



Fact Sheet

Housing Stability, Tenant Protection Act and Manufactured Home Park

The Housing Stability and Tenant Protection Act (HSTPA) enacted on June 14, 2019 made numerous changes to the Real Property Law (RPL) concerning manufactured home park residents. This Fact Sheet provides an overview of noteworthy changes.

This fact sheet does not replace or modify the laws and regulations of the State of New York.

Limitations on Rent Increases (new RPL § 233-b)

HTSPA created new limitations on rent increases for manufactured home park residents. This limitation applies to all manufactured home parks, except for those under a regulatory agreement with a governmental agency to preserve affordable housing or otherwise restricts adjustments to rent.

Rent increases may not exceed 3% above the current rent unless the manufactured home park owner experienced increases in operating expenses, property taxes on the park, or costs from capital improvements in the park. Rent is defined as all rent, fees, charges, assessments, and utilities. Manufactured homeowners have the right to challenge rent increases above 3% in court. Homeowners have 90 days from the date of the proposed increase to file an action for a declaratory judgment that the rent increase is unjustifiable.

Even with evidence of the manufactured home park owner's cost increases, rent increases may not exceed 6% above the current rent except upon the approval of a park owner's temporary hardship application by the court. Factors considered when determining whether to grant a temporary hardship application include:

1. The amount of increase being sought by the park owners;
2. The ability of the manufactured homeowner to pay such increase including whether the increase would have an unreasonable adverse impact on the manufactured homeowner;
3. The amount of time and notice the manufactured homeowner may need in order to pay a temporary rent increase; and
4. The duration the park owners intend for the temporary rent increase to last.

If a court approves a manufactured home park owner's temporary hardship application, its order must state for each manufactured homeowner:

- The amount of rent increase;
- The start and end date of the rent increase;
- The amount the rent will return to after the temporary hardship; and
- The court's findings of factors that made a temporary increase necessary.

The amount of any rent increase following a court's granting a temporary hardship application must be the minimum amount to alleviate the hardship. The temporary rent increase may not exceed six months.

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While the rent increase is being challenged in court:

- Tenants must pay the increased rent, and the park owner must hold the increase in escrow until matter is resolved.
- No tenant may be evicted for non-payment of rent increase before the court proceeding is over.
- If the court holds the increase is unjustifiable and impermissible, the park owner must refund the increase.

Rent-to-Own Contracts (new RPL § 233(y))

HSTPA has also enacted new laws governing “rent-to-own” contracts for manufactured home park tenants who are attempting to purchase a home from a manufactured home park owner or operator. The provisions for ownership will be contained in a rent-to-own contract agreement between park owner or operator and a tenant including the specified length of time after which the tenant will take ownership of the rented home, assuming all payments have been made. A tenant’s payments according to a rent-to-own contract are in addition to rental payments for the rented site and the rented home. Included in these rent-to-own contracts are the same standard of living protections that are in every written or oral lease or rental agreement entered into by a manufactured home tenant and the manufactured home park owner or operator, including the warranty of habitability, maintenance, and disruption of services.

The requirements surrounding creation, terms and enforcement for rent-to-own contracts include:

- Additional fees to be paid by a tenant for transfer of ownership at the end of the lease period are prohibited;
- If a tenant pays all rent-to-own payments and other requisite fees during the lease term, ownership is transferred at the end of the lease term free of superior interests, liens or encumbrances;
- Contract must provide that a tenant is occupying a rented home until ownership is transferred;
- Contract must provide that the manufactured home

park owner or operator is responsible for compliance with the warranty of habitability and must make necessary major repairs;

- Any successor to the ownership of the manufactured home park is bound by the terms of the rent-to-own contract;
- If a tenancy is terminated by the park owner or operator during the term of a rent-to-own contract, all rent-to-own payments made during the term of the contract must be refunded to the tenant; and
- If a park owner or operator violates the provisions of RPL § 233(y) or wrongfully evicts a manufactured home tenant who is a party to a rent-to-own contract, a court may award damages including treble the economic damages suffered by the manufactured home tenant, which may include all rent-to-own payments.

Limitations on Fees

HTSPA created additional limitations on fees, including:

- Late charges may not exceed 3% of the rent, may not be compounded, may not be considered additional rent, and cannot be assessed until 10 days after the rent is due.
- A park owner may not demand attorneys’ fees from a tenant, unless they have been awarded by a court and the decision does not follow from a default judgment. Attorneys’ fees may not be considered additional rent.
- The manufactured home park owner or operator
- must fully disclose in writing all fees, charges, assessments, including rental fees, rules and regulations before entering into a rental agreement with a prospective tenant in the manufactured home park. Previously law required disclosure prior to “assuming occupancy”.

Renewal Leases

HTSPA made several changes to the law concerning renewal leases and notice requirements, including:

- All lease offers between the manufactured home



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park owner or operator and the manufactured home tenant, including initial and renewal leases, must include a rider regarding tenant rights. The rider is issued by DHCR.

- The “good standing” requirement has been eliminated for renewal leases. Accordingly, all manufactured home tenants are now entitled to renewal leases. However, a tenant may still be evicted for good cause, including nuisance, nonpayment of rent and violations of lease terms.
- Rent, utilities and fees may not be increased unless the tenant was provided with a renewal lease as required by law.

Change in Manufactured Home Park Use

HTSPA provided for additional protections for residents when the use of the land where the manufactured home park is located is changing. For more details, please see the Fact Sheet Sale of Manufacture Home Parks. The additional protections include:

- Eviction proceedings based on the fact that the land where the manufactured home park is located will be used for another purpose may not be commenced prior to two years (formerly six months) after the residents are served with notice of proposed change.
- There is a new requirement under this legislation that the manufactured home park owner or operator must provide homeowners a stipend of up to \$15,000, if the land is to be used for a purpose other than a manufactured home park. A warrant for eviction cannot be executed until the stipend has been paid to the manufactured homeowner. The court will calculate the stipend based upon consideration of the following factors:
 - The cost of relocation of the manufactured home;
 - The number of manufactured homes in the same park that would be receiving a stipend;
 - The amount the real property is being purchased for;
 - The value of the real property the manufactured home is located on;
 - The value of the development rights attached to real property parcel the manufactured home is located on; and
 - Any other factors the court determines are relevant in each case.
- There are expanded requirements to provide residents with notice when manufactured home park owners intend to accept or respond to, with a counter offer, an offer to purchase a manufactured home park where the would-be purchaser certifies that they intend to change the use of the land. Manufactured home park owners are now also required to notify DHCR and must also include more pertinent information in the notice, including the material terms and conditions of the sale as well as stating that the manufactured homeowners have the right to organize a homeowners’ association or a homeowners’ cooperative for the park.
- If a homeowners association exists at the time of the offer, the association has the right to purchase the park provided that the association delivers to the manufactured home park owner an executed offer to purchase that meets the identical price, terms and conditions of the offer or counter offer provided in the notice of the manufactured home park owner within 140 days (formerly 120 days) of receipt of notice from the manufactured home park owner, unless otherwise agreed to in writing.
- During the 140-day period, the park owner may no longer accept a final unconditional offer to purchase the park.