

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

SB 1092 (Allen)
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ID

SUBJECT

Mobilehome parks: resident organizations: option to purchase

DIGEST

This bill requires mobilehome park management to notify each park resident and other specified entities at least 360 days before making a final unconditional acceptance of an offer to sell, lease, or transfer the mobilehome park if it receives such an offer that it intends to accept, and creates a process by which a resident organization of mobilehome residents within the park, or its assignee, may make an offer to purchase the mobilehome park instead.

EXECUTIVE SUMMARY

Mobilehome parks are an important source of affordable housing in California. Yet mobilehome park residents are in a unique position, as they own their mobilehome, but rent the lot on which it sits from the mobilehome park. SB 1092 aims to help mobilehome park residents acquire the park and keep it as a source of affordable housing when the mobilehome park's management intends to sell the park. It requires park management to provide every park resident, and specified local and state entities, with a notice that it has received an offer to sell the park, that it intends to accept that offer, at least 360 days before park management makes a final, unconditional acceptance of the offer. It also requires the Department of Housing and Community Development (HCD) to create and maintain a list of "qualified entities," as specified, that HCD must provide to park management after park management notifies HCD of its intended sale of the park. The park's management must then provide the notice to the qualified entities that request to be sent the notice.

In addition, SB 1092 permits a resident organization that represents more than 50 percent of the residents within the mobilehome park to submit a proposed purchase agreement to the park management within 180 days of the above-described notice, and requires the park to negotiate in good faith with the resident organization if a proposal

is submitted. If the resident organization's offer to purchase the park matches the price and contains substantially the same terms and conditions as the offer that park management intended to accept, the resident organization will have the right to purchase the park at that price and terms. SB 1092 permits a resident organization to bring a civil action against a mobilehome park management that sells, leases, or transfers the mobilehome park without complying with the above-described requirement, and permits the Attorney General, a district attorney, county counsel, or a city attorney of the location in which the violation occurred to bring an action to enforce these provisions. If a mobilehome park management violates the above-described provisions, it would be subject to a civil penalty of \$100,000, or 20 percent of the total sales price, whichever is greater.

SB 1092 is sponsored by the California Coalition for Rural Housing, ROC USA, and Neighborhood Partnership Housing Services, and is supported by the Golden State Manufactured-Home Owners League, Legal Aid of Sonoma County, 400 Craig Mobile home Owners Association, and a number of tenants and housing groups. It is opposed by the Western Manufactured Housing Communities Association and the California Mobilehome Parkowners Alliance. If the bill passes this Committee, it will then move to the Senate Housing Committee.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes the Mobilehome Residency Law (MRL) to regulate the relationship between mobilehome park management and park residents, and establishes various rights, responsibilities, and limits of both groups. (Civ. Code §§ 798 et seq.)
- 2) Specifies that a mobilehome park may only evict a resident for: failing to comply with a local or state law or regulation on mobilehomes within a reasonable time after the mobilehome owner receives notice of noncompliance; conduct of the resident that amounts to a substantial annoyance of other mobilehome owners or residents; conviction for certain crimes; failure to comply with a reasonable rule of the park; or for nonpayment of rent, utilities, or other reasonable incidental services charged by the park. (Civ. Code § 798.56.)
- 3) Requires, not less than 30 days or more than one year before entering into a listing agreement with a licensed real estate broker for the sale of the park or offering to sell the park to any party, a mobilehome park owner to provide written notice of their intent to sell the mobilehome park to the president, secretary, and treasurer of any resident organization formed by the mobilehome owners in the mobilehome park, as specified. Specifies that an offer to sell the park is not construed as an offer unless it is initiated by the park owner or their agent. Specifies that an owner of a mobilehome park is not required to provide this notice unless the resident

organization first furnishes the park owner or the park manager with a written notice of the name and contact information for the president, secretary, and treasurer of the resident organization, notifies the park owner or manager that the park residents are interested in purchasing the park, and furnishes the park owner or manager with notice of any change in the name or address of the officers of the resident organization within five days of any change. Exempts certain transfers or sales, as specified. (Civ. Code § 798.80.)

- 4) Specifies that nothing in the provisions described in (3) affects the validity of title to real property transferred in violation of those provisions, but that such a violation shall subject the seller to civil action by mobilehome residents of the park or the resident organization. (Civ. Code § 798.80(c).)
- 5) Requires, prior to the conversion of a mobilehome park to another use, closure, or cessation, the person or entity proposing the change to report on the impact of the conversion, closure, or cessation. Requires this report to include a replacement and relocation plan that adequately mitigates the impact upon the ability of the displaced residents to find adequate housing in a mobilehome park. Specifies that, if a displaced resident cannot obtain adequate housing in another mobilehome park, the person or entity proposing the change must pay the displaced resident the in-place market value of their mobilehome, as specified. Before the approval, a local legislative body must review the impact report and any additional relevant documentation and make a finding as to whether the approval, taking into consideration both the impact report and the housing availability within the local jurisdiction, will result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households in the jurisdiction. (Gov. Code § 65863.7.)

This bill:

- 1) Repeals the provisions described in (3) and (4), above.
- 2) Defines “resident organization” as a group of homeowners who have formed a nonprofit corporation pursuant to specified provisions of the Revenue and Taxation Code, a cooperative corporation, or other entity or organization, and specifies that a resident organization may designate an agent to act on its behalf.
- 3) Defines “qualified entity” as an entity that the Department of Housing and Community Development has certified, pursuant to specified provisions.
- 4) Requires, if mobilehome park management receives an offer for the sale, lease, or transfer of the mobilehome park that management intends to accept, that mobilehome park management give notice to the following individuals at least 360 days before making a final unconditional acceptance of the offer:

- a) To each resident household in the mobilehome park by certified mail with return receipt requested, by first class mail with tracking, and by email, if provided by the resident;
 - b) To the mayor of the city in which the mobilehome park is located, or to the chair of the board of supervisors if the park is located in an unincorporated area, as specified;
 - c) To the appropriate local public housing authority, if any; and
 - d) To HCD.
- 5) Requires that this notice include a statement advising of the intended sale, lease, or transfer of the park, a statement of the mobilehome owner's rights described below and the deadlines for exercising those rights, and the price, terms, and conditions of any offer that the mobilehome park management has conditionally accepted or plans to accept concerning the park, or a copy of the offer or purchase contract. If the sale is for more than one park or for the park and other unrelated properties, the notice must state both the aggregate price and the price of the park where the mobilehome owners reside.
 - 6) Requires HCD to, upon receipt of this notice, make a list of qualified entities available to the mobilehome park management, and requires the mobilehome park management to send a written copy of the notice to the qualified entities included on the list that directly request the notice from management.
 - 7) Specifies that an entity is not eligible to be certified as a qualified entity unless it is a local nonprofit organization or public agency, or a regional or national nonprofit organization or public agency.
 - 8) Requires HCD to establish a process for certifying an entity as a qualified entity capable of operating a mobilehome park and related facilities for its remaining useful life, based on demonstrated relevant prior experience in California and current capacity. Requires HCD to maintain and update annually a list of entities that are certified pursuant to these provisions.
 - 9) Specifies that, no later than 180 days after the notice described in (4), above, is sent, a resident organization, including one formed after the issuance of the notice, may deliver a proposed purchase agreement for the park to management, along with a statement that the mobilehome owners of more than 50 percent of the mobilehomes in the mobilehome park support submitting the proposed purchase agreement.
 - 10) Requires, if such a proposed purchase agreement is delivered to the mobilehome park management within those 180 days, that management consider the proposed purchase agreement and negotiate with the resident organization in good faith for the purchase of the park. Requires management to make the same information available to the resident organization that the community owner has or would have

provided to another prospective purchaser. Requires management to provide a good faith reason, in writing, to the resident organization within three days of its rejection if it rejects the resident organization's proposed purchase agreement.

- 11) Provides the resident organization with the right to purchase the park at the price, terms, and conditions stated in its proposed purchase agreement if the resident organization provides a proposed purchase agreement within the 180-day period that matches the price and has substantially the same terms and conditions as the offer that management conditionally accepted or planned to accept. Prohibits mobilehome park management from unreasonably refusing to enter into or delay the execution or closing of a purchase agreement with a resident organization that has proposed such a purchase agreement.
- 12) Specifies that, if the mobilehome park management does not receive a proposed purchase agreement in writing from a resident organization during the 180-day period, management has no further duties under these provisions.
- 13) Prohibits a mobilehome park management from rejecting a proposed purchase agreement from a resident organization solely on the basis of its inclusion of a financing contingency, the type of financing or payment method, or the time period for closing, and requires that management provide the resident organization 180 days from the date management and the resident organization enter into a purchase agreement to arrange all necessary financing, and a commercially reasonable time to close on the sale. Specifies that, if the resident organization fails to arrange financing during this 180-day period or a longer period agreed to by the parties, or fails to close on the sale in compliance with the purchase agreement, the mobilehome park management has no more duties under these provisions.
- 14) Permits a resident organization to assign its rights under the bill's provisions to the municipality in which it is located, a housing authority located within the municipality, a state agency, or a qualified entity for the purpose of continuing the use of the property as a mobilehome park. Permits the resident organization to rescind this assignment at any time, and specifies that a resident organization may not assign its rights under these provisions if it represents less than 50 percent of the mobilehome owners of the mobilehome park.
- 15) Exempts from its provisions: a lease of a lot within the mobilehome park to a person who will live in the mobilehome on that lot; a conveyance of an interest in the park that is incidental to the financing of the park; a sale or transfer pursuant to eminent domain; or an initial offer for sale, lease, or transfer from a resident organization that represents at least 50 percent of the homeowners of the park.
- 16) Permits a resident organization to bring a civil action against a mobilehome park management that sells, leases, or transfers a mobilehome park without complying

with the bill's provisions, and makes a mobilehome park management that violates the bill's provisions subject to a civil penalty of \$100,000, or 20 percent of the total sales price, whichever is greater. Permits such an action to be brought by the Attorney General or by the district attorney, county counsel, or city attorney of the location in which the violation occurred. Permits a court to grant relief that it finds necessary to enforce the bill's provisions, including injunctive relief, and specifies that a lack of knowledge of these provisions may not be a defense.

COMMENTS

1. Author's statement

According to the author:

California has a housing affordability crisis. Mobilehomes are the largest source of unsubsidized affordable housing in the country and provide important homeownership opportunities for many Californians. Mobilehome owners tend to be older and less wealthy than the average renter. The California Department of Housing and Community Development acknowledges that preserving this housing option is critical to meeting the state's housing needs. Across the country, private equity firms are buying mobilehome parks, significantly hiking rents and fees, and minimizing maintenance care. The financing and legal supports residents rely on to navigate or challenge these threats to affordability take considerable time to coordinate. SB 1092 creates a real pathway for residents to offer competitive bids to preserve their communities and stay in their homes.

2. California is suffering an affordable housing crisis

California is experiencing a serious affordable housing crisis. California homes are about twice as expensive as an average home across the country, and the monthly cost of home ownership of a mid-tier home in California has increased 81% since 2020.¹ A significant contributor to these high home prices and rents is the state's lack of affordable housing, as the state is experiencing a record shortfall of an estimated 1,283,734 affordable homes.² At the same time, the state is losing affordable housing every year. Between 1997 and 2022, California lost 22,078 affordable homes due to expiring regulatory restrictions on government-assisted multifamily developments.³ It

¹ Alex Bentz, "California Housing Affordability Tracker (1st Quarter 2025)," Legislative Analyst's Office (Apr. 21, 2025) <https://lao.ca.gov/LAOEconTax/Article/Detail/793>.

² California Housing Partnership, "Housing Needs Dashboard," Mar. 2024, available at <https://chpc.net/housingneeds/>.

³ Danielle Mazzella et al, *Report 2023: Affordable Homes At Risk*, California Housing Partnership (Apr. 2023), available at <https://chpc.net/resources/2023-subsidized-affordable-housing-at-risk-report/>.

is estimated that 31,309 affordable homes are at risk of losing their affordability restrictions in the next 10 years.⁴

3. Mobilehomes are an important source of affordable housing in California

Mobilehomes represent an important source of affordable housing in California. There are an estimated 508,589 mobilehome units in California, providing housing to about 1.5 million Californians.⁵ The median price of a mobilehome in 2022 was \$82,600, making mobilehome ownership one of the most significant, un-subsidized sources of affordable housing.⁶

Mobilehomes are pre-fabricated homes that are designed to be able to be transported and moved between locations. Because mobilehomes are transportable, they are considered personal property instead of real property like traditionally built homes, and are not tied to the land on which they sit. Thus, mobilehomes are unique among all residential options. However, while they are technically mobile, a significant amount of time, effort, and money is often required to actually move a mobilehome. Costs for moving a mobilehome range from a few thousand to tens of thousands of dollars. Mobilehomes are also unique because many mobilehome residents own their mobilehome, but lease the land upon which their home is located from a mobilehome park. In this arrangement, the mobilehome sits on a lot within a park of mobilehomes and common space. The mobilehome park and the lots on which the mobilehomes sit are usually privately owned and managed by a mobilehome park company.

Thus, while residents technically own their mobilehome, they pay rent to the park management, are subject to the rules of the mobilehome park set by the ownership of the park, and often rely on the park for the provision of utilities. If they fall behind on their rent payments to the park for their mobilehome's lot, or if they violate a rule of the park, they can be evicted from the park. Considering that they may have invested a large amount of money in a mobilehome that they can no longer live in, they could lose the equity they've accumulated in their mobilehome upon eviction by the park, either by having to sell the mobilehome quickly, or spend thousands of dollars to move their mobilehome elsewhere.

In light of the unique nature of mobilehomes and mobilehome parks, the Legislature passed the Mobilehome Residency Law (MRL) in 1978 to regulate the relationship between mobilehome park management and park residents, and to establish various rights, responsibilities, and limits of both groups. (Civ. Code §§ 798 et seq.) The MRL covers a variety of areas, including: permissible rental and lease contract terms; park

⁴ *Id.*

⁵ U.S. Census Bureau, 2021 American Community Survey 1-Year Estimates (2021), available at <https://data.census.gov/>.

⁶ U.S. Census Bureau, Manufactured Housing Survey (Jun. 2022), available at <https://www.census.gov/data/tables/time-series/econ/mhs/annual-data.html>.

rules and mandatory notices to residents; limits on fees and charges, as well as increases to them; and conditions and limits related to mobilehome park evictions. Provisions of the MRL relating to eviction require park management to give written notice to the resident, and provide at least 60 days for the resident to either sell their mobilehome or remove it from the park. (Civ. Code § 798.55.) It also specifies that a park may evict a resident only for: failing to comply with a local or state law or regulation on mobilehomes within a reasonable time after the homeowner receives notice of noncompliance; conduct of the resident that amounts to a substantial annoyance of other mobilehome owners or residents; conviction for certain crimes; failure to comply with a reasonable rule of the park; condemnation of the park; a change of use of the park or any portion of it, as specified; or for nonpayment of rent, utilities, or other reasonable incidental service charged by the park. (Civ. Code § 798.56.)

Given mobilehomes' importance as a source of affordable housing for Californians, the state has enacted a variety of laws meant to help preserve mobilehome parks and provide mobilehome residents with options when the owner of the mobilehome park seeks to sell or close the park. When a mobilehome park is destroyed by a wildfire or other natural disaster, and the park management elects to rebuild the park at the same location, the MRL requires that management offer a renewed tenancy in the rebuilt park to all previous mobilehome owners on substantially the same terms. (Civ. Code § 798.62.) When a mobilehome park plans to change the use of the park from a mobilehome park to something different, such as to a condominium, stock cooperative, planned unit development, or any form of ownership in which spaces within the park are to be sold, the mobilehome park must first provide mobilehome owners 60 days' notice that park management will be appearing before a local government body to request the requisite permits for the change of use. (Civ. Code §§ 798.10, 798.56(g).) Once the permits are approved, the mobilehome park must give mobilehome owners six months' or more written notice of the termination of their tenancy. (Civ. Code § 798.56(g).) If no permits are required by the local government entity for the change of use, park management simply must provide 12 months' notice prior to the change of use. A mobilehome park may not terminate a park tenancy for a change of use of the park if the park does not have a valid permit to operate. (Civ. Code § 798.56(i).)

The park owner must also prepare and file a report with the local city or county government on the impact of the closure or cessation of use. (Gov. Code § 65863.7.) This report must be provided to every mobilehome owner in the park with the notice of termination. (Civ. Code § 798.56(h).) The report must include a replacement and relocation plan that adequately mitigates the impact of the closure on the ability of the displaced residents to find adequate housing in a mobilehome park. (Gov. Code § 65863.7(a)(1).) Before a local agency can approve the park's change of use, it must review and approve the report and make findings regarding whether or not approval of the closure and the conversion, considering the report and overall housing availability in the jurisdiction, will result in or materially contribute to a shortage of housing opportunities and choices for low- or moderate-income households. (Gov. Code §

65863.7(e).) The local agency may require the entity proposing the change in use of the mobilehome park to take steps to mitigate any adverse impact of the closure on the ability of the displaced residents to find adequate housing. In addition, if a displaced resident cannot obtain adequate housing in another mobilehome park, the entity proposing the change in use must pay the displaced resident the in-place market value of their mobilehome. (Gov. Code § 65863.7(a)(2).) This comprehensive process is meant to ensure that a closure, change of use, or cessation of a mobilehome park does not result in a loss of affordable housing or the loss of housing in a mobilehome park for the displaced residents.

Finally, if the mobilehome park intends to sell the park, it must notify any resident organization formed by the residents of the park not less than 30 days and up to one year before it enters into an agreement to list the park for sale or offers the park for sale to another party. (Civ. Code § 798.80.) While this requirement is only triggered if a resident organization has notified park management of its leadership and its interest in purchasing the park, the requirement is meant to help park residents purchase the park themselves and be able to preserve the park as affordable housing for its residents when park management otherwise intends to sell the park. These various requirements recognize the importance of mobilehome parks as sources of affordable housing and the unique position of mobilehome owners within the park who own their mobilehome but not the land beneath it.

4. SB 1092 provides mobilehome park residents and local stakeholders additional opportunities to maintain mobilehome parks as affordable housing

Despite these protections, the author asserts that mobilehome park residents have few pathways to purchase their park and maintain their communities when the park owner wishes to sell. While the notice provisions of Civil Code section 798.80 require that a resident organization be notified when the mobilehome park owner plans to sell the park, it does not provide specific processes for residents to counter any offer to sell that the park owner receives or intends to accept. The author correctly points out that this is different than the process provided for another important source of affordable housing in California – deed-restricted affordable housing projects.

Under the Preservation Notice Law (PNL), when deed-restricted affordable housing is nearing the expiration of the affordability restrictions (which typically last 45 years), the owner of the affordable development must provide notice of the termination of the affordability restrictions to each affected tenant household, to the city or county, the local housing authority, and to HCD at least 12 months before the termination if the owner is looking to convert the development to market rate housing. (Gov. Code § 65863.10.) The PNL also requires the owner of the affordable housing development to provide an opportunity for certain qualified entities, like tenant associations and nonprofit housing agencies to submit offers to purchase the development before the affordability restrictions terminate. If a qualified entity decides to purchase the

development, it must make a bona fide offer to purchase the development within 270 days of the notice of opportunity to submit an offer, and the owner must then either accept the offer or record a new regulatory agreement to keep the development affordable for at least 30 more years. (Gov. Code § 65863.11(i).)

SB 1092 proposes a similar, though less strict, process for when an owner of a mobilehome park intends to sell the park. It requires the mobilehome park to provide notice at least 360 days prior to making a final, unconditional acceptance of an offer to purchase the park when it receives such an offer that it intends to accept. This notice must similarly be provided to the residents of the park, the mayor of the city or the board of supervisors of the county in which the park is located, the local public housing authority, and to HCD. In addition, the mobilehome park must provide a copy of this notice to any qualified entity that requests the notice, and this bill requires HCD to create and maintain a list of such qualified entities. When the park provides HCD with its notice, HCD would then provide the park with a list of the qualified entities.

SB 1092 also similarly provides a resident organization representing the mobilehome park residents an opportunity to make an offer within 180 days of that notice being sent to purchase the park instead. However, unlike the PNL, this bill does not require the mobilehome park to accept this offer, unless the offer is at the same price and substantially the same terms as the offer that the park intended to accept from a third party. If the offer is not at the same price or terms as the offer the park intended to accept, the park must consider the offer and engage in good faith negotiations with the resident organization. These provisions would function nonetheless to provide mobilehome residents with the opportunity to purchase the park from the park owner when the park owner intends to sell the park, with protections in place to still allow the park owner to receive the same compensation for the park that they would have received selling it to the highest bidder.

SB 1092's provisions are particularly relevant given last year's devastating Palisades and Eaton fires in Los Angeles. The Palisades and Eaton fires destroyed or heavily damaged about 18,000 structures combined, including an estimated 373 mobilehomes.⁷ In the aftermath of these fires, data indicates that about 40 percent of all land sales in the areas affected by the fires were bought by real estate investors.⁸ Mobilehome park residents whose mobilehome park was damaged or destroyed by the fires have faced uncertainty about whether and when they will be able to return to the mobilehome park, and have faced real risks of displacement as mobilehome park owners consider

⁷ See, CalFire, "Palisades Fire," (3/27/2025) <https://www.fire.ca.gov/incidents/2025/1/7/palisades-fire>; CalFire, "Eaton Fire," (3/04/2025) <https://www.fire.ca.gov/incidents/2025/1/7/eaton-fire>; Doug Smith and Sandhya Kambhampati, "Real Estate losses from fires may top \$30 billion, from old mobile homes to \$23-million mansions," Los Angeles Times (Feb. 21, 2025) <https://www.latimes.com/california/story/2025-02-21/real-estate-losses-from-palisades-and-eaton-fires-top-30-billion>.

⁸ Lily Katz, "Vacant lots for sale are piling up after the L.A. fires; investors are buying 40% of those that sell," Redfin (Dec. 30, 2025), <https://www.redfin.com/news/los-angeles-wildfires-anniversary/>.

selling the mobilehome park.⁹ For one park destroyed by the Palisades fire, the Palisades Bowl mobilehome park, recent documents show that the mobilehome park owner has quietly been trying to sell the park for conversion into lots for single family homes.¹⁰ Many of the mobilehome lots in these parks are covered by rent control, and their closure or sale for other purposes could result in the loss of those affordability protections. SB 1092 would require a mobilehome park owner who intends to sell the park to negotiate with mobilehome residents so that they have the opportunity to buy the park instead.

SB 1092's provisions are aimed at helping mobilehome park residents keep their mobilehomes and maintain one of the important sources of affordable housing in the state. These are worthy policy goals, and would help mobilehome residents keep the value of their mobilehomes and ultimately own the land underneath their mobilehome. While opposition is concerned about the additional procedures required by the bill whenever a mobilehome park wishes to sell the mobilehome park, SB 1092's provisions recognize the unique position of mobilehome owners and mobilehome parks' important role in addressing the state's housing crisis. The notice timelines required by SB 1092 are aimed at ensuring that mobilehome park residents have enough time to make an offer to buy the park and arrange financing to do so, and help engage the various entities that have an interest in maintaining mobilehome parks as affordable housing. Those notice procedures and the opportunity to make an offer extend the sale process for a mobilehome park, though they do not prohibit a mobilehome park from selling the park altogether. The park may make a conditional acceptance of an offer to sell, and the park may only be required to sell to a resident organization if the organization makes an offer that is as much as the offer that the mobilehome park had intended to accept from a third party. By requiring that the resident organization make an offer at the same price and substantially the same terms as the offer that the mobilehome park already had intended to accept, SB 1092 also ensures that the mobilehome park can still receive the return on investment to which it is entitled. If the resident organization provides no proposed purchase agreement to the mobilehome park within the 180-day period, the mobilehome park has no more obligations to negotiate with or consider an offer to purchase from the resident organization.

5. SB 749 redux

The author introduced a similar bill last year, SB 749 (Allen, 2025) that also would have provided mobilehome park residents with the opportunity to purchase a mobilehome park that the park owner wishes to sell or close. However, that bill primarily dealt with

⁹ Haley Branson-Potts, "'We're all freaking out.' For mobilehome residents, few answers after Palisades fire," Los Angeles Times (Feb. 13, 2025), <https://www.latimes.com/california/story/2025-02-13/la-me-palisades-fire-mobile-homes-limbo>.

¹⁰ David Wagner, "Their mobile homes burned down in the Palisades fire. Now the property is quietly up for sale," LAist (Mar. 5, 2026), <https://laist.com/news/housing-homelessness/pacific-palisades-bowl-mobile-estates-home-park-fire-sale-residents-displaced>.

situations in which the mobilehome park intends to close or change the use of the park, and included substantially more strict requirements upon the mobilehome park: it required the mobilehome park to sell the park to a resident organization if the organization submitted a bona fide offer to purchase within 270 days of the notice of the opportunity. While SB 749 passed this Committee by a vote of 11 to 2, it was held in the Assembly Appropriations Committee.

6. Amendments

The author has agreed to accept amendments that will shorten the notice period of the mobilehome park's intent to accept an offer to sell from 360 days to 240 days, the period during which a resident organization may make an offer to purchase from 180 to 120 days, and the period of time that a mobilehome shall have to arrange financing from 180 to 120 days. A full mock-up of the amendments is attached at the end of this analysis, subject to any technical and clarifying changes Legislative Counsel may make.

7. Arguments in support

According to the California Coalition for Rural Housing, Neighborhood Partnership Housing Services, and ROC USA, the sponsors of SB 1092:

California's 4,500 manufactured home communities are some of the last sources of affordable homeownership opportunities in the state. However, they are under threat. Investors are aggressively targeting parks with the aim of raising rents and redeveloping the land. The result is the displacement of lower-income families and the loss of naturally occurring affordable housing. Between 2016 and 2025, 102 parks closed, representing the loss of an estimated 4,553 manufactured housing lots, or about 500 lots each year.

Manufactured homeowners are particularly vulnerable since, despite the "mobilehome" moniker, their structures typically cannot be moved. That means that for these households, their biggest asset can be jeopardized by the decisions of the park owner.

Most manufactured homeowners own their homes but lease the land under them. Residents have secured ownership of the park itself in only a handful of California parks. Doing so gives them the stability, equity building, and long-term affordability that comes with ownership. While resident-ownership is common in many states, California law makes it an uphill battle.

SB 1092 would give park residents a fair opportunity to purchase their communities by ensuring that homeowners receive advance notice of sale and a chance to match third party offers. The law would not require park owners to sell

to park residents, but rather give residents the right to participate in a transparent sale process.

Without legislative action, the current trend of corporate consolidation of the manufactured housing market will continue, and we can expect to see more park closures and more families priced out by rising lot rents.

8. Arguments in opposition

According to the Western Manufactured Homes Association, which opposes SB 1092:

Under SB 1092, a resident organization or qualified entity would have 180 days after a notice is sent to deliver an offer and another 180 days after that to secure financing to close on the sale. That would mean that the sale of the park could not occur for 360 days or longer, depending on the time a resident organization states it will need to put together the necessary financing to close. This delay would unconstitutionally deprive a parkowner of his right to sell his park for full market value in a timely manner.

The requirement contained in the proposed Civil Code § 798.83.1 would prevent a park operator from accepting an offer from another entity to purchase a mobilehome park for almost a full year. This timeframe would prevent a park from being sold for fair market value in a 1031 exchange in compliance with the federal Internal Revenue Code 1031 (1031 Exchange). The 1031 exchange requirements in California include closing on a replacement property within 180 days of the sale of the original property. The timeframes contained in SB 1092 would effectively prevent manufactured housing communities from being sold as part of a 1031 exchange, and this will severely limit the number of potential buyers and thereby decrease the value of the park.

In addition, the bill states that “management shall not reject a proposed agreement solely on the basis of its inclusion of a financing contingency, the type of financing or payment method, or the time period for closing.” Those are literally the fundamental components that all sellers use to determine how they dispose of their property and yet SB 1092 states that a seller can’t use any of those factors in denying a purchase.

Another objection to SB 1092 is that there does not seem to be any penalty if a resident organization that indicates an interest in purchasing the park is not able to secure financing. Normally, a right of first refusal includes a non-refundable deposit that is forfeited if a potential buyer is unable to ultimately close on a transaction. What recourse does a parkowner have under SB 1092 if a resident organization cannot close or decides to not continue forward with the sale? [...]

WMA is also concerned about granting a resident organization a right to bring a civil action against management who “fails to comply” with SB 1092. Subjecting management to a \$100,000 civil penalty or 20% of the sales price, whichever is greater, is overly excessive.

SUPPORT

California Coalition for Rural Housing (sponsor)
Neighborhood Partnership Housing Services (co-sponsor)
ROC USA (co-sponsor)
400 Craig Drive Mobile Home Owners Association
California Center for Cooperative Development
California Rural Legal Assistance Foundation
Central Coast Alliance United for a Sustainable Economy (CAUSE)
East Bay Housing Organizations
Friends Committee on Legislation of California
Golden State Manufactured-home Owners League, INC. (GSMOL)
Housing California
Leadership Counsel for Justice and Accountability
Legal Aid of Sonoma County
MHAction
Mobile Home Resident Coalition
National Consumer Law Center
National Housing Law Project
Palisades Bowl Community Group
Public Interest Law Project
Public Law Center
Rise Economy
Tenants Together
Tenants United Anaheim
Urban Habitat
Western Center on Law and Poverty

OPPOSITION

California Mobilehome Parkowners Alliance
Western Manufactured Housing Communities Association

RELATED LEGISLATION

Pending Legislation:

SB 1093 (Allen, 2026) requires management to provide mobilehome park residents specified, regular status updates after a mobilehome park is damaged or destroyed by a

disaster, and requires mobilehome park management to perform specified evaluations, investigations, and testing if it pursues a change of use, closure, or cessation of use of a mobilehome park that is related to a disaster, and requires a local legislative body to review the required evaluations, investigations, and testing conducted by the mobilehome park before approving a change of use of the mobilehome park. SB 1093 is currently pending before this Committee.

SB 749 (Allen, 2025) creates a process by which, when a mobilehome park owner intends a closure, cessation, or change of use of the mobilehome park, park management must provide qualified entities an opportunity to purchase the mobilehome park, and requires the mobilehome park to accept a bona fide offer to purchase the park that is received within 270 days of the notice of the opportunity to purchase. SB 749 is currently pending before the Assembly Appropriations Committee.

Prior Legislation:

SB 610 (Pérez, Ch. 547, Stats. 2025) made various changes to landlord-tenant law, the Mobilehome Residency Law regarding mobilehome parks, and to the Subdivision Map Act to provide additional protections to tenants and mobilehome owners during related to disasters, including by providing mobilehome owners a right to return to the mobilehome park after a disaster.

AB 2538 (Kalra, 2024) would have required mobilehome park management to notify a resident organization at least 120 days before the park enters into a listing agreement for the sale of the mobilehome park, and would have provided the resident organization with a right of first refusal to purchase the park. AB 2538 died in the Assembly Appropriations Committee.

SB 274 (Dodd, Ch. 504, Stats. 2019) required management of a mobilehome park to offer a previous homeowner of the park a right of first refusal to a renewed tenancy in the park at similar rental terms as the previous tenancy when the park is destroyed due to fire or other natural disaster and management elects to rebuild the park.

AB 1280 (Craven, Ch. 219, Stats. 1994) removed the sunset date for the changes to the notice period created by AB 2944.

AB 2944 (Clute, Ch. 421, Stats. 1990) extended the required notice that a mobilehome park must provide a resident organization before it enters into a listing agreement to sell the park from no less than 10 days and no more than 30 days to no less than 30 days and no more than a year, and repealed these provisions on January 1, 1995.

SB 1769 (Craven, Ch. 648, Stats. 1986) required a mobilehome park to notify a resident organization at least 10 days and no more than 30 days before the park enters into a listing agreement for the sale of the mobilehome park.

Proposed Mock-up Amendments for 2025-2026 SB-1092 (Allen)

Mock-up based on Version Number 99 - Introduced 2/13/26

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

SECTION 1. This act shall be known as the Mobilehome Community Stability and Preservation Act.

SEC. 2. Section 798.11.1 is added to the Civil Code, to read:

798.11.1. "Resident organization" means a group of homeowners who have formed a nonprofit corporation pursuant to Section 23701v of the Revenue and Taxation Code, a cooperative corporation, or other entity or organization. A resident organization may designate an agent to act on its behalf.

SEC. 3. Section 798.11.2 is added to the Civil Code, to read:

798.11.2. "Qualified entity" means an entity that the Department of Housing and Community Development has certified pursuant to Section 798.83.2.

SEC. 4. Section 798.80 of the Civil Code is repealed.

SEC. 5. Article 7.5 (commencing with Section 798.83.1) is added to Chapter 2.5 of Title 2 of Part 2 of Division 2 of the Civil Code, to read:

Article 7.5. Mobilehome Community Stability and Preservation Act

798.83.1. (a) If management receives an offer for the sale, lease, or transfer of the mobilehome park that management intends to accept, management shall, at least ~~360~~ 240 days before making a final unconditional acceptance of the offer, give notice to the following:

(1) To each resident household in the park by certified mail with return receipt requested, by first class mail with tracking, and by email, if provided by the resident.

(2) By certified mail with a return receipt requested, by first class mail, and by email, if available, with tracking to all of the following:

(A) The mayor of the city in which the mobilehome park is located, or, if located in an unincorporated area, the chair of the board of supervisors of the county.

(B) The appropriate local public housing authority, if any.

(C) The Department of Housing and Community Development.

(b) The notice required by subdivision (a) shall include all of the following:

(1) A statement advising the recipient of the intended sale, lease, or other transfer of the park.

(2) A statement of the homeowners' rights under this article and the deadlines for exercising those rights.

(3) The price, terms, and conditions of any offer management has conditionally accepted or plans to accept concerning the park, or a copy of that offer or purchase contract. In the case of a proposed sale of more than one park, or a park and one or more other nonrelated properties, in a single transaction, the notice shall state both the aggregate price and the price of the park in which the homeowners receiving the notice reside.

798.83.2. (a) (1) The Department of Housing and Community Development shall, upon receipt of a notice under Section 798.83.1, make the list of qualified entities created pursuant to subdivision (c) available to management.

(2) After management receives the list from the department, management shall send a written copy of the notice prepared pursuant to Section 798.83.1 to the qualified entities included on the list which directly request the notice from management.

(b) An entity is not eligible to be certified as a qualified entity pursuant to subdivision

(c) unless it is either of the following:

(1) Local nonprofit organizations and public agencies.

(2) Regional or national nonprofit organizations and regional or national public agencies.

(c) (1) The Department of Housing and Community Development shall establish a process for certifying an entity listed in subdivision (b) as a qualified entity based on demonstrated relevant prior experience in California and current capacity, as capable of operating the housing and related facilities for its remaining useful life, either by itself or through an agent.

(2) The Department of Housing and Community Development shall maintain and update annually a list of entities that are certified pursuant to this section.

798.83.3. (a) No later than ~~180~~120 days after a notice complying with Section 798.83.1 is sent, a resident organization, including a resident organization formed after the

issuance of the notice, may deliver, in writing, a proposed purchase agreement for the park to management, along with a statement that the homeowners of more than 50 percent of the mobilehomes in the park support submitting the proposed purchase agreement. A homeowner may indicate support for proposing a purchase agreement by signing a petition or any other document that so states.

(b) If management does not receive a proposed purchase agreement in writing from a resident organization during the ~~180-day~~ 120-day period provided by this section, management has no further duties under this article with respect to the proposed sale, lease, or transfer of the mobilehome park.

798.83.4. (a) If a resident organization or its assignee or agent delivers a proposed purchase agreement in writing to management in compliance with Section 798.83.3, management shall consider the proposed purchase agreement and negotiate with the resident organization in good faith to determine whether a mutual agreement can be reached to enable the resident organization to purchase the park. Management shall make the same information available to a resident organization that the community owner has or would have provided to another prospective purchaser. If management rejects the resident organization's proposed purchase agreement, management shall provide a good faith reason in writing to the resident organization within three days of the date of rejection.

(b) If a resident organization or its assignee or agent delivers a proposed purchase agreement in writing to management in compliance with Section 798.83.3, and its proposed purchase agreement matches the price and substantially the same terms and conditions as the offer management has conditionally accepted or plans to accept, the resident organization shall have the right to purchase the park at the price, terms, and conditions stated in its proposed purchase agreement, and this subdivision shall apply rather than subdivision (a). Management shall not unreasonably refuse to enter into or unreasonably delay the execution or closing on a purchase agreement with a resident organization which has proposed a bona fide purchase agreement to meet the price and substantially equivalent terms and conditions of an offer for which notice is required to be given pursuant to Section 798.83.1.

(c) Management shall not reject a proposed purchase agreement solely on the basis of its inclusion of a financing contingency, the type of financing or payment method, or the time period for closing. If a resident organization and management enter into a purchase agreement for the park, the resident organization shall have ~~180~~120 days from the date of the agreement to arrange all necessary financing, and a commercially reasonable time to close on the sale. If the resident organization fails to arrange all necessary financing during this ~~180-day~~ 120-day period, or a longer period as the parties may agree to, or fails to close on the sale in compliance with the purchase agreement executed by the parties, management has no further duties under this article with respect to the proposed sale, lease, or transfer of the park.

798.83.5. (a) A resident organization that has rights under this article may, at its election, assign those rights to the municipality in which the resident organization is located, a housing authority located in the municipality, a state agency, or a qualified entity for the purpose of continuing the use of the property as a park. Upon assignment, the assignee shall be entitled to exercise the rights that this article grants to the assignor resident organization.

(b) The resident organization may rescind any rights it has assigned pursuant to subdivision (a) at any time.

(c) This section shall not apply if the resident organization represents less than 50 percent of the homeowners of the mobilehome park.

798.83.6. (a) Subject to subdivision (b), this article shall not apply to any of the following:

(1) A lease of a lot within the park to a person who will live in a manufactured home on that lot.

(2) A conveyance of an interest in the park that is incidental to the financing of the park.

(3) A sale or transfer pursuant to eminent domain.

(4) An initial offer for sale, lease, or transfer from a resident organization that represents at least 50 percent of the homeowners of the mobilehome park.

(b) To qualify for an exemption under subdivision (a), a transaction shall not be made in bad faith, shall be made for a legitimate business purpose or a legitimate familial purpose, and shall not be made for the primary purpose of avoiding the opportunity-to-purchase provisions set forth in this article.

798.83.7. (a) A resident organization may bring a civil action against management who sells, leases, or transfers a park and fails to comply with this article. Management that violates this article shall be subject to a civil penalty in the amount of one hundred thousand dollars (\$100,000) or 20 percent of the total sales price, whichever is greater.

(b) Actions for relief pursuant to this article may be brought in the name of the people of the State of California by the Attorney General, or by the district attorney, county counsel, or city attorney of the location in which the violation occurred.

(c) Any court of competent jurisdiction may grant relief that it finds necessary to enforce this article, including the issuance of an injunction.

(d) Lack of knowledge of this article by management shall not be deemed to be a defense to an action under this section.

798.83.8. This article shall be liberally interpreted to achieve its purposes of preserving affordable housing and expanding the opportunities for owners of mobilehomes and manufactured homes to purchase the community in which their homes are located.

SEC. 6. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.