

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 425 (Substitute S-2 as reported)
Sponsor: Senator Michael D. Bishop
Committee: Banking and Financial Institutions

CONTENT

The bill would amend the Mobile Home Commission Act to provide for the cancellation of certificates of title to mobile homes affixed to real property, and allow the homes to be conveyed only as part of the real property. The bill would do all of the following:

- Require the owner of a mobile home that was affixed to his or her real property to deliver to the Department of Consumer and Industry Services (DCIS) a certificate of title for the home, as well as an "affidavit of affixture" containing information about it and, if applicable, the consent of each holder of a security interest in the home to the termination of the security interest.
- Require the DCIS to cancel the certificate of title, and prohibit the Department from issuing a certificate of title for the mobile home, unless it was detached from the property.
- Provide that, when the DCIS received the owner's affidavit of affixture, any security interest in the home would be terminated, the Act's provisions for titling and security interests would not apply, the home would be considered part of the real property, and it could be conveyed only as part of the property, unless it was detached.
- Require the DCIS to maintain an affidavit of affixture for 30 years, and require the owner to deliver a copy of the affidavit to the county register of deeds for recording.
- Allow the mobile home owner to detach the home from the real property by filing an affidavit of detachment and applying for a certificate of title.
- Provide that, if a mobile home were affixed to real property before the bill's effective date, the holder of a lien or security interest in both the home and the real property could enforce the lien or security interest by accepting a deed in lieu of foreclosure or as provided by law for enforcing liens on real property.
- Provide that, if the holder of a lien or security interest became the owner of a mobile home affixed to real property through the process of real property foreclosure, or through a deed in lieu of foreclosure, the holder would have to submit to the DCIS an affidavit of affixture after the foreclosure redemption period expired or the deed was recorded, and the DCIS would have to cancel the certificate of title for the home.

A mobile home would be considered "affixed" to real property if the wheels, towing hitches, or running gear were permanently removed and the mobile home were attached to a foundation or other support system.

Proposed MCL 125.2330i

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 5-1-03

Fiscal Analyst: Maria Tyszkiewicz