility is not otherwise in use; except that no such meetings shall be held in the streets or thoroughfares of the mobile home park.

(b) The mobile home park management shall not charge homeowners or residents a fee to meet in common buildings or spaces in the mobile home park, including any common area, community hall, or recreation hall; except that the mobile home park management may charge for the reasonable costs of cleaning or repairing actual damages incurred. The mobile home park management may recuperate the cost of repairs for actual damages beyond normal wear and tear that were caused by a homeowner by retaining a portion of the homeowner's security deposit.

(c) If requested by a homeowner or resident, the landlord shall, within 30 days of receiving the request, host and attend a free, public, accessible meeting for residents of the mobile home park; except that a landlord is not required to host and attend more than two meetings in a calendar year. Notice of the date, time, and location of the meeting must be posted in both English and Spanish in a clearly visible location in common areas of the mobile home park, including any community hall or recreation hall, for a period of seven days before the meeting and must be provided by mail at least 14 days before the meeting to each homeowners' association, residents' association, or similar body that represents the residents of the mobile home park. In addition to mailing the notice as required by this subsection, the landlord shall provide notice of the meeting by email to each homeowner and resident who has an email address on file with the landlord.

"§ 42-90. Security deposits; legal process.

(a) The owner of a mobile home park or the owner's agents may charge a security deposit not greater than the amount of one month's rent or two month's rent for multiwide units.

(b) Legal process, other than eviction, shall be used for the collection of utility charges and incidental service charges other than those provided by the rental agreement.

"§ 42-91. Remedies.

(a) Upon granting judgment for possession by the landlord in a summary ejectment action, the court shall immediately issue a writ of possession which the landlord shall take to the sheriff. In addition, if a money judgment has been requested in the complaint and if service was accomplished by personal service, the court shall determine and enter judgment for any amounts due to the landlord and shall calculate a pro rata daily rent amount that must be paid for the home to remain in the park. The court may rely upon information provided by the landlord or the landlord's attorney when determining the pro rata daily rent amount to be paid by the homeowner. Upon receipt of the writ of possession, the sheriff shall serve notice in accordance with the requirements of G.S. 42-36.2 to the homeowner of the court's decision and entry of judgment.

(b) The notice of judgment shall state that, at a specified time not less than 48 hours from the entry of judgment if a tenancy is being terminated pursuant to G.S. 42-85(a)(5) and, in all other instances, not less than 48 hours from the entry of judgment, which may be extended to not more than 30 days after the entry of judgment if the homeowner has prepaid by certified check, by cashier's check, or by wire transfer no later than 48 hours after the court ruling to the landlord an amount equal to any total amount declared by the court to be due to the landlord, as well as a pro rata share of rent for each day following the court's ruling that the mobile homeowner will remain on the premises, the sheriff will return to serve a writ of possession and superintend the peaceful and orderly removal of the mobile home under that order of court. The notice of judgment shall also advise the homeowner to prepare the mobile home for removal from the premises by removing the skirting, disconnecting utilities, attaching tires, and otherwise making the mobile home safe and ready for highway travel.

(c) Should the homeowner fail to have the mobile home safe and ready for physical removal from the premises or should inclement weather or other unforeseen problems occur at the time specified in the notice of judgment, the landlord and the sheriff may, by written agreement, extend the time for the execution of the writ of possession to allow time for the landlord to arrange to have the necessary work done or to permit the sheriff's execution of the writ of possession at a time when weather or other conditions will make removal less hazardous to the mobile home.

(d) If the mobile home is not removed from the landlord's land on behalf of the mobile homeowner within the time permitted by the writ of possession, then the landlord and the sheriff shall have the right to take possession of the mobile home for the purposes of removal and storage. The liability of the landlord and the sheriff in such event shall be limited to gross negligence or willful and wanton disregard of the property rights of the homeowner. The responsibility to prevent freezing and to prevent wind and weather damage to the mobile home lies exclusively with those persons who have a property interest in the mobile home; except that the landlord may take appropriate action to prevent freezing, to prevent wind and weather damage, and to prevent damage caused by vandals.

(e) Reasonable removal and storage charges and the costs associated with preventing damage caused by wind, weather, or vandals can be paid by any party in interest. Those charges will run with the mobile home, and whoever ultimately claims the mobile home will owe that sum to the person who paid it.

(f) Prior to the issuance of a writ of possession, the court shall make a finding of fact based upon evidence or statements of counsel that there is or is not a security agreement on the mobile home being subjected to the writ of possession. A written statement on the mobile homeowner's application for tenancy with the landlord that there is no security agreement on the mobile home shall be prima facie evidence of the nonexistence of a security agreement.

(g) In those cases where the court finds there is a security agreement on the mobile home subject to the writ of possession and where that holder of the security agreement can be identified

with reasonable certainty, then, upon receipt of the writ of possession, the plaintiff shall promptly inform the holder of the security agreement as to the location of the mobile home, the name of the landlord who obtained the writ of possession, and the time when the mobile home will be subject to removal by the sheriff and the landlord.

"§ 42-92. Entry fees.

The owner of a mobile home park, or an agent of the owner, shall neither pay to nor receive from an owner or a seller of a mobile home an entry fee of any type as a condition of tenancy in a mobile home park.

"§ 42-93. Closed parks prohibited.

(a) The owner of a mobile home park or an agent of the owner shall not require as a condition of tenancy in a mobile home park that the prospective homeowner has purchased a mobile home from any particular seller or from any one of a particular group of sellers.

(b) The owner or agent shall not give any special preference in renting to a prospective homeowner who has purchased a mobile home from a particular seller.

(c) A seller of mobile homes shall not require as a condition of sale that a purchaser locate in a particular mobile home park or in any one of a particular group of mobile home parks.

(d) The owner or operator of a mobile home park shall treat all persons equally in renting or leasing available space.

"§ 42-94. Selling fees prohibited.

A landlord shall not require payment of any type of selling fee or transfer fee by a homeowner in the park wishing to sell the homeowner's mobile home to another party or by any party wishing to buy a mobile home from a homeowner in the park as a condition of tenancy in a mobile home park for the prospective buyer. This section shall in no way prevent the owner of a mobile home park or an agent of the owner from applying the normal park standards to prospective buyers before granting or denying tenancy or from charging a reasonable selling fee or transfer fee for services actually performed and agreed to in writing by the homeowner. Nothing in this section shall be construed to affect the rent charged. The owner of a mobile home shall have the right to place a "for sale" sign on or in the mobile home. The size, placement, and character of such signs shall be subject to reasonable rules and regulations of the mobile home park. Nothing in this section shall prohibit a landlord from charging a reasonable rental application fee if the prospective buyer is buying the mobile home in-place and is applying for tenancy in the mobile home park.

"§ 42-95. Certain agreements prohibited.

A seller of mobile homes shall not pay or offer cash or other consideration to the owner of a mobile home park or an agent of the owner for the purpose of reserving spaces or otherwise inducing acceptance of one or more mobile homes in a mobile home park.

"§ 42-96. Landlord responsibilities; prohibited acts.

(a) Except as otherwise provided in this section, a landlord shall be responsible for and pay the cost of the maintenance and repair of the following:

(1) Any sewer lines, water lines, utility service lines, or related connections owned and provided by the landlord to the utility pedestal or pad space for a mobile home sited in the park.

(2) Any accessory buildings or structures, including, but not limited to, sheds and carports, owned by the landlord and provided for the use of the residents.

(3) The premises, as defined in G.S. 42-82.

(b) If a landlord fails to maintain or repair the items described in subsection (a) of this section, the landlord shall be responsible for and shall pay the cost of repairing any damage to a mobile home which results from such failure. The landlord shall ensure that all plumbing lines and connections owned and provided by the landlord to the utility pedestal or pad space for each mobile home in the mobile home park have plumbing that conformed to applicable law in effect at the time the plumbing was installed and that is maintained in good working order and running

1 water and reasonable amounts of water at all times furnished to the utility pedestal or pad space
2 and shall ensure that each pad space is connected to a sewage disposal system approved under
3 applicable law. If water and sewer services are interrupted, the landlord shall provide alternative
4 sources of potable water and shall maintain portable toilets, located reasonably near any affected
5 mobile homes, in a manner that renders them accessible to individuals with disabilities, no later
6 than 12 hours after the service disruption begins unless conditions beyond the landlord's control
7 prevent compliance. A landlord is not responsible for the obligations in this subsection if any of
8 the following apply:

- 9 (1) A mobile home is individually metered and the tenant occupying the mobile
10 home fails to pay for water services.
11 (2) The local government in which the mobile home park is situated shuts off
12 water service to a mobile home for any reason.
13 (3) Weather conditions present a likelihood that water pipes will freeze, water
14 pipes to a mobile home are wrapped in heated pipe tape, and the utility
15 company has shut off electrical service to a mobile home for any reason or the
16 heat tape malfunctions for any reason.
17 (4) Running water is not available for any other reason outside the landlord's
18 control.

19 (c) The landlord shall give a minimum of two days' notice to a mobile homeowner if the
20 water service will be disrupted for planned maintenance. The landlord shall attempt to give a
21 reasonable amount of notice to homeowners if water service is to be disrupted for any other
22 reasons unless conditions are such that providing the notice would result in property damage,
23 health, or safety concerns or when conditions otherwise require emergency repair.

24 (d) No landlord shall require a resident to assume the responsibilities outlined in
25 subsection (a) of this section as a condition of tenancy in the mobile home park.

26 (e) Nothing in this section shall be construed as (i) limiting the liability of a resident for
27 the cost of repairing any damage caused by such resident to the landlord's property or other
28 property located in the park or (ii) restricting a landlord or the landlord's agent or a property
29 manager from requiring a resident to comply with reasonable rules and regulations or terms of
30 the rental agreement and any covenants binding upon the landlord or resident, including
31 covenants running with the land which pertain to the cleanliness of such resident's lot and routine
32 lawn and yard maintenance, exclusive of major landscaping projects.

33 **"§ 42-97. Landlord utilities account.**

34 (a) Whenever a landlord contracts with a utility for service to be provided to a resident,
35 the usage of which is to be measured by a master meter or other composite measurement device,
36 the landlord shall remit to the utility all moneys collected from each resident as payment for the
37 resident's share of the charges for such utility service within 45 days of the landlord's receipt of
38 payment.

39 (b) If a landlord fails to timely remit utility moneys collected from residents as required
40 by subsection (a) of this section, the utility may, after written demand therefor is served upon the
41 landlord, require the landlord to deposit an amount equal to the average daily charge for the usage
42 of the utility service for the preceding 12 months multiplied by the sum of 90.

43 (c) Any utility which prevails in an action brought to enforce the provisions of this section
44 shall be entitled to an award of its reasonable attorney fees and court costs.

45 **"§ 42-97.1. Required disclosure and notice of water usage and billing; responsibility for**
46 **leaks.**

47 (a) If the mobile home park management charges homeowners or residents individually
48 for water usage in the mobile home park, then, on or before January 31 of each year, the mobile
49 home park management shall provide to each homeowner or resident and post in both English
50 and Spanish in a clearly visible location in at least one common area of the mobile home park
51 the following information:

(1) The methodology by which the management calculates the amount charged to each homeowner or resident for water usage on the homeowner's or resident's lot.

(2) The methodology by which the management calculates the amount charged to each homeowner or resident for water usage in common areas of the mobile home park.

(3) The current residential water rate schedule of the water utility or local government water service provider that supplies water to the mobile home park.

(b) If the mobile home park management charges homeowners or residents for water usage in the mobile home park, whether individually or in an aggregate amount, the management shall provide to each homeowner or resident a monthly water bill that indicates the amount owed by the homeowner or resident, the total amount owed by all the residents in the mobile home park, and, if the management purchases the water from a provider, the total amount paid by the management to the provider.

(c) The mobile home park management shall not charge a homeowner or resident for any costs in addition to the actual cost of water billed to the management.

(d) The mobile home park management shall use a methodology that is reasonable, equitable, and consistent for billing homeowners or residents for any type of water usage.

(e) If the mobile home park management learns of a leak in a water line inside the mobile home park, the management shall notify each homeowner and resident of the leak within 24 hours.

(f) The mobile home park management shall not bill a homeowner or resident for any water usage that is caused by a leak in a water line inside the mobile home park.

"§ 42-97.2. Prohibition on retaliation and harassment.

(a) The mobile home park management shall not take retaliatory action against a homeowner or resident who exercises any right conferred upon the homeowner or resident by this Article or any other provision of law.

(b) Except as described in subsection (c) of this section, in an action or an administrative proceeding by or against a homeowner or resident, the mobile home management's action is presumed to be retaliatory if, within the 120 days preceding the management's action, the homeowner or resident engaged in any of the following:

(1) Complained or expressed an intention to complain to a governmental agency about a matter relating to the mobile home park.

(2) Submitted a complaint to the mobile home park management about a violation described in this Article.

(3) Organized or became a member of a tenants' association or similar organization.

(4) Made any other effort to secure or enforce any of the rights or remedies provided by this Article or any other provision of law.

(5) Participated in a vote or decision-making process concerning the opportunity to purchase the mobile home park pursuant to G.S. 42-102.

(c) The presumption of retaliatory action described in subsection (b) of this section does not apply to an action or administrative hearing where the mobile home management does any of the following:

(1) Addresses nonpayment of rent by a homeowner or resident as described in G.S. 42-86.

(2) Was notified by a peace officer or otherwise became aware that the mobile home that is the basis of the administrative hearing had criminal activity, as defined in G.S. 42-59, occurring on or in the mobile home.

(d) The management may rebut a presumption of retaliation with sufficient evidence of a nonretaliatory purpose.

(d1) The management shall not engage in any of the following:

(1) Harass, intimidate, or threaten, or attempt to harass, intimidate, or threaten, any person for filing or attempting to file a complaint, joining or attempting to join an association of residents or homeowners, engaging in activities to promote the organizing and education of residents and homeowners, or voting or attempting to vote on a matter before the association of residents or homeowners.

(2) Coerce or require a person to sign an agreement.

(e) The rights and remedies provided by this section are available to homeowners and residents in addition to the anti-retaliation protection provided in G.S. 42-97.2.

"§ 42-98. Rental agreement; disclosure of terms in writing; prohibited provisions.

(a) The terms and conditions of a tenancy must be adequately disclosed in writing in a rental agreement by the management to any prospective homeowner prior to the rental or occupancy of a mobile home space or lot. Said disclosures shall include the following:

(1) The term of the tenancy and the amount of rent therefor, subject to the requirements of subsection (d) of this section.

(2) The day rental payment is due and payable.

(3) The day when unpaid rent shall be considered in default.

(4) The rules and regulations of the park then in effect.

(5) The name and mailing address where a manager's decision can be appealed.

(6) All charges to the homeowner other than rent, including late fees.

(b) Said rental agreement shall be signed by both the management and the homeowner, and each party shall receive a copy thereof.

(c) The management and the homeowner may include in a rental agreement terms and conditions not prohibited by this Article.

(d) The terms of tenancy shall be specified in a written rental agreement subject to the following conditions:

(1) The standard rental agreement shall be for a month-to-month tenancy.

(2) Upon written request by the homeowner to the landlord, the landlord shall allow a rental agreement for a fixed tenancy of not less than one year if the homeowner is current on all rent payments and is not in violation of the terms of the then-current rental agreement; except that an initial rental agreement for a fixed tenancy may be for less than one year in order to ensure conformity with a standard anniversary date. A landlord shall not evict or otherwise penalize a homeowner for requesting a rental agreement for a fixed period.

(3) A landlord may, in the landlord's discretion, allow a lease for a fixed period of longer than one year. In such circumstances, the requirements of subdivisions (1) and (2) of this subsection shall not apply.

(e) A rental agreement shall not include any provision that contains the following:

(1) A waiver of any rights created by this Article.

(2) A requirement that a homeowner agrees to a possessory lien.

(3) Binds a homeowner to arbitration in lieu of a civil proceeding.

(4) Authorizes a third person to confess judgment on a claim that arises from the rental agreement or this Article.

(5) Requires a homeowner to waive the opportunity to purchase the park allowed under G.S. 42-102.

(f) It is a violation of this Article for the management to require a homeowner to sign a new lease or agreement in violation of this section or to mislead a homeowner about the homeowner's obligation to sign a new lease or agreement.

"§ 42-99. Rules and regulations; amendments; notice.

(a) The management shall adopt written rules and regulations concerning all homeowners' or residents' use and occupancy of the premises. The rules and regulations are enforceable against a homeowner or resident only if all of the following criteria are met:

- (1) Their purpose is to promote the convenience, safety, or welfare of the homeowners, protect and preserve the premises from abusive use, or make a fair distribution of services and facilities held out for the homeowners generally.
- (2) They are reasonably related to the purpose for which they are adopted.
- (3) They are not arbitrary, capricious, unreasonable, retaliatory, or discriminatory in nature.
- (4) They are sufficiently explicit in prohibition, direction, or limitation of the homeowner's conduct to fairly inform the homeowner of what must or must not be done to comply.
- (5) They are established in the rental agreement at the inception of the tenancy, amended subsequently with the written consent of the homeowner, or, except as described in subsection (b) of this section, amended subsequently without the written consent of the homeowner after the management has provided written notice of the amendments to the homeowner at least 60 days before the amendments become effective, and, if applicable, enforced in compliance with subsection (c) of this section.

(b) When a mobile home or any accessory building or structure is owned by a person other than the owner of the mobile home park in which the mobile home is located, the mobile home and accessory buildings or structures are each a separate unit of ownership. The accessory buildings or structures are each presumed to be owned by the owner of the mobile home unless there is a written agreement establishing ownership by another person. If a rule or regulation requires a homeowner to incur a cost or imposes restrictions or requirements on the homeowner's right to control what happens in or to their mobile home and any accessory buildings or structures as a separate unit of ownership, including without limitation, to control the structure and appearance of the mobile home, building, or structure; who visits the mobile home, building, or structure or who resides in the mobile home, building, or structure, provided the person who resides in the mobile home, building, or structure was previously approved as a resident of the mobile home park; and lawful activities taking place in the mobile home, building, or structure the rule or regulation is presumed unreasonable pursuant to subdivision (3) of subsection (a) of this section, unless management demonstrates that the rule or regulation meets one of the following criteria:

- (1) It is strictly necessary to protect the health and safety of park residents and the rule or regulation provides the protection at the lowest expense to homeowners as is reasonably possible.
- (2) It is strictly necessary to comply with or enforce a federal, State, or local government requirement, including local nuisance laws enforced for the welfare of other residents.
- (3) It is voluntarily agreed to by the homeowner, without coercion or misrepresentation by management, in which case the rule or regulation is only binding upon homeowners who have communicated their written consent to the rule or regulation.
- (4) In a mobile home park managed by homeowners, was established by the managing homeowner organization in accordance with the organization's bylaws and more than fifty percent (50%) of the homeowners are members of the organization.

(c) Subsection (b) of this section does not prohibit the management from requiring compliance by a new homeowner with park rules and regulations that were not enforceable against the previous homeowner after the sale or transfer of a mobile home or accessory building or structure as described in this subsection, provided that the rules or regulations comply with this section and have been duly noticed to all homeowners and residents, including the seller, pursuant to subdivision (5) of subsection (a) of this section; except that, as used in this subsection, the term "transfer" does not include a transfer of ownership pursuant to death or divorce or a transfer of ownership to a new co-owner who is an immediate family member, spouse, or domestic partner of the homeowner.

(d) The management shall not require a homeowner selling a mobile home or accessory building or structure to ensure that the mobile home or accessory building or structure complies with any rules or regulations by the closing date of the sale or to bear the costs of compliance with any such rules or regulations. If the management requires all prospective buyers to comply with such rules and regulations as a condition of gaining tenancy in the park, the management shall promptly provide a written list of items for which the management requires action to the seller upon receiving notice that the mobile home is for sale. The seller shall provide the list to all prospective buyers and the management shall provide the list to the buyer upon receiving an application for tenancy. The management shall allow a reasonable amount of time after closing for the buyer to bring the mobile home or accessory building or structure into compliance, which must be at least 30 days from the closing date.

(e) Notwithstanding any rental agreement, the management shall not interfere with a homeowner's right to sell a mobile home or accessory building or structure, in-place or otherwise, to a buyer of the homeowner's choosing regardless of the age of the home except as necessary for the management to ensure the following:

- (1) Compliance with mobile home park-wide affordability restrictions, including requirements for owner-occupancy.
- (2) The financial ability of the homebuyer to comply with the buyer's obligations as a new tenant.
- (3) Compliance with applicable federal, State, or local law.
- (4) The absence of a home buyer's relevant criminal history that would indicate a reasonable chance of risk to other residents.

(f) A provision in a rental agreement that limits or restricts a homeowner's right to sell a mobile home or accessory building or structure to a buyer of the homeowner's choosing other than allowed by this subsection is unenforceable.

(g) If the management provides each homeowner written notice of the management's intent to add or amend any written rule or regulation as described in subdivision (5) of subsection (a) of this section, a homeowner may file a complaint challenging the rule, regulation, or amendment pursuant to G.S. 42-108 within 60 days after receiving the notice. If a homeowner files such a complaint, and the new or amended rule or regulation will increase a cost to the homeowner in an amount that equals or exceeds ten percent (10%) of the homeowner's monthly rent obligation under the rental agreement, the management shall not enforce the rule, regulation, or amendment or the dispute resolution process concludes and the Commission issues a written determination, pursuant to G.S. 42-108, that the rule, regulation, or amendment does not constitute a violation of this Article and may be enforced. Notwithstanding any provision of this Article to the contrary, as part of the complaint process described in G.S. 42-108, the management has the burden of establishing that the rule, regulation, or amendment satisfies the requirements described in subsections (a) and (b) of this section.

"§ 42-100. New developments and parks; rental of sites to dealers.

(a) The management of a new mobile home park or manufactured housing community development may require as a condition of leasing a mobile home site or manufactured home site for the first time such site is offered for lease that the prospective lessee has purchased a mobile

home or manufactured home from a particular seller or from any one of a particular group of sellers.

(b) A licensed mobile home dealer or a manufactured home dealer may, by contract with the management of a new mobile home park or manufactured housing community development, be granted the exclusive right to first-time rental of one or more mobile home sites or manufactured home sites.

"§ 42-101. Mediation; court actions.

(a) In any controversy between the management and a homeowner of a mobile home park arising out of the provisions of this Article, except for the nonpayment of rent or in cases in which the health or safety of other homeowners is in imminent danger, such controversy may be submitted to mediation by either party prior to the filing of a forcible entry and detainer lawsuit upon agreement of the parties.

(b) The agreement, if one is reached, shall be presented to the court as a stipulation. Either party to the mediation may terminate the mediation process at any time without prejudice.

(c) If either party subsequently violates the stipulation, the other party may apply immediately to the court for relief.

"§ 42-102. Notice of change of use; notice of sale or closure of mobile home park; homeowner purchase.

(a) A landlord shall provide notice of the landlord's intent to sell the park within 14 days of a triggering event demonstrating the landlord's intent to sell. The notice must be given in accordance with the requirements of subsection (e) of this section. A triggering event requiring notice under this subsection includes circumstances when the landlord does any of the following:

- (1) Signs a contract with a real estate broker or brokerage firm to list the mobile home park for sale or to sell or transfer the mobile home park.
- (2) Signs a letter of intent, option to sell or buy, or other conditional written agreement with a potential buyer for the sale or transfer of the mobile home park, which includes the estimated price, terms, and conditions of the proposed sale or transfer, even if the price, terms, or conditions are subject to change.
- (3) Signs a contract with a potential buyer's real estate broker or brokerage firm related to the potential sale or transfer of the mobile home park.
- (4) Accepts an earnest money promissory note or deposit from a potential buyer for the sale or transfer of the mobile home park.
- (5) Responds to a potential buyer's due diligence request for the mobile home park.
- (6) Provides a signed property disclosure form for the mobile home park to a potential buyer.
- (7) Lists the mobile home park for sale.
- (8) Makes a conditional acceptance of an offer for the sale or transfer of the mobile home park.
- (9) Takes any other action demonstrating an intent to sell the mobile home park.
- (10) Receives a notice of demand, notice of foreclosure, or lis pendens related to foreclosure of the park.

(b) A landlord shall provide notice of the landlord's intent to change the use of the land comprising the mobile home park in accordance with the requirements of subsection (e) of this section at least 12 months before the change in use will occur.

(c) No earlier than 90 days after giving the notice required by subsection (a) of this section, a landlord may post information in a public space in the mobile home park describing the method for providing a signed writing to the mobile home park owner related to the opportunity to purchase. The posting must include standard forms created by the Commission related to the opportunity to purchase and the rights of mobile home park owners related to the

1 opportunity to purchase, including a standardized form developed by the Commission for the
2 landlord to use to request the signatures of homeowners who decline to participate in efforts to
3 purchase a community. If, no earlier than 90 days after a landlord provides the notice required
4 by subsection (a) of this section, at least fifty percent (50%) of the homeowners who reside in
5 the mobile home park provide signed writings to the landlord declining to participate in
6 purchasing the park, then the opportunity to purchase provided by subsection (g) of this section
7 terminates even if the 180-day period provided for in subsection (g) of this section has not yet
8 elapsed.

9 (d) A landlord shall not solicit or request a homeowner's intention or a signed writing
10 related to the opportunity to purchase during the initial 90 days after giving notice pursuant to
11 subsection (a) of this section. During the time period for considering an opportunity to purchase,
12 a landlord shall not attempt to coerce, threaten, or intimidate a homeowner or provide any
13 financial or in-kind incentives to a homeowner to influence the homeowner's vote or decision
14 and shall not take retaliatory action against a homeowner after the homeowner's vote or decision.
15 Any complaints alleging violation of this subsection may be resolved under G.S. 42-108.

16 (e) To provide notice as required by subsection (a) or (b) of this section, the landlord
17 shall provide notice as follows:

- 18 (1) Mail the notice in both English and Spanish by certified mail to the following:
19 a. Each homeowner, using the most recent address of the homeowner.
20 b. The city or, if the park is in an unincorporated area, the county where
21 the mobile home park is situated.
22 c. The Commission.
23 d. Each homeowners' association, residents' association, or similar body
24 that represents the residents of the mobile home park.

- 25 (2) Post the notice in both English and Spanish at the following locations:
26 a. In a conspicuous place on each mobile home or at the main point of
27 entry to each lot.
28 b. In a clearly visible location in common areas of the mobile home park,
29 including any community hall or recreation hall. The posting must
30 remain for a period of at least 180 days from the date it is posted or
31 until the opportunity to purchase has expired.

- 32 (3) Provide the notice in both English and Spanish by email to each homeowner
33 who has an email address on file with the landlord.

34 (f) The notice given pursuant to subsection (a) of this section must include notice of
35 homeowners' rights and remedies under this section. If the triggering event involves a potential
36 sale, the notice must also include a description of the property to be purchased, the price, terms,
37 and conditions of an acceptable offer the landlord has received to sell the mobile home park or
38 the price or terms and conditions for which the landlord intends to sell the mobile home park,
39 and any other terms or conditions which, if not met, would be sufficient grounds, in the landlord's
40 discretion, to reject an offer from a group of homeowners or their assignees. The price, terms,
41 and conditions stated in the notice must be universal and applicable to all potential buyers, and
42 must not be specific to and prohibitive of a group or association of homeowners or their assignees
43 making a successful offer to purchase the park. The information regarding the proposed sale and
44 the price, terms, and conditions of an acceptable offer may be shared for the purposes of
45 evaluating or obtaining financing for the prospective transaction, but all persons who receive the
46 information shall otherwise keep the information confidential if the landlord or the landlord's
47 agent so requests.

48 (g) A group or association of homeowners or their assignees have 180 days after the date
49 that the landlord mails a notice required under subsection (a) of this section to do one of the
50 following:

- 1 (1) Submit to the landlord a proposed purchase and sale agreement and obtain an
2 offer for any necessary financing or guarantees.
3 (2) Submit to the landlord an assignment agreement pursuant to subsection (k) of
4 this section.

5 If a foreclosure sale of the park is scheduled for less than 180 days after the landlord mails a
6 notice required by subsection (a) of this section, the opportunity granted by this subsection
7 terminates on the date of the foreclosure sale.

8 (h) A landlord that has given notice as required by subsection (a) of this section shall do
9 the following:

- 10 (1) Provide documents, data, and other information in response to reasonable
11 requests for information from a group or association of homeowners or their
12 assignees participating in the opportunity to purchase that would enable them
13 to prepare an offer. The documents, data, and other information provided may
14 be shared for the purposes of evaluating or obtaining financing for the
15 prospective transaction, but all persons who receive the information shall
16 otherwise keep it confidential if the landlord or the landlord's agent so
17 requests.
18 (2) Negotiate in good faith with a group or association of homeowners or their
19 assignees. For the purposes of this subdivision, negotiating in good faith
20 includes, but is not limited to, evaluating an offer to purchase from a group of
21 homeowners or their assignees without consideration of the time period for
22 closing, the type of financing or payment method, whether or not the offer is
23 contingent upon financing or payment method, an appraisal, or title work, and
24 providing a written response within seven calendar days of receiving an offer
25 from a group of homeowners or their assignees. The price, terms, and
26 conditions of an acceptable offer stated in the written response must be
27 universal and applicable to all potential buyers and must not be specific to and
28 prohibitive of a group or association of homeowners or their assignees making
29 a successful offer to purchase the park. The written response must accept or
30 reject the offer, and if the offer is rejected, must state the following:
31 a. The current price, terms, or conditions of an acceptable offer that the
32 landlord has received to sell the mobile home park, if the price, terms,
33 or conditions have changed since the landlord gave notice to the
34 homeowners pursuant to subsection (f) of this section.
35 b. A written explanation of why the landlord is rejecting the offer from a
36 group of homeowners and what terms and conditions must be included
37 in a subsequent offer for the landlord to potentially accept it.

38 (i) If the 180-day period provided for in subsection (g) of this section elapses and a group
39 or association of homeowners or their assignees have not submitted a proposed purchase and sale
40 agreement or obtained a financial commitment, the group's or association's opportunities
41 provided by this section terminate. A landlord shall give a group or association of homeowners
42 or their assignees an additional 180-day period to close on the purchase of the mobile home park.

43 (j) The 180-day periods described in subsections (g) and (i) of this section may be
44 extended by written agreement between the landlord and the group or association of homeowners
45 or their assignees. The group or association of homeowners or their assignees are entitled to
46 tolling of the time periods described in subsections (g) and (i) of this section in any of the
47 following circumstances:

- 48 (1) If there is a reasonable delay in obtaining financing or a required inspection
49 or survey of the land that is outside the control of the group or association of
50 homeowners or their assignees, the time period is tolled for the duration of the
51 delay.

(2) If the group or association of homeowners or their assignees files a nonfrivolous complaint with the Commission alleging a violation of this section, the time period is tolled until the Commission issues a written notice of violation or notice of nonviolation that has become a final agency order determining whether a violation has occurred or the parties reach a resolution by signing a settlement agreement approved by the Commission.

(3) If the group or association of homeowners has attempted to assign their rights pursuant to subsection (k) of this section, the time period is tolled from the time the group or association makes the offer of assignment until the potential assignee either confirms in writing that the offer is rejected or a written assignment contract is executed; provided that the time period shall not be tolled for more than 90 days under this subdivision.

(k) A group or association of homeowners or their assignees that have the opportunity to purchase under subsection (g) of this section may assign their purchase right to a public entity for the purpose of continuing the use of the mobile home park. If a group or association of homeowners or their assignees comprising more than fifty percent (50%) of homeowners in a mobile home park choose to assign their rights to a public entity under this subsection, the homeowners or their assignees shall enter into a written assignment contract with the public entity. The assignment contract must include the terms and conditions of the assignment and for how the park will be operated if the public entity purchases the park. The assignment contract must provide that the terms and conditions are applicable to any designee selected by the public entity pursuant to this subsection. The terms and conditions may include, but are not limited to, the following:

(1) Any deed restrictions that may be required or permitted regarding the lots or the houses in the mobile home park.

(2) Any restrictions on rent or fee increases that apply if the public entity purchases the mobile home park.

(3) Any required conditions, such as the required demonstration of approval from homeowners, for redeveloping or changing the use of some or all of the mobile home park.

(4) A management agreement for how the mobile home park will be operated if the public entity purchases the mobile home park.

(5) Any changes to mobile home park rules or regulations that apply if the public entity purchases the mobile home park.

(6) Any agreement between the parties regarding the transfer of statutory responsibilities associated with managing the mobile home park and any limitations or waivers of liability.

The public entity or its designee shall promptly provide notice of the assignment contract to the landlord. If a landlord receives notice that a group or association of homeowners has entered into an assignment contract with a public entity, the landlord shall provide a right of first refusal to the public entity or its designee. Any purchase and sale agreement entered into by the landlord must be contingent upon the right of first refusal of the public entity or its designee to purchase the mobile home park. A public entity shall only exercise its right of first refusal for the purpose of preserving the mobile home park as long-term affordable housing. The public entity may designate a housing authority or other political division to purchase the park pursuant to the public entity's right of first refusal for this purpose if the option for a designation is expressly agreed to in the assignment contract. Within 30 days after receiving notice of an assignment contract, the landlord shall provide the public entity or its designee with the terms upon which the landlord would accept an offer to sell the park or a contingent purchase and sale agreement that is effective upon its execution. The public entity has 180 days from the date the public entity or its designee receives the terms or contingent purchase and sale agreement to notify the landlord

of the public entity's intent to purchase the mobile home park or of the public entity's intent to facilitate the purchase of the mobile home park by its designee. The landlord shall sell the mobile home park to the public entity or its designee if, within the 180-day period, the public entity or its designee (i) notifies the landlord of its intent to purchase the mobile home park or facilitate the purchase of the mobile home park by its designee, (ii) accepts the contingent purchase and sale agreement provided by the landlord or offers the landlord terms that are economically substantially identical to the terms of the contingent purchase and sale agreement or to the terms the landlord provided pursuant to this subsection, and (iii) commits to close within 180 days from the date the public entity or its designee and the owner sign a purchase and sale agreement. For the purposes of determining whether the terms of an offer are economically substantially identical, it is immaterial how the offer would be financed. A landlord shall not take any action that would preclude the public entity or its designee from succeeding to the rights of assuming the obligations of the designee of the terms of the contingency purchase and sale agreement or negotiating with the landlord for the purchase of the mobile home park during the notice periods identified in this section. In addition to any other times, during the notice periods identified in this section, a public entity may pursue preservation of the mobile home park as affordable housing through negotiation for purchase or through condemnation. As used in this section, the term "public entity" means a local government, tribal government, housing authority nonprofit with expertise related to housing, or the State or an agency of the State.

(l) Except as otherwise provided in this subsection, each occurrence of a triggering event listed in subsection (a) of this section creates an independent, 180-day opportunity to purchase for the group or association of homeowners or their assignees. If a 180-day opportunity to purchase is in effect and a new triggering event occurs, the ongoing 180-day time period terminates and a new 180-day time period begins on the latest date on which the landlord gives notice of the new triggering event, as required in subsection (a) of this section. A landlord is not required to provide a new or subsequent notice of intent to sell for each triggering event listed in subsection (a) of this section under the following criteria:

- (1) The new demonstration of intent occurs within 60 calendar days of the certified mailing of the most recent notice under subsection (e) of this section.
- (2) There are no material changes to the most recent notice provided pursuant to subsection (a) of this section with respect to (i) the identity of a potential buyer if the landlord has made a conditional agreement with a buyer, (ii) the time when the mobile home park is listed for sale, and (iii) the price, terms, and conditions of an acceptable offer the landlord has received to sell the mobile home park or for which the landlord intends to sell the mobile home park.

Any material change to the price, terms, and conditions of an acceptable offer the landlord has received to sell the mobile home park is considered a new triggering event, requiring a new notice pursuant to subsection (a) of this section and creating a new 180-day time period. A notice required under this section is in addition to, and does not substitute for or affect, any other notice requirement under this Article.

(m) A landlord shall not make a final, unconditional acceptance of any offer for the sale or transfer of the park until one of the following occurs:

- (1) The landlord has considered an offer made by a group or association of homeowners or their assignees pursuant to subsection (g), (h), or (k) of this section.
- (2) The applicable period for exercise of the opportunity to purchase has expired pursuant to subsection (i) of this section.

(n) If the group or association of homeowners or their assignees are not the successful purchaser of the mobile home park, the landlord shall provide evidence of compliance with this section by filing an affidavit of compliance with the city or, if the mobile home park is in an unincorporated area, the county where the mobile home park is situated and the Commission.

(o) Notwithstanding any provision in this Article to the contrary, a landlord is not required to give notice or extend an opportunity to purchase to a group or association of homeowners or their assignees if the sale, transfer, or conveyance of the mobile home park is to one of the following:

- (1) A spouse, partner in a civil union, or a parent, sibling, aunt, uncle, first cousin, or legally recognized child of the landlord.
- (2) A trust, the beneficiaries of which are the spouse, partner in a civil union, or legally recognized children of the landlord.
- (3) A business entity or trust that the transferring business entity or trust controls, directly or indirectly. For the purposes of this subdivision, the term "controls" means any of the following:
 - a. Owns entirely as a subsidiary.
 - b. Owns a majority interest in.
 - c. Owns as large an ownership interest as any other owner, with a minimum ownership interest of twenty-five percent (25%).
- (4) A family member who is included within the line of intestate succession if the landlord dies intestate.
- (5) Between joint tenants or tenants in common.
- (6) Pursuant to eminent domain.

To qualify for an exemption under this subsection, a transaction must not be made in bad faith, must be made for a legitimate business purpose or a legitimate familial purpose consistent with the exemptions listed in this subsection, and must not be made for the primary purpose of avoiding the opportunity-to-purchase provisions set forth in this section.

(p) A group or association of homeowners or their assignees may submit an offer to purchase to a landlord at any time, even if none of the events listed in subsection (a) of this section has occurred.

(q) Any sale of a mobile home park in which the landlord or seller of the mobile home park is substantially out of compliance with this section is null and void. The rights accorded to homeowners in this section are property interests. Any title transferred subsequent to the triggering events in subsection (a) of this section is defective unless the property interests of the homeowners are secured or until an equitable remedy has been provided. If the Commission receives a complaint filed in accordance with this Article, the Commission shall investigate the alleged violations at the Commission's discretion, and, if appropriate, facilitate negotiations between the complainant and respondent in accordance with this Article. The Commission may also investigate possible violations of this section upon its own initiative. In addition to the remedies described in G.S. 42-91, the Commission may do the following:

- (1) Impose a fine on the seller of the mobile home park in an amount not to exceed thirty percent (30%) of the sale or listing price of the mobile home park, whichever is greater, which the Commission shall distribute to the homeowners in the mobile home park.
- (2) File a civil action for injunctive or other relief in the superior court in the county in which the mobile home park is situated.

(r) The Attorney General may investigate possible violations of this section. If the Attorney General makes a preliminary finding that a landlord or seller of a mobile home park substantially failed to comply with this section, and if continuation of the sale is likely to result in significant harm to the property interests of the homeowners, the Attorney General may do the following:

- (1) File a lis pendens or other notice with the register of deeds in the county where the mobile home park is situated that states that the homeowners with property interests have an adverse claim on the property.

(2) Continue to investigate, negotiate, and, if appropriate, file a civil action to secure and enforce the rights of homeowners under this section or to secure an equitable remedy on their behalf.

(s) One or more homeowners or their assignees may file a civil action alleging a violation of this section pursuant to G.S. 42-108.

"§ 42-103. Mobile homeowners' cooperatives.

One or more members of a homeowners' association may, at any time, form a cooperative for the purposes of offering to purchase or finance a mobile home park. A homeowner shall be a member of the homeowners' association in order to participate in the cooperative, and participation in the cooperative shall be voluntary.

"§ 42-104. Rights of homeowners and landlords.

Every homeowner and landlord has a private right of action pursuant to G.S. 42-85 or G.S. 42-105 to enforce the following:

(1) Protection from abuse or disregard of State or local law by the landlord and homeowners. Abuse or disregard of State or local law includes, but is not limited to, the following:

a. Oral or written statements that threaten eviction of a homeowner for violations that are not grounds to terminate a tenancy under G.S. 42-85.

b. Misleading a homeowner about the homeowner's obligation to sign a new lease or agreement.

c. Taking, possessing, or depriving a homeowner or resident of property or property rights without due process of law, including the opportunity for a judicial or administrative hearing.

(2) Peaceful enjoyment of the homeowner's mobile home space, free from unreasonable, arbitrary, or capricious rules and enforcement thereof.

(3) Tenancy free from harassment or frivolous lawsuits by the landlord and homeowners.

"§ 42-105. Civil right of action.

(a) Any homeowner, assignee of a homeowner, resident, association of homeowners, or landlord may file a civil action alleging a violation of a rental agreement of any provision of this Article. In any such action, the court may do the following:

(1) Award economic damages, any penalties authorized under this Article, and such equitable and injunctive relief as is appropriate to protect the rights of the parties.

(2) Award reasonable attorney fees and costs to a prevailing party. If an action is brought by a homeowner, resident, or association of homeowners, the court shall not do any of the following:

a. Award attorney fees to a landlord unless the court finds that the homeowner, resident, or association of homeowners filed a complaint that was frivolous, notwithstanding any agreement to the contrary.

b. Require a bond to be paid into the court as a condition of filing the suit.

(b) In an action alleging a violation of G.S. 42-102, the court may issue an order suspending the 180-day periods described in G.S. 42-102(g) and (i) staying or canceling the closing of any pending transaction or providing such other equitable relief as the court deems necessary to protect the rights of the homeowners under G.S. 42-102. If the court finds the landlord violated G.S. 42-102, in addition to all other available remedies, the court shall award a statutory penalty of no less than twenty thousand dollars (\$20,000) but no more than the dollar amount calculated to be thirty percent (30%) of the purchase price of the mobile home park. The

penalty authorized under this subsection is in addition to any fine or penalty imposed by the Commission under G.S. 42-102.

(c) If a court determines that a landlord violated G.S. 42-86(c) or (d), in addition to all other remedies, the court shall award a statutory penalty of no less than fifteen thousand dollars (\$15,000) but no more than fifty thousand dollars (\$50,000) to each aggrieved party for each violation that occurred.

"§ 42-106. Access by counties and cities.

Notwithstanding any other provision of law, upon a finding that the utilities in a park create a significant health or safety danger to park residents, the landlord of a mobile home park shall grant county or city officers or employees access to the mobile home park for the purposes of investigating or conducting a study related to such danger.

"§ 42-106.1. Privacy rights.

(a) The management shall respect the privacy of homeowners. Except as otherwise provided by law, the management has no right of entry to a mobile home unless one of the following occurs:

- (1) Written consent of the homeowner is obtained and has not been revoked.
- (2) An existing right of entry exists, as set forth in subsection (b) of this section.
- (3) In the case of an emergency.
- (4) The mobile home has been abandoned.

(b) Unless otherwise prohibited by law, the management has a right of entry to mobile home space to fulfill the duties described in G.S. 42-42 and to ensure compliance with applicable codes, statutes, ordinances, and administrative rules, as well as the rental agreement and rules and regulations of the mobile home park. A landlord shall not enter in a manner that interferes with a resident's peaceful enjoyment of the mobile home space as described in G.S. 42-59.1, except in the case of an emergency.

(c) Except when posting notices that are required by law or the rental agreement, the management shall make a reasonable effort to notify a resident of the management's intention to enter the mobile home space at least 48 hours before entry. The notification must include the date and approximate time of the planned entry and must be delivered in a manner that is reasonably likely to be seen or heard by the resident in a timely manner.

"§ 42-106.2. Tenancy and park sale records.

(a) A landlord shall retain records for each homeowner and resident throughout the homeowner's or resident's tenancy and for 12 months after the tenancy ends, including documentation of the following:

- (1) Each rental agreement signed by the homeowner or resident and the current or previous landlord.
- (2) The date and amount of any change in rent during the homeowner's or resident's tenancy.
- (3) Written rules and regulations adopted by the current or previous landlord during the homeowner's or resident's tenancy.
- (4) Each request from the homeowner or resident, including the landlord's approval or disapproval, of the following:
 - a. Guests, roommates, occupants, co-lessees, or sub-lessees.
 - b. Pets or service animals.
 - c. Accessory buildings or structures, including sheds and carports.
 - d. Decks, fences, wheelchair ramps, or other structural changes to the home or lot.
 - e. Use of property related to parking of vehicles and use of vehicles.

(b) A landlord who is selling or transferring a mobile home park shall maintain all records related to compliance with G.S. 42-102 for a minimum of 48 months after any sale or transfer of a mobile home park is complete, including, but not limited to, the following:

- (1) Notices mailed or given to homeowners pursuant to G.S. 42-102(a) and (b).
- (2) Postings pursuant to G.S. 42-102(a), including any forms for homeowners to provide notice that they do not wish to participate in efforts to purchase the community.
- (3) Signed writings provided by homeowners to the mobile home park owner declining to participate in purchasing the park pursuant to G.S. 42-102(a).
- (4) Offers to purchase and proposed purchase and sale agreements submitted to the landlord by a group or association of homeowners or their assignees pursuant to G.S. 42-102(g).
- (5) Requests for information from a group or association of homeowners or their assignees participating in the opportunity to purchase and the landlord's responses to the requests for information pursuant to G.S. 42-102(h).
- (6) Offers to purchase and any conditional and unconditional purchase and sale agreements submitted by the successful purchaser of the mobile home park.
- (c) Upon the sale or transfer of a mobile home park, the seller must transfer all records maintained under subsection (a) of this section to the new owner.
- (d) If an issue arises as to a resident's right to any of the matters described in subdivision (3) of subsection (a) of this section or subsection (b) of this section and the landlord has not retained adequate records for that resident, the landlord shall be presumed to have violated this Article unless the landlord demonstrates compliance by a preponderance of the evidence.
- (e) In promulgating rules concerning the implementation of this section, the Commission shall consider requirements concerning the following:
- (1) How a person may access or obtain copies of records retained pursuant to this section.
- (2) Any restrictions on who may access records retained pursuant to this section.
- (3) What fees or costs, if any, may be imposed for obtaining copies of records retained pursuant to this section.
- (4) Confidentiality protections for personally identifying information included in records retained pursuant to this section.
- (5) Secure destruction of records once the period of retention has passed.
- (6) Penalties for violations of this section.
- (f) If a current or former landlord violates this section, a homeowner may file a complaint pursuant to G.S. 42-108.
- "§ 42-107. Dispute resolution and enforcement program.**
- (a) The North Carolina Human Relations Commission shall establish a dispute resolution and enforcement program as part of the Mobile Home Park Act. The Commission shall have the following powers and duties:
- (1) Produce educational materials regarding the Act and the program. These materials must be in both English and Spanish and must include a notice in a format that a landlord can reasonably post in a mobile home park. The notice must summarize homeowner rights and responsibilities, provide information on how to file a complaint with the Commission, describe the protections afforded homeowners under G.S. 42-108, and provide a toll-free telephone number and website that landlords and homeowners can use to seek additional information and communicate complaints specific to the program.
- (2) Distribute the educational materials described in subdivision (1) of this subsection to all known landlords and, as requested, to any complainants or respondents.
- (3) Ensure that landlords post the notice provided in subdivision (1) of this subsection in a clearly visible location in common areas of mobile home parks, including any community hall or recreation hall.

- (4) Enforce a penalty if the Commission discovers that the landlord has not appropriately posted the notice provided in subdivision (1) of this subsection.
- (5) Create and maintain a registration database of mobile home parks.
- (6) Create and maintain a database of mobile home parks that have had complaints filed against them under the program.
- (7) Provide an annual report to the Joint Legislative Committee on Local Government and publish that annual report on the Commission's official website.
- (8) Receive complaints and perform dispute resolution and enforcement activities related to the program, including investigations, negotiations, communications, determinations of violations, awards of damages, and imposition of penalties as described in G.S. 42-108.
- (9) Issue subpoenas.
- (10) Promulgate and enforce such rules as are necessary to implement the provisions of the program created in this section and to clarify the requirements of the "Mobile Home Park Act" established in this Article. Such rules shall be promulgated in accordance with Chapter 150B of the General Statutes.

(b) The program shall be funded by the fees deposited in the Mobile Home Park Fund established in G.S. 42-111 and any other resources directed to the program.

(c) The Attorney General may investigate and enforce compliance with this Article.

"§ 42-108. Dispute resolution program; complaint process.

(a) Any aggrieved party may file a complaint with the Commission, on a form prescribed by the Commission, alleging a violation of this Article, regardless of whether the provision allegedly violated contains a specific reference to this section.

(b) After receiving a complaint under this Article, the Commission shall investigate the alleged violations at the Commission's discretion. The Commission may, if appropriate, facilitate negotiations between the complainant and the respondent. The Commission may, on its own, investigate potential violations of this Article when it receives evidence of a potential violation from a source other than a filed complaint and may make determinations and take enforcement actions pursuant to this section following an investigation.

(c) Complainants and respondents shall cooperate with the Commission in the course of an investigation by responding to subpoenas issued by the Commission. The subpoenas may compel testimony, take evidence, or seek access to papers or other documents and provide site access to the mobile home parks relevant to the investigation. Complainants and respondents must respond to the Commission's subpoenas within 14 days of the Commission sending the subpoenas by certified mail. Failure to cooperate with the Commission in the course of an investigation is a violation of this Article. If a complainant or respondent fails to respond to a subpoena within the time required by this subsection, the Commission may impose a penalty of up to five thousand dollars (\$5,000) per violation per day for each day the complainant or respondent fails to respond. The Commission may delay or dismiss the imposition of the penalty if the complainant or respondent makes a good-faith effort to comply within seven days of the imposition of the penalty.

(d) If, after an investigation, the Commission determines that the parties are unable to come to an agreement or that facilitating negotiations between the parties is not appropriate to resolve the alleged violation, the Commission shall make a written determination on whether a violation of the Article has occurred. If the Commission finds by a written determination that a violation of the Article has occurred, the Commission shall deliver a written notice of violation by certified mail to both the complainant and the respondent. The notice of violation must specify the basis for the Commission's determination, the violation, the action required to cure the violation, the time within which that action must be taken, the penalties that will be imposed if

that action is not taken within the specified time period, and the process for contesting the determination, required action, and penalties by means of an administrative hearing. If the Commission finds by a written determination that a violation of this Article has not occurred, the Commission shall deliver a written notice of nonviolation to both the complainant and the respondent by certified mail. The notice of nonviolation must include the basis for the Commission's determination and the process for contesting the determination included in the notice of nonviolation by means of an administrative hearing.

(e) The respondent must comply with the requirements of a notice of violation from the Commission within seven days of the notice of violation becoming a final agency order under subsection (g) or (i) of this section, except as required otherwise by the Commission, unless the respondent has submitted a timely request for an administrative hearing to contest the notice under subsection (g) of this section. If a respondent fails to comply with the requirements of a notice of violation within the required time period and the Commission has not received a timely request for an administrative hearing, the Commission may impose a penalty, up to a maximum of five thousand dollars (\$5,000) per violation per day for each day that a violation remains uncorrected. When determining the amount of the penalty to impose on a respondent, the Commission shall consider the severity and duration of the violation and the impact of the violation on other community residents. If the respondent shows, upon timely application to the Commission, that a good-faith effort to comply with the requirements of the notice of violation has been made and that the respondent has not complied because of mitigating factors beyond the respondent's control, the Commission may delay or dismiss the imposition of a penalty.

(f) The Commission may issue an order requiring the respondent to cease and desist from an unlawful practice. The Commission may also issue an order requiring the respondent to take actions that in the judgment of the Commission will carry out the purposes of this Article. The actions may include, but are not limited to, the following:

- (1) Refunds of rent increases, improper fees, and charges collected in violation of this Article.
- (2) Filing documents that correct a statutory or rule violation.
- (3) Taking action necessary to correct a statutory or rule violation.

Whenever the Commission has reasonable cause to believe that a violation of the Article has occurred or will soon occur, and that immediate enforcement is necessary, the Commission may immediately issue a cease and desist order. A written determination and notice of violation is not required when the Commission issues a cease and desist order pursuant to this subsection. The order must set forth the provisions alleged to have been violated, the facts alleged to have constituted the violation, and the requirement that all actions immediately cease. Within 15 business days after service of the order, the person receiving the order may request an administrative hearing pursuant to subsection (g) of this section to determine whether or not the alleged violation has occurred.

If a person who is the subject of an order to cease and desist fails to comply with the order within 48 hours, the Commission may bring an action in civil court for a temporary restraining order and for injunctive relief to prevent further or continued violation of the Article. A court shall not stay an order to cease and desist until after holding a hearing on the matter involving both parties.

(g) A complainant or respondent may request an administrative hearing before an administrative law judge to contest any of the following:

- (1) A notice of violation or nonviolation issued under subsection (d) of this section.
- (2) A penalty imposed under subsection (e) of this section.
- (3) An order to cease and desist or an order to take actions under subsection (f) of this section.

1 If the complainant or respondent requests an administrative hearing pursuant to this
2 subsection, the complainant or respondent must file the request within 15 business days after
3 service of a notice of violation, notice of nonviolation, penalty, order, or action. If an
4 administrative hearing is not requested within this time period, the notice of violation, notice of
5 nonviolation, or cease and desist order constitutes a final agency order of the Commission and is
6 not subject to review by any court or agency.

7 (h) Hearings before the Office of Administrative Hearings must be conducted in
8 accordance with Article 3 of Chapter 150B of the General Statutes unless otherwise specified in
9 this section.

10 (i) An appointed administrative law judge shall do the following:

11 (1) Hear and receive pertinent evidence and testimony.

12 (2) Decide whether the evidence supports the Commission's finding by a
13 preponderance of the evidence.

14 (3) Enter an appropriate order within 30 days after the completion of the hearing
15 and immediately send copies of the order to the affected parties.

16 An order entered by an administrative law judge constitutes the final agency order of the
17 Commission and is subject to judicial review pursuant to Article 4 of Chapter 150B of the General
18 Statutes. An order entered by an administrative law judge may be appealed by the respondent
19 and the Commission.

20 (j) When the Commission imposes any penalty against a respondent landlord under this
21 Article, the respondent may not seek any recovery or reimbursement of the penalty from a
22 complainant or from any other homeowner or resident.

23 (k) The clear proceeds collected from the imposition of any penalties imposed under this
24 section other than any portion of the penalties required to be paid to a complainant must be
25 deposited in the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

26 (l) This section does not provide an exclusive remedy and does not limit the right of
27 landlords or homeowners to take legal action against another party as provided in this Article or
28 otherwise. Exhaustion of the administrative remedy provided in this section is not required before
29 a landlord or homeowner may bring a legal action.

30 (m) A landlord shall not take any retaliatory actions against a homeowner for filing a
31 complaint and shall not harass or intimidate a homeowner in violation of G.S. 47-92.2. If the
32 Commission determines that a landlord has retaliated against a homeowner or violated
33 G.S. 42-92.2, the Commission may impose a fine of up to ten thousand dollars (\$10,000) on the
34 landlord.

35 (n) Any penalty levied against a landlord under this Article shall constitute a lien against
36 the landlord's mobile home park until the landlord pays the penalty.

37 (o) The Commission shall take all reasonable steps to avoid disclosing the complainant's
38 identity to the landlord during or after the investigation with or without the complainant's
39 permission if a complaint alleges a violation that is of a general nature affecting multiple
40 homeowners or residents, including, but not limited to, a complaint alleging that a landlord's rules
41 or rule enforcement practices violate this Article and the Commission can adequately investigate
42 the complaint without revealing the complainant's identity. A person shall not obtain access to
43 the record through subpoena, discovery, or under any statutory authority. Nothing in this
44 subsection shall prohibit the Commission from knowing the identity of a complainant.

45 (p) The rights and obligations set forth in G.S. 42-104(1)c. and G.S. 42-104(2) and (3)
46 are not subject to enforcement under this section.

47 **"§ 42-109. Registration of mobile home parks.**

48 (a) The Commission shall register all mobile home parks on an individual basis and
49 renew this registration annually.

(b) The Commission shall send registration notifications and information packets to all known landlords of unregistered mobile home parks. These information packets must include the following:

- (1) Registration forms that satisfy all of the requirements of subsection (g) of this section.
- (2) Information about the different methods of registration.
- (3) Information about the single, statewide toll-free telephone number described in subsection (k) of this section.
- (4) Registration assessment information, including registration due dates and late fees, and the collections procedures, liens, and charging costs to homeowners.
- (5) A description of the protections afforded homeowners under G.S. 42-108.

(c) The Commission shall annually send registration renewal notifications and information packets to all registered mobile home parks.

(d) A landlord must file for registration or registration renewal by submitting to the Commission, either through the Commission's website, by mail, or in person, a registration or registration renewal form provided by the Commission and pay a registration fee as described in subsection (h) of this section.

(e) A landlord must notify the Commission within 30 days of a change in the ownership of the landlord's mobile home park so that the Commission may update the mobile home park's registration information.

(f) The Commission shall make available on the Commission's website electronic forms to register a mobile home park. These forms must be available in both English and Spanish and satisfy all of the requirements of subsection (g) of this section.

(g) The registration forms provided by the Commission must require information necessary to assist the Commission in identifying and locating a mobile home park and other information that may be useful to the State, including, at a minimum:

- (1) The name and address of the landlord.
- (2) The name and address of the mobile home park.
- (3) The number of lots within the mobile home park.
- (4) The number of mobile homes within the mobile home park.
- (5) The physical address of each mobile home within the mobile home park and the mailing address of the homeowner, if the landlord has a different mailing address on file for the homeowner.
- (6) The date and amount of the most recent rent increase for each mobile home lot and each mobile home in the mobile home park.

(h) The Commission shall establish by rule a fee that each landlord shall pay to the Commission as an annual registration fee for each mobile home independently owned on rented land within the landlord's mobile home park. A landlord may charge a homeowner not more than half of the fee imposed under this subsection. The registration fee for each mobile home must be deposited into the Mobile Home Park Fund established in G.S. 42-111. The Commission shall review the annual registration fee and, if necessary, adjust the annual registration fee through rulemaking to ensure it continues to reasonably relate to the cost of administering the program.

(i) Initial registrations of mobile home parks must be filed before February 1, 2025, and after that date within three months of the availability of mobile home lots for rent within a new park. A landlord who was sent an initial registration form and who missed the deadline for registration is subject to a delinquency fee of up to five thousand dollars (\$5,000). Landlords who receive registration renewal notifications and do not renew their registration by the expiration date as assigned by the Commission are also subject to a delinquency fee of up to five thousand dollars (\$5,000).

(j) Registration is effective on the date determined by the Commission, and the Commission must issue a registration number to each registered mobile home park. The

Commission must provide an expiration date, assigned by the Commission, to each registered mobile home park.

(k) The Commission shall establish a system, including, but not limited to, a single, statewide toll-free telephone number, for responding directly to inquiries about the registration process.

(l) The Commission shall create and maintain a database that includes all of the information collected pursuant to this section.

"§ 42-110. Complaints database; report.

(a) By May 1, 2025, the Commission shall create and maintain a database of mobile home parks that have had complaints filed against them under this section. At a minimum, the database must include:

(1) The number of complaints received.

(2) The nature and extent of the complaints received.

(3) The violation of law complained of.

(4) The outcome of each complaint.

(b) The Commission shall prepare an annual report that contains, at a minimum, the following:

(1) The number of constituents contacted by the Commission in regard to the program.

(2) The number of complaints received under the program received by the Commission.

(3) The number of complaints under the program resolved by the Commission.

(4) A brief summary of the nature of the complaints under the program received by the Commission.

(5) How the complaints under the program received by the Commission were resolved.

(6) The number of administrative appeals under the program.

(7) A summary of any relevant court decisions relating to the program.

(8) A summary of results of an annual constituent survey conducted by an independent contractor.

"§ 42-111. Fund created.

There is established in the General Fund the Mobile Home Park Fund, to be maintained as a special fund and administered by the Department of Administration to support the Commission in its duties and obligations under this Article."

SECTION 2.(a) G.S. 42-14 reads as rewritten:

"§ 42-14. Notice to quit in certain tenancies.

A tenancy from year to year may be terminated by a notice to quit given one month or more before the end of the current year of the tenancy; a tenancy from month to month by a like notice of seven days; a tenancy from week to week, of two days. Provided, however, where the tenancy involves only the rental of a space for a manufactured home as defined in ~~G.S. 143-143.9(6)~~, G.S. 143-143.9(6) or a mobile home in a mobile home park as defined in G.S. 42-82, a notice to quit must be given at least 60 days before the end of the current rental period, regardless of the term of the tenancy."

SECTION 2.(b) G.S. 42-14.3 is repealed.

SECTION 3.(a) G.S. 105-130.5(b)(24) is reenacted as it existed immediately before its expiration.

SECTION 3.(b) G.S. 105-134.6(b)(19) is reenacted as it existed immediately before its repeal and is recodified as G.S. 105-153.5(b)(17).

SECTION 4. Sections 1 and 2 of this act become effective October 1, 2025. Section 3 of this act is effective for taxable years beginning on or after January 1, 2026. The remainder of this act is effective when it becomes law.