

Legislative Analysis



MOBILE HOME COMMISSION ACT; REVISE

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House Bill 4484

Sponsor: Rep. Lorence Wenke

Committee: Banking and Financial Services

Complete to 4-25-05

A SUMMARY OF HOUSE BILL 4484 AS INTRODUCED 3-15-05

House Bill 4484 would specify that the provisions added to the Mobile Home Commission Act by Public Act 44 of 2003 would apply to all mortgages entered into before July 14, 2003 and all mortgages entered into on or after July 14, 2003. Public Act 44 of 2003 was effective on July 14, 2003.

BACKGROUND INFORMATION:

Public Act 44 of 2003 amended 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 act said, "It is the intent of this legislature that a security interest or lien on a mobile home affixed to real property may be perfected in the manner provided under law for perfecting a lien on real property, and not exclusively by a notation of the security interest or lien on the certificate of title."

Public Act 44 does the following:

- Allows the owner of a mobile home 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 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.
- Requires the DCIS to cancel the certificate of title when it receives an affidavit of affixture and prohibits the department from issuing a certificate of title for the mobile home unless it is detached from the property.
- Provides that, when the DCIS receives the owner's affidavit, any security interest in the home is terminated, the act's provisions for titling and security interests do not apply, and the home is considered part of the real property and may be conveyed only as part of the property, unless it is detached.
- Requires the owner to deliver a copy of the affidavit to the county register of deeds for recording.

- Allows 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.
- Provides that, if a mobile home was affixed to real property before the act's effective date, the holder of a lien or security interest in both the home and the real property may 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.
- Requires a mobile home owner to pay a fee when submitting an affidavit of affixture or an affidavit of detachment.

The act also says, "It is the intent of this legislature that a security interest or lien on a mobile home affixed to real property may be perfected in the manner provided under law for perfecting a lien on real property, and not exclusively by a notation of the security interest or lien on the certificate of title."

MCL 125.2330i

FISCAL IMPACT:

The bill would have no fiscal impact on the State of Michigan.

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