

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5449**

A bill to amend 1987 PA 96, entitled
"The mobile home commission act,"
by amending sections 2 and 30i (MCL 125.2302 and 125.2330i),
section 2 as amended by 2015 PA 40 and section 30i as amended by
2005 PA 162, and by adding section 30k.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. As used in this act:
- 2 (a) "Campground" means a campground as defined in section
- 3 12501 of the public health code, 1978 PA 368, MCL 333.12501.
- 4 (b) "Code" means all or a part of the mobile home code
- 5 promulgated under section 5.
- 6 (c) "Commission" means the manufactured housing commission.
- 7 (d) "Department" means the department of licensing and

1 regulatory affairs, except as follows:

2 (i) Department means the department of state in all of the
3 following circumstances:

4 (A) As used in section 5(1) with respect to rules promulgated
5 under section 5(1)(h).

6 (B) As used in section 9(5) with respect to rules adjusting
7 fees under section 30a or 30c.

8 (C) As used in sections 30 to 30i **and 30k**.

9 (ii) Department, as used with respect to powers and duties
10 concerning water supply systems and sewage collection and disposal
11 systems for mobile home parks and seasonal mobile home parks, means
12 the department of ~~environmental quality~~. **environment, Great Lakes,**
13 **and energy.**

14 (e) "Guideline" means that term as defined in section 3 of the
15 administrative procedures act of 1969, 1969 PA 306, MCL 24.203.

16 (f) "Installer and repairer" means a person, including a
17 mobile home dealer, ~~who~~**that** for compensation installs or repairs
18 mobile homes.

19 (g) "Local government" means a county or municipality.

20 (h) "Mobile home" means a structure that is transportable in 1
21 or more sections, built on a chassis, and designed to be used as a
22 dwelling, with or without a permanent foundation, when connected to
23 the required utilities, and includes the plumbing, heating, air-
24 conditioning, and electrical systems contained in the structure.

25 (i) "Mobile home dealer" means a person other than a
26 manufacturer engaged in the business of buying mobile homes for
27 resale, exchange, lease, or rent or offering mobile homes for sale,
28 lease, rent, or exchange to customers.

29 (j) "Mobile home park" means a parcel or tract of land under

1 the control of a person upon which 3 or more mobile homes are
2 located on a continual, nonrecreational basis and which is offered
3 to the public for that purpose regardless of whether a charge is
4 made ~~therefor~~, **for the parcel or tract of land**, together with any
5 building, structure, enclosure, street, equipment, or facility used
6 or intended for use incident to the occupancy of a mobile home.

7 (k) "Municipality" means a city, village, or township.

8 (l) "Person" means an individual, partnership, association,
9 trust, or corporation, or any other legal entity or combination of
10 legal entities.

11 (m) "Recreational vehicle" means a vehicle primarily designed
12 and used as temporary living quarters for recreational, camping, or
13 travel purposes, including a vehicle having its own motor power or
14 a vehicle mounted on or drawn by another vehicle.

15 (n) "Seasonal mobile home park" means a parcel or tract of
16 land under the control of a person upon which 3 or more mobile
17 homes are located on a continual or temporary basis but occupied on
18 a temporary basis only, and which is offered to the public for that
19 purpose regardless of whether a charge is made ~~therefor~~, **for the**
20 **parcel or tract of land**, together with any building, enclosure,
21 street, equipment, or facility used or intended for use incident to
22 the occupancy of a mobile home. Seasonal mobile home park does not
23 include a campground licensed ~~pursuant to~~ **under** sections 12501 to
24 12516 of the public health code, 1978 PA 368, MCL 333.12501 to
25 333.12516.

26 (o) "Secured party" means that term as defined in section 9102
27 of the uniform commercial code, 1962 PA 174, MCL 440.9102.

28 (p) "Security interest" means that term as defined in section
29 1201 of the uniform commercial code, 1962 PA 174, MCL 440.1201.

(q) "Termination statement" means that term as defined in section 9102 of the uniform commercial code, 1962 PA 174, MCL 440.9102.

Sec. 30i. (1) If a mobile home is affixed to real property in which the owner of the mobile home has the ownership interest, the owner ~~may~~**shall** deliver all of the following to the department:

(a) ~~An~~**A completed** affidavit of affixture on a form provided by the department that contains all of the following:

(i) The name and address of the owner.

(ii) A description of the mobile home that includes the name of the manufacturer of the mobile home, the year of manufacture, the model, the manufacturer's serial number and, if applicable, the number assigned by the department.

(iii) A statement that the mobile home is affixed to the real property.

(iv) The legal description of the real property to which the mobile home is affixed.

(v) The name of each holder of a security interest in the mobile home, together with the written consent of each holder to the termination of the security interest and the cancellation of the certificate of title under subsection (2), if applicable.

(vi) The address at which the mobile home is physically affixed.

(b) The certificate of title for the mobile home, the manufacturer's certificate of origin if a certificate of title has not been issued by the department, or sufficient proof of ownership as provided in section 30a or 30e.

(c) A fee in an amount prescribed in section 30a for a certificate of title.

1 (2) When the department receives ~~an~~**a completed** affidavit and
2 certificate of title under subsection (1), the department shall
3 cancel the certificate of title for the mobile home. The department
4 shall not issue a certificate of title for a mobile home described
5 in subsection (1) except as provided in subsection (8).

6 (3) The owner of the mobile home shall deliver ~~a duplicate~~
7 ~~original of the~~**an** executed affidavit **of affixture** under subsection
8 (1) **or section 30k as approved by the department** to the register of
9 deeds for the county in which the real property is located. The
10 register of deeds shall record the affidavit.

11 (4) The department shall maintain the affidavit under
12 subsection (1) for a period of 10 years from the date of filing.

13 (5) When the department receives ~~an~~**a completed** affidavit
14 under subsection (1), the mobile home is considered to be part of
15 the real property, sections 30 to 30h do not apply to that mobile
16 home, any security interest in the mobile home is terminated, a
17 lienholder shall perfect and enforce a new security interest or
18 lien on the mobile home only in the manner provided by law for
19 perfecting and enforcing a lien on real property, and the owner may
20 convey the mobile home only as part of the real property to which
21 it is affixed.

22 (6) If a mobile home is affixed to real property before July
23 14, 2003, a person who is the holder of a lien or security interest
24 in both the mobile home and the real property to which it is
25 affixed on July 14, 2003 may enforce its liens or security
26 interests by accepting a deed in lieu of foreclosure or in the
27 manner provided by law for enforcing liens on the real property.
28 The lien or security interest on a mobile home described in this
29 subsection is perfected against the mobile home if the holder of

1 the lien or security interest in both the mobile home and the real
2 property to which it is affixed on July 14, 2003 has perfected a
3 lien on the real property as provided under law for perfecting a
4 lien on real property. The date of perfection of the lien or
5 security interest of the mobile home is the date of perfection of
6 the lien on the real property to which the mobile home is affixed
7 on July 14, 2003.

8 (7) If the holder of a lien or security interest becomes the
9 owner of a mobile home affixed to real property through the process
10 of real property foreclosure or through a deed in lieu of
11 foreclosure under subsection (6), the holder shall submit an
12 affidavit described in subsection (1) to the department after the
13 redemption period for the foreclosure expires or the deed in lieu
14 of foreclosure is recorded and the department shall cancel the
15 certificate of title for the mobile home.

16 (8) If an owner of both the mobile home and the real property
17 described in subsection (1) intends to detach the mobile home from
18 the real property, the owner shall do both of the following:

19 (a) Before detaching the mobile home, record an affidavit of
20 detachment in the office of the register of deeds in the county in
21 which the affidavit is recorded under subsection (3).

22 (b) Apply for a certificate of title for the mobile home on a
23 form prescribed by the department. The application ~~shall~~**must**
24 include a duplicate original executed affidavit of detachment and
25 proof that there are no security interests or liens on the mobile
26 home or the written consent of each lienholder of record to the
27 detachment and a fee in the amount prescribed in section 30a for a
28 certificate of title.

29 (9) An owner of an affixed mobile home shall not **physically**

1 detach it from the real property before a certificate of title for
2 the mobile home is issued by the department. If a certificate of
3 title is issued by the department, the mobile home is no longer
4 considered part of the real property and sections 30 to 30h apply.

5 (10) This section applies to all transactions, liens, and
6 mortgages within its scope even if the transaction, lien, or
7 mortgage was entered into or created before July 14, 2003.

8 (11) As used in this section **and section 30k:**

9 (a) A mobile home is "affixed" to real property if it meets
10 all of the following:

11 (i) The wheels, towing hitches, and running gear are removed.

12 (ii) It is attached to a foundation or other support system.

13 (b) "Ownership interest" means the fee simple interest in real
14 property or an interest as the lessee under a ground lease for the
15 real property that has a term that continues for at least 20 years
16 after the recording of the affidavit under subsection (3).

17 **Sec. 30k. (1) Notwithstanding section 30i and subject to**
18 **subsection (3), if a mobile home is affixed to real property and**
19 **the party claiming to own the mobile home also owns the real**
20 **property, and the mobile home has been located on the real property**
21 **for 15 years or more, but the owner of the mobile home either lost**
22 **or never received the certificate of title to the mobile home when**
23 **the owner of the mobile home acquired the real property with the**
24 **mobile home already affixed to it, the mobile home will be**
25 **considered affixed to the real property free of any interests that**
26 **previously attached to the mobile home. The department must approve**
27 **the affidavit of affixture as submitted if the owner of the mobile**
28 **home submits to the department an affidavit of missing title that**
29 **contains all of the following information and pays any fees**

1 required under section 30i to issue the affidavit of affixture:

2 (a) The name and address of the owner of the real property.

3 (b) The address at which the mobile home is physically
4 affixed, if different from the address of the owner of the real
5 property.

6 (c) A description of the mobile home that includes the name of
7 the manufacturer, the year of manufacture, the model, and the
8 mobile home's or manufacturer's serial number to the extent this
9 information is known to the affiant. An affiant that does not know
10 the manufacturer's serial number must comply with subsection (6) to
11 obtain the serial number, or if applicable, subsection (7) to
12 obtain a replacement serial number.

13 (d) A statement that the mobile home is affixed to the real
14 property and either of the following pieces of information:

15 (i) Information as may be satisfactory to the department
16 regarding the date that the mobile home was placed on the real
17 property.

18 (ii) The date the property assessment or tax roll first
19 reflected that the real property to which the mobile home is
20 affixed was improved with the mobile home. If this subparagraph
21 applies, the owner of the mobile home shall include documentation
22 from the treasurer of the county in which the real property is
23 located that shows proof of the date required under this
24 subparagraph.

25 (e) A statement that the mobile home and the real property to
26 which it is affixed are not located in a mobile home park.

27 (f) The legal description and tax parcel number of the real
28 property to which the mobile home is affixed. For purposes of this
29 subdivision, a copy of the vesting deed of the real property must

1 be attached.

2 (g) A statement that to the best of the affiant's knowledge,
3 no payments are currently being made to any secured party and no
4 amount is currently owed under any debt obligation that may have
5 previously been secured by the mobile home.

6 (h) A statement that the wheels, towing hitches, and running
7 gear of the mobile home have been removed.

8 (i) A statement that the mobile home is attached to a
9 foundation or other support system.

10 (2) Once the affidavit of affixture submitted pursuant to
11 subsection (1) is accepted and approved by the department and
12 subsequently returned to the owner by the department, the owner
13 shall immediately record the executed affidavit of affixture with
14 the register of deeds as required by section 30i.

15 (3) A secured party that wishes to preserve the secured
16 party's security interest in the mobile home prior to the
17 expiration of the 15-year period that would automatically
18 extinguish the secured party's security interest in the mobile home
19 may preserve the secured party's security interest by complying
20 with the requirements of section 30i(6) and recording notice of the
21 security interest with the register of deeds in the county where
22 the real property is located.

23 (4) If the owner of a mobile home meets the requirements of
24 subsection (1) and the affidavit of affixture is issued pursuant to
25 this section, the interest of any prior owners of the mobile home
26 is extinguished and title to the mobile home is transferred.

27 (5) The 15-year period under subsection (3) begins when the
28 manufacturer of the mobile home first sells the mobile home or when
29 the tax roll reflects the subject real property as being improved

1 for assessment purposes, whichever is earlier.

2 (6) If an affiant does not know the manufacturer's serial
3 number as required under subsection (1)(c), the affiant shall
4 provide to the department a completed affidavit of affixture and
5 copies of the recorded deeds in the chain of title for the real
6 property. On receipt of the documents described in this subsection,
7 the department shall review the mobile home records database and if
8 a mobile home title in the database matches the affiant's mobile
9 home on the completed affidavit of affixture, the department shall
10 use the serial number of that mobile home that matches the
11 affiant's mobile home on the completed affidavit of affixture.

12 (7) If after an examination of the mobile home records
13 database as provided under subsection (6) the department is unable
14 to locate a mobile home title that belongs to any predecessor in
15 title to the real property owned by the affiant, the affiant shall
16 apply for and the department shall provide a replacement serial
17 number for the mobile home. An affiant that complies with this
18 subsection shall submit the completed affidavit of affixture with
19 the replacement serial number received pursuant to this subsection.

20 (8) The affiant shall pay any fees required under subsection
21 (6) to obtain a serial number or subsection (7) to obtain a
22 replacement serial number.

23 (9) The department is not liable for damages in a civil action
24 for the approval of an affidavit of affixture if the approval is in
25 accordance with this act.

26 Enacting section 1. This amendatory act takes effect 90 days
27 after the date it is enacted into law.