

ASSEMBLY BILL

No. 2026

Introduced by Assembly Member Stone

February 20, 2014

An act to amend Sections 798.73.5 and 798.74 of the Civil Code, relating to mobilehome parks.

LEGISLATIVE COUNSEL'S DIGEST

AB 2026, as introduced, Stone. Mobilehome parks: sales.

Existing law authorizes the management of a mobilehome park, in the case of a sale or transfer of a mobilehome that is sold and that will remain in the park, to require repairs or improvements to the mobilehome, its appearances, or any accessory structure only if specified conditions are met, including that the repair or improvement based upon or required by a local ordinance or state statute or regulation relating to mobilehomes.

This bill would require a determination following an inspection by the appropriate enforcement agency that the repair or improvement is required by the local ordinance or state statute or regulation in order for the management to require the repair or improvement.

Existing law authorizes the management of a mobilehome park to require prior approval of a purchaser of a mobilehome that will remain in the park. Existing law also prohibits management from withholding approval if the purchaser has the ability to pay the rent and charges of the park, except as specified. Existing law authorizes management to require the purchaser to document the amount and source of his or her gross monthly income or other means of support but prohibits management from requiring personal income tax returns as evidence. Existing law permits the management or owner to be held liable for all

damages if the approval of a prospective homeowner is withheld for any unauthorized reason.

This bill would delete the authorization to require documentation of financial support and would require the purchaser to be presumed to have the financial ability to pay the rent and charges of the park if he or she has been approved for a loan to purchase the mobilehome, that the purchaser intends to occupy. The bill would prohibit management from withholding approval on the basis that the prospective purchaser will not comply with the rules and regulations of the park. The bill would also prohibit management from withholding approval solely because the purchaser owns another mobilehome or real property residence and from requiring that the mobilehome being purchased be the sole residence of the purchaser. This bill would require the management, if a prospective homeowner is denied approval and if requested, to meet with the purchaser or homeowner at which time the management would be required to reconsider the denial based upon any additional information provided by the prospective homeowner. This bill would permit the management or owner to be held liable for damages to either the selling homeowner or the prospective homeowner if the approval is withheld for any unauthorized reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 798.73.5 of the Civil Code is amended
 2 to read:
 3 798.73.5. (a) In the case of a sale or transfer of a mobilehome
 4 that will remain in the park, the management may only require
 5 repairs or improvements to the mobilehome, its appurtenances, or
 6 an accessory structure that meet all of the following conditions:
 7 (1) Except as provided by Section 798.83, the repair or
 8 improvement is to the mobilehome, its appurtenances, or an
 9 accessory structure that is not owned and installed by the
 10 management.
 11 (2) The repair or improvement is based upon or is required by
 12 a local ordinance or state statute or regulation relating to
 13 mobilehomes, or a rule or regulation of the mobilehome park that
 14 implements or enforces a local ordinance or a state statute or
 15 regulation relating to ~~mobilehomes~~. *mobilehomes, as determined*

1 following an inspection by the appropriate enforcement agency,
2 as defined in Section 18207 of the Health and Safety Code.

3 (3) The repair or improvement relates to the exterior of the
4 mobilehome, its appurtenances, or an accessory structure that is
5 not owned and installed by the management.

6 (b) The management, in the case of sale or transfer of a
7 mobilehome that will remain in the park, shall provide a
8 homeowner with a written summary of repairs or improvements
9 that management requires to the mobilehome, its appurtenances,
10 or an accessory structure that is not owned and installed by the
11 management no later than 10 business days following the receipt
12 of a request for this information, as part of the notice required by
13 Section 798.59. This summary shall include specific references to
14 park rules and regulations, local ordinances, and state statutes and
15 regulations relating to mobilehomes upon which the request for
16 repair or improvement is based.

17 (c) The provisions of this section enacted at the 1999–2000
18 Regular Session of the Legislature are declarative of existing law
19 as they pertain to allowing park management to enforce park rules
20 and regulations; these provisions specifically limit repairs and
21 improvements that can be required of a homeowner by park
22 management at the time of sale or transfer to the same repairs and
23 improvements that can be required during any other time of a
24 residency.

25 SEC. 2. Section 798.74 of the Civil Code is amended to read:

26 798.74. (a) The management may require the right of prior
27 approval of a purchaser of a mobilehome that will remain in the
28 park and that the selling homeowner or his or her agent give notice
29 of the sale to the management before the close of the sale. Approval
30 ~~cannot~~ shall not be withheld if the purchaser has the financial
31 ability to pay the rent and charges of the park unless the
32 management reasonably determines that, based on the purchaser's
33 prior tenancies, he or she will not comply with the rules and
34 regulations of the park. ~~In determining whether the purchaser has~~
35 ~~the financial ability to pay the rent and charges of the park, the~~
36 ~~management shall not require the purchaser to submit copies of~~
37 ~~any personal income tax returns in order to obtain approval for~~
38 ~~residency in the park. However, management may require the~~
39 ~~purchaser to document the amount and source of his or her gross~~
40 ~~monthly income or means of financial support.~~

1 **(b)** *For purposes of determining the prior approval of a*
 2 *purchaser pursuant to this section, all of the following shall apply:*
 3 **(1)** *A purchaser shall be presumed to have the financial ability*
 4 *to pay the rent and charges of the park if the purchaser has been*
 5 *approved by a state or federally chartered financial institution for*
 6 *a loan to purchase the mobilehome that the purchaser intends to*
 7 *occupy and written documentation confirming this fact has been*
 8 *provided to management.*
 9 **(2)** *Management shall not withhold approval on the basis that*
 10 *the purchaser will not comply with the rules and regulations of*
 11 *the park unless management provides the purchaser with*
 12 *documentary evidence that the purchaser has failed to comply with*
 13 *the rules and regulations during a previous tenancy within the*
 14 *three years preceding the purchaser’s application for tenancy.*
 15 **(c)** *Management shall not withhold approval solely because the*
 16 *purchaser owns another mobilehome or real property residence.*
 17 *Management shall not require that the mobilehome that is the*
 18 *subject of the purchase be the sole residence of the purchaser as*
 19 *a condition of granting approval.*
 20 **Upon**
 21 **(d)** *Upon request of any prospective homeowner who proposes*
 22 *to purchase a mobilehome that will remain in the park, management*
 23 *shall ~~inform~~ provide that person with a list of the information*
 24 *management will require in order to determine if the person will*
 25 *be acceptable as a homeowner in the park.*
 26 **Within**
 27 **(e)** *Within 15 business days of receiving all of the information*
 28 *requested from the prospective homeowner, the management shall*
 29 *notify the seller and the prospective homeowner, in writing, of*
 30 *either acceptance or rejection of the application, and the specific*
 31 *reason or reasons, if rejected. During this 15-day period the*
 32 *prospective homeowner shall comply with the management’s*
 33 *request, if any, for a personal interview. If a prospective*
 34 *homeowner is denied approval, within five business days of*
 35 *receiving the denial, the selling homeowner and the prospective*
 36 *homeowner may request an in-person meeting with management.*
 37 *If requested, the meeting shall take place within 10 days, at which*
 38 *time the management shall reconsider its denial based upon any*
 39 *additional information provided by the prospective homeowner.*
 40 *If the approval of a prospective homeowner is withheld for any*

1 reason other than those stated in this article, the management or
2 owner may be held liable for all damages *to the selling homeowner*
3 *and the prospective homeowner* proximately resulting therefrom.

4 (~~b~~)

5 (f) If the management collects a fee or charge from a prospective
6 purchaser of a mobilehome in order to obtain a financial report or
7 credit rating, the full amount of the fee or charge shall be credited
8 toward payment of the first month's rent for that mobilehome
9 purchaser. If, for whatever reason, the prospective purchaser is
10 rejected by the management, the management shall refund to the
11 prospective purchaser the full amount of that fee or charge within
12 30 days from the date of rejection. If the prospective purchaser is
13 approved by the management, but, for whatever reason, the
14 prospective purchaser elects not to purchase the mobilehome, the
15 management may retain the fee, or a portion thereof, to defray its
16 administrative costs under this section.

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