

Act No. 38
Public Acts of 2005
Approved by the Governor
June 7, 2005
Filed with the Secretary of State
June 7, 2005
EFFECTIVE DATE: June 7, 2005

**STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2005**

Introduced by Rep. Hunter

ENROLLED HOUSE BILL No. 4452

AN ACT to amend 1987 PA 96, entitled "An act to create a mobile home commission; to prescribe its powers and duties and those of local governments; to provide for a mobile home code and the licensure, regulation, construction, operation, and management of mobile home parks, the licensure and regulation of retail sales dealers, warranties of mobile homes, and service practices of dealers; to provide for the titling of mobile homes; to prescribe the powers and duties of certain agencies and departments; to provide remedies and penalties; to declare the act to be remedial; to repeal this act on a specific date; and to repeal certain acts and parts of acts," by amending section 30d (MCL 125.2330d).

The People of the State of Michigan enact:

Sec. 30d. (1) All of the following apply if an owner named in a certificate of title creates a security interest in the mobile home described in the certificate:

(a) The owner shall immediately execute an application in the form prescribed by the department showing the name and address of the holder of the security interest and deliver the certificate of title, the application, and a copy of the application which need not be signed, to the holder of the security interest.

(b) The holder of the security interest shall cause the certificate of title, the application, the required fee, and the copy of the application to be mailed or delivered to the department.

(c) The department shall indicate on the copy of the application the date and place of filing of the application and return the copy to the person presenting it.

(d) Upon receipt of the certificate of title, application, and the required fee, the department shall issue a new certificate in the form provided in section 30b, setting forth the name and address of each holder of a security interest in the mobile home for which a termination statement has not been filed and the date on which the application first stating the security interest was filed, and mail the certificate to the owner.

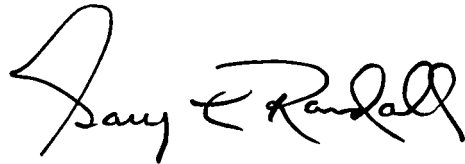
(2) A holder of a security interest may assign, absolutely or otherwise, the security interest to a person other than the owner without affecting the interest of the owner or the validity of the security interest, but a person without notice of the assignment is protected in dealing with the holder of the security interest as the holder of the security interest. The assignee may have its interest as the holder of the security interest shown on the certificate of title by providing the department with a copy of the assignment instrument but the failure of the assignee to do so does not affect the validity of the security interest or the assignment of the security interest.

(3) Receipt by the department of a properly tendered application for a certificate of title on which a security interest in a mobile home is to be indicated, whether the application is tendered under this act, is a condition of perfection of a security interest in the mobile home and is equivalent to filing a financing statement under the uniform commercial

code, 1962 PA 174, MCL 440.1101 to 440.11102, with respect to the mobile home. When a security interest in a mobile home is perfected, it has priority over the rights of a lien creditor, as defined in section 9102 of the uniform commercial code, 1962 PA 174, MCL 440.9102.

(4) If there is not an outstanding obligation or commitment to make advances, incur obligations, or otherwise give value, secured or to be secured by a security interest in a mobile home, the secured party shall, within 30 days after satisfaction of the obligation, execute a termination statement in the form prescribed by the department and mail or deliver the termination statement to the owner or other person as the owner may direct. An owner who is not a dealer holding the mobile home for resale shall promptly cause the certificate, all termination statements, and an application for certificate of title to be mailed or delivered to the department. The department shall issue a new certificate.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor