



SPONSOR: Rep. Carson & Sen. Ennis  
Rep. Kowalko

HOUSE OF REPRESENTATIVES  
149th GENERAL ASSEMBLY

HOUSE BILL NO. 436

AN ACT TO AMEND TITLE 25 OF THE DELAWARE CODE RELATING TO MANUFACTURED HOME AND RENTED LOT TRANSFERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1           Section 1. Amend § 7022, Title 25 of the Delaware Code by making deletions as shown by strike through and  
2     insertions as shown by underline as follows:

3           § 7022. Manufactured home transfer; rented lot transfer.

4           (b)(1) A rental agreement for a lot in a manufactured home community is ~~not~~ transferable from the tenant who  
5     owns the manufactured home on the lot to the buyer or transferee to whom the tenant intends to sell or transfer title to the  
6     home, ~~unless the~~ if all of the following apply:

7                     a. The home qualifies for retention in the manufactured home community according to written  
8     standards promulgated ~~pursuant to~~ under § 7020 of this title, ~~and unless the~~ title.

9                     b. The landlord accepts the buyer or transferee as a tenant.

10           (2) Acceptance or rejection of a buyer or transferee under this subsection must be on the same basis by  
11     which the landlord accepts or rejects any prospective tenant.

12           (3) A landlord who rejects a prospective tenant must give the rejected prospective tenant a written  
13     statement that ~~explains the cause~~ provides a copy of the specific eligibility requirement and the grounds for the  
14     rejection.

15           (d) If a landlord accepts a prospective tenant, the transfer of an existing rental agreement must be completed using  
16     one of the following 2 ~~methods. The selection of the method is~~ methods at the exclusive discretion of the tenant/seller of the  
17     manufactured home, and the buyer is and landlord are bound by that ~~selection.~~ selection:

18                     (1) The tenant/seller agrees to an assignment of the lease to the buyer, with all of the existing obligations  
19     and benefits, including ~~but not limited to~~ the rental amount under the existing rental agreement, for the remaining  
20     term of the agreement.

21                   a. ~~If this option is elected, the method under paragraph (d)(1) of this section is selected,~~ the existing  
22                   rental agreement between the tenant/seller and the landlord is simultaneously assigned by the ~~tenant-seller~~  
23                   ~~tenant/seller~~ and assumed by the buyer and the buyer becomes the new tenant.

24                   b. Upon the sale, assignment, and assumption, the landlord ~~will~~ must amend the existing rental  
25                   agreement and list the buyer as the new tenant.

26                   (2) The ~~tenant-seller~~ tenant/seller chooses to terminate the existing rental agreement. The buyer may then  
27                   negotiate the terms of and enter into a new rental agreement for a full term at a rental amount set by the landlord.  
28                   If this ~~option method is elected,~~ selected, the existing rental agreement is terminated upon the execution of the new  
29                   rental agreement.

#### SYNOPSIS

          This Act clarifies conditions under which a manufactured home owner can transfer the existing lot lease to the purchaser of the home.

          This Act also makes technical corrections to conform existing law to the standards of the Delaware Legislative Drafting Manual.