



Fact Sheet

Manufactured Home Rent-to-Own Contracts

This fact sheet informs manufactured home renters and manufactured home park owners and operators who have entered into a rent-to-own agreement or contract of their rights and responsibilities. A “rent-to-own contract” refers to any contract where a manufactured home tenant takes ownership of a manufactured home after a specified term or contingency, and “rent-to-own payment” refers to any payment made by a manufactured home tenant pursuant to a rent-to-own contract that are in addition to rental payments for the rented site and home and are applied to the purchase price for the home.

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

Proof of Ownership

In order to enter into a rent-to-own contract, the manufactured park owner or operator must possess documented proof of its ownership of the manufactured home, including a certificate of title to the home, if the home is subject to being titled pursuant to the Vehicle and Traffic law; or, if the home is not subject to this law, other documentation, which may include a bill of sale, or deed, sufficient to establish ownership.

Requirements of the Contract

Every rent-to-own contract must be in writing and clearly state all terms, including:

- a description of the manufactured home;
- the name of the manufacturer of the home;
- the year of the manufacture and the serial number of the home slated to be leased;
- the site number where the home is located;
- an itemized statement of any payments to be made during the term of the contract, including the initial lot rent, the rental amount for the home, and the amount of the rent-to-own payments;
- the length of the agreement;

- the number of payments, which are to be itemized, that are required to be made over the length of the agreement; and
- the amount of any additional fees to be paid during the length of the contract.

The rent-to-own contract must clearly state that the manufactured home tenant is occupying a rented home until ownership is transferred. In addition, the rent-to-own contract must further provide that, when the manufactured home tenant makes all rent-to-own payments plus additional fees as set out in the rent-to-own contract, the title transferred to the tenant must be free from liens and all other encumbrances. The rent-to-own contract may not require a manufactured home tenant to pay any additional fees for the transfer of ownership at the end of the lease term.

Furthermore, it is unlawful for a manufactured home park owner or operator to make any material misrepresentation, either written or oral, regarding any of the terms of a rent-to-own contract, or attempt to obtain a waiver from any manufactured home tenant of any protection or right provided under the law governing manufactured home park residents and rent-to-own contracts.

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Visit hcr.ny.gov/manufactured-home-park-program#overview, Call Toll Free 1-800-432-4210 or Email mhp-unit@hcr.ny.gov



Fact Sheet

Sale of Manufactured Home Parks

Cost of the Manufactured Home

The fair market value of the manufactured home at the time the rent-to-own contract is entered into must be based on information provided by an independent system, entity, or publication(s) that provide valuation information for manufactured homes adjusted, as appropriate, by reasonable and identifiable regional market data, such as location, park-specific amenities, trends and comparable sales.

Warranty of Habitability and Repairs

Until ownership of the manufactured home transfers from the manufactured home park owner or operator to the manufactured home tenant, the manufactured home park owner and operator are responsible for compliance with the warranty of habitability. This means that the manufactured home park owner or operator must make all major repairs.

Lease Renewal

With the execution of every rent-to-own contract, the manufactured home park owner or operator must offer the manufactured home tenant a lease for the site where the home is located. If the term of the rent-to-own contract is longer than the term of the initial site lease, the park owner or operator must offer renewal leases on the same terms as provided to other manufactured home tenants within the park, and such renewal lease may not include a rent increase greater than that imposed on otherwise similarly situated manufactured home owners within the park who own their own manufactured home.

Notice of Payment

During the tenancy, at least once a year, the manufactured home park owner or operator must provide an itemized accounting listing all payments made pursuant to the rent-to-own contract to each manufactured home tenant that is a party to the contract. Upon request by a manufactured home tenant, the manufactured home park owner or operator shall provide such an accounting within ten days of such request.

Compliance with the Law

If a manufactured home park owner or operator violates the law governing rent-to-own contracts, including by wrongfully evicting a manufactured home tenant who is a party to a rent-to-own contract, a court may award damages in the amount suffered by the manufactured home tenant, which may include all rent-to-own payments, and has the discretion to award treble damages. The court may also provide for reasonable attorney fees and costs of litigation.

If a manufactured home tenant's tenancy is terminated by the manufactured home park owner or operator during the term of a rent-to-own contract, the owner or operator must refund all rent-to-own payments made during the term of the contract to the manufactured home tenant. If a manufactured home park owner or operator fails to refund such payments, in an eviction proceeding, the court may award the manufactured home tenant damages in the amount of the rent-to-own payments which have not been refunded.

If the manufactured home park owner or operator fails to comply with Real Property Law § 233, the manufactured home tenant has the unconditional right to cancel the rent-to-own contract and receive an immediate refund of all payments and deposits made on account of or in contemplation of the lease with the rent-to-own contract.