## Senate Counsel, Research, and Fiscal Analysis

Tom Bottern, Director

Minnesota Senate Building 95 University Ave. W. Suite 3300 St. Paul, MN 55155-1800 (651) 296-4791 www.senate.mn/scrfa



## S.F. No. 675 – Manufactured Homes Affixed to Real Property (1<sup>st</sup> Engrossment)

**Author:** Senator Carrie Ruud

**Prepared by:** Alexis C. Stangl, Senate Counsel (651/296-4397)

**Date:** March 7, 2021

**S.F.** 675 provides the process the owner of a manufactured home must follow for the home to be considered an improvement to real property, instead of being titled as personal property. Section 1 of the bill replaces an existing provision in law governing this process.

**Section 1. Manufactured home affixed to real property.** A manufactured home may be made an improvement to real property as outlined in this section.

- **Subd. 1. Manufactured home as real property.** A manufactured home is considered an improvement to real property when: 1) the home is affixed to the real property; 2) the certificate of title is surrendered and cancelled as described in **subdivision 2** or the manufacturer's certificate is cancelled as described by **subdivision 3**; and 3) an affidavit of affixation is recorded with the county recorder or registrar of titles.
- **Subd. 2. Cancellation of certificate of title.** Upon request of the homeowner, the commissioner of public safety must cancel the certificate of title to the home. The commissioner must not require the owner to deliver the original certificate of title or the affidavit of affixation. If there is a security interest that has been perfected on the home, the commissioner must not cancel the certificate of title until the security interests are released or satisfied.
- **Subd. 3. Surrender of manufacturer's certificate of origin.** The owner may surrender the manufacturer's certificate of origin to the commissioner of public safety for cancellation. The commissioner must not require the owner to deliver the original certificate of title or the affidavit of affixation.
- **Subd. 4. Verification.** The commissioner is not liable for errors, omissions, misstatements, or other deficiencies in documents represented to the commissioner if the documents appear to satisfy the requirements of this section. The commissioner is not obligated to investigate the accuracy of statements contained in documents.

**Subd. 5. Affidavit of affixation.** An affidavit of affixation must be in substantially the form described in this subdivision. The county recorder or registrar of titles must accept any such affidavit and must provide a copy of the recorded affidavit to the county auditor.

**Subd. 6. Notice of security interest.** When a perfected security interest exists on the home at the time the home is affixed to real property and the owner has not satisfied the requirements of **subdivision 1**, the owner or a secured party may record a notice with the county recorder or registrar of titles stating that the home is encumbered by a perfected security interest and is not an improvement to real property. When the security interest is released or satisfied, the notice of release or satisfaction must be recorded with the county recorder or registrar of titles.

**Section 2. Revisor instruction.** The revisor of statute must change the cross-reference to **section 168A.141**, which is repealed, to reference **section 168A.1412**, which is created by the bill.

**Section 3. Repealer.** This section repeals **section 168A.141**, which is the section in current law governing manufactured homes being affixed to real property.