

2025 SESSION

INTRODUCED

25103951D

SENATE BILL NO. 1140

Offered January 8, 2025

Prefiled January 7, 2025

A BILL to amend and reenact § 55.1-1308.2 of the Code of Virginia and to amend the Code of Virginia by adding in Title 55.1 a chapter numbered 33, consisting of sections numbered 55.1-3300 and 55.1-3301, relating to prohibited acquisition of single family homes; affidavit; civil penalty.

Patron—Sturtevant

Referred to Committee on General Laws and Technology

Be it enacted by the General Assembly of Virginia:

1. That § 55.1-1308.2 of the Code of Virginia Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Title 55.1 a chapter numbered 33, consisting of sections numbered 55.1-3300 and 55.1-3301, as follows:

§ 55.1-1308.2. Notice of intent to sell.

A. A manufactured home park owner who offers or lists the park for sale to a third party shall provide written notice containing the date on which the notice is sent and the price for which the park is to be offered or listed for sale. Such notice shall be sent to the Department of Housing and Community Development, which shall make the information available on its website within five business days of receipt. Such written notice shall also be given to each tenant of the manufactured home park, in accordance with § 55.1-1202, at least 90 days prior to accepting an offer. A manufactured home park owner shall consider any offers to purchase received during such 90-day notice period. For purposes of this section, "third party" does not include a member of the manufactured park owner's family by blood or marriage or a person or entity that owns a portion of the park at the time of the offer or listing of such manufactured home park. Nothing shall be construed to require any subsequent notice by the manufactured home park owner after the written notice provided in this section.

B. If a manufactured home park owner receives an offer to purchase the park, acceptance of that offer shall be contingent upon the park owner sending written notice of the proposed sale and the purchase price in the real estate purchase contract at least 60 days before the closing date on such purchase contract to the Department of Housing and Community Development, which shall place the information on its website within five business days of receipt. Such written notice shall also be given to each tenant of the manufactured home park. During the 60-day notice period, the park owner shall consider additional offers to purchase the park made by an entity that provides documentation that it represents at least 25 percent of the tenants with a valid lease in the manufactured home park at the time any such offer is made, but shall not be obligated to consider additional offers after the expiration of the 60-day notice period. Nothing shall be construed to require any subsequent notice by the manufactured home park owner after provision of the written notice required by this section.

C. If a manufactured home park owner receives an offer to purchase the park, upon certification to the Department of Housing and Community Development as required under subsections A and B, the offering purchaser shall provide an affidavit, notarized by a notary public certified to perform such services in the Commonwealth, certifying that the purchaser does not qualify as a prohibited business as such term is defined in § 55.1-3300. The deed to the land where the manufactured home park is located shall not be conveyed at the time of sale closing until such affidavit is received by the Department of Housing and Community Development. In no event shall the Department of Housing and Community Development make such affidavit of compliance available on its public website.

D. Any purchaser, his agent, or his designee who knowingly makes a false statement, representation, or certification in his affidavit described in subsection C shall, upon discovery, be subject to a civil penalty of not more than \$10,000 per occurrence to be deposited into the Revolving Loan Fund for the Purchase of Manufactured Home Parks pursuant to the appropriation act.

CHAPTER 33.

CERTAIN BUSINESSES AND HOMEOWNERSHIP.

§ 55.1-3300. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Homebuilder" means an organization engaged solely in the construction or rehabilitation of single-family homes and that neither has an affiliation with nor conducts business with, by, or on behalf of a prohibited business.

"Interest" means any right, title, or interest, direct or indirect, in and to (i) a single-family home or manufactured home park in the Commonwealth or (ii) any entity or other organization that holds any right,

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59 *title, or interest, direct or indirect, in and to a single-family home or a manufactured home park in the*
60 *Commonwealth.*

61 *"Manufactured home park" means the same as such term is defined in § 55.1-1300.*

62 *"Prohibited business" means any partnership, corporation, or real estate investment trust that manages*
63 *funds pooled from investors, is a fiduciary to such investors, has net value or assets under management on*
64 *any day during a taxable year, and holds an interest in more than fifty single-family homes. "Prohibited*
65 *business" does not include (i) a nonprofit corporation as defined in § 501(c)(3) of the Internal Revenue Code*
66 *or (ii) a homebuilder.*

67 *"Single-family home" means real property or real estate where the only substantial improvement to such*
68 *real property or real estate in the Commonwealth is a residential single-family home. "Single-family home"*
69 *includes real property or real estate where the only substantial improvement to such real property or real*
70 *estate is a manufactured home park or a residential single-family home split into two or more dwellings.*
71 *Such term does not include (i) real property or real estate where the only substantial improvement to such*
72 *real property or real estate is a condominium, townhouse, or multifamily community; (ii) any unoccupied*
73 *single-family home acquired through foreclosure; or (iii) any single-family home that is not rented or leased*
74 *and is used as the primary residence of any person with an ownership interest in a prohibited business.*

75 **§ 55.1-3301. Prohibited acquisition of single-family home.**

76 *Notwithstanding any other provision of law, in order to protect the health, safety, and welfare of all*
77 *citizens of the Commonwealth, no prohibited business shall acquire any interest in a single-family home in*
78 *the Commonwealth on or after July 1, 2025.*