

TWO TRACK MANUFACTURED HOUSING ACT OUTLINE

- I. First retail sale
 - A. Require disclosure form concerning choice between real and personal property classification for home?
 - B. If home remains personal property for financing, provide that it is real property for all other purposes?
 - C. Have a default rule—real or personal property—or require purchaser to choose?
 - D. If home remains personal property, dealer delivers bill of sale and manufacturer’s certificate or statement of origin. Consumer applies for certificate of title (in states that title manufactured homes).
 - E. If home becomes real property, dealer delivers deed.
 - i. Define circumstances in which home can be real property (“installed”? on owned land? long-term lease?)
 - ii. Notify tax assessor and government agency that maintains manufactured home titles, if any
- II. If consumer acquires home as personal property but wants to convert to real property
 - A. Apply to de-title the home (in states that title manufactured homes)
 - i. Obtain lienors’ and other encumbrancers’ consent so that they can take necessary steps to protect their interests?
 - ii. Process for dealing with lost certificate of title or manufacturer’s certificate or statement of origin
 - B. Record certificate of location in land records
 - i. Notify tax assessor and government agency that maintains manufactured home titles, if any
 - C. Effect on liens and other encumbrances
 - D. Representative state statutes—see Attachment A
- III. Converting home from real property to personal property
 - A. When can a home convert to personal property?

- i. When home is severed
 - ii. Can owner elect to convert to personal property even if home isn't severed?
 - iii. If the act requires a long-term lease to be real property, does home become personal property when remaining lease term falls below specified term?
 - B. Process
 - i. Home owner applies to re-title home (in states that title manufactured homes)
 - ii. Record notice in land records
 - iii. Notify tax assessor
 - C. Effect on liens and other encumbrances
 - F. Representative state statutes—see Attachment B
- IV. Homes acquired before act's effective date

Attachment A

Representative State Statutes for Converting Home to Real Property

Colorado

Home owner files certificate of permanent location and certificate of title with county clerk and recorder. Clerk and recorder gives copy of certificate of permanent location to tax assessor. Home owner files “application for purging a manufactured home title” with Department of Revenue.

Georgia

Owner and all other interest holders in the home file certificate of permanent location with clerk of superior court and record it in the real property records. Certificate of permanent location and certificate of title for the home filed with county tax commissioner. County tax commissioner forwards documents to Department of Motor Vehicle Safety. Department files certificate of permanent location and issues confirmation to clerk of superior court that certificate of permanent location has been filed and that certificate of title has been surrendered. Clerk of court gives copy of certificate of permanent location to tax assessor.

Idaho

Owner records “statement of intent to declare manufactured home as real property” with county recorder. Statement must include (1) Building & Zoning Department verification that running gear has been removed and that home is permanently affixed to a foundation, (2) county assessor’s statement that it has verified ownership of the land and of the home and payment of sales tax, and (3) lienholders’ consent. Owner gives tax assessor copy of recorded statement of intent and the certificate of title or manufacturer’s statement of origin for the home.

Montana

Owner records “statement of intent to declare a manufactured home an improvement to real property” with county clerk and recorder. Owner delivers (1) certificate of origin or certificate of title and (2) certified copy of recorded statement of intent with county treasurer. County treasurer enters transfer of interest on electronic title record and forwards certified copy of statement of intent and surrendered certificate of origin or certificate of title to Department of Justice Motor Vehicle Division. Department gives owner a statement in recordable form that process of surrendering certificate of origin or certificate of title is complete. Owner records statement.

Oregon

Owner files certificate of title and “application and certification exempting a manufactured structure from ownership document” with tax assessor. If assessor determines that home qualifies for real property status, exemption application is recorded in deed records. Assessor sends certificate of title to state agency that titles manufactured homes. Agency cancels certificate and sends cancellation confirmation to assessor and to owner.

Texas

Owner files application for “statement of ownership and location” (SOL) and certificate of title with Manufactured Housing Division of Texas Department of Housing & Community Affairs. Department mails certified copy of SOL to owner

and to each lienholder. Owner files SOL in real property records. Owner notifies Department and tax assessor-collector that copy has been filed for recording. When Department and tax assessor-collector note in their records that real property election made, home becomes real property.

Attachment B
Representative State Statutes for Reconverting Home to Personal Property

Idaho

The Idaho statute concerning reversion to personal property deals only with the home being moved from land. At least thirty days before the home is to be moved, owner must give county assessor (1) "reversal of declaration of manufactured home as real property," (2) title report from a title insurance company that identifies all owners of an interest in land to which the home is affixed and written consent of each owner, other than owner of right-of-way, easement, or subsurface right, and (3) application for title to the home. The reversal declaration must be recorded and the certificate of title must be issued before the home is moved.

Montana

Owner files statement of reversal of declaration of home as real property with county clerk and recorder. All lienholders must consent to reversal. Clerk and recorder forwards copy of statement to agency that titles manufactured homes. Agency gives owner restored certificate of origin or certificate of title. After receiving fee for new certificate, county treasurer forwards statement of reversal of declaration to titling agency. Agency then gives owner a statement in recordable form that process of converting home has been completed. Owner records statement.

Oregon

Owner applies to county assessor to have home removed from deed records and for an ownership document. When application approved, assessor terminates home's title in deed records.

Texas

Owner files application for "statement of ownership and location" (SOL) with Manufactured Housing Division of Texas Department of Housing & Community Affairs. Department inspects home to determine whether it is habitable. Department notifies tax assessor-collector. Each lienholder must release its lien or file a written consent for the conversion with the Department. Department issues new SOL.