



Guidelines for lease terminations and evictions involving manufactured homes

Property managers are occasionally asked to provide services to the owner of a mobile home park or community. And in some cases, landlords will ask those property managers to terminate an existing tenancy or evict a tenant who has violated their lease terms. Those property managers need to be aware that there are a few special rules that apply when a lease involves a mobile or manufactured home. This article outlines those rules.

It should be noted that there are two possible scenarios a property manager may face when a tenant resides in a mobile home. In some cases, the tenant is leasing both the mobile home and the underlying land (possibly a park space) from the landowner. In those cases, no special rules apply. Article 3 of the North Carolina Landlord and Tenant Act (the “Act”) governs the summary ejectment process. Section 42-36.1 of the Act specifically states that the provisions of Article 3 “shall apply to the lease or rental of manufactured homes.” Property managers seeking to evict a tenant from a landowner-owned manufactured home may proceed as if the residence was a “stick-built” home.

This article focuses on a second scenario, namely the circumstance where the tenant owns the mobile home in question and is only leasing the underlying land. In those situations, there are a few different rules that a property manager must follow when terminating a lease or evicting a tenant.

QUESTION: Are tenants who lease land such as a park space from a landowner entitled to greater notice if a landowner wishes to terminate their existing lease?

ANSWER: Yes. Section 42-14 of the North Carolina Landlord and Tenant Act (the “Act”) sets forth the minimum amount of notice that all landlords must give to their tenants when the landlord wishes to terminate a lease at the end of the current lease term. The amount of the required notice generally depends on the length of the lease term. For example, if a tenancy is from year to year, the so-called “notice to quit” must be given one month or more before the end of the current year of the tenancy. However, Section 42-14 specifically states that where the tenancy involves only the rental of a space for a manufactured home, the notice to quit must be given at least 60 days before the end of the current rental period, regardless of the term of the tenancy.

QUESTION: Are there special notice requirements if the owner of a manufactured home community intends to convert the community to another use that will require movement of the manufactured homes?

ANSWER: Yes, but only if the “community” involves a parcel of land that was designed to accommodate at least five manufactured homes. Section 42-14.3 of the Act states that in that circumstance, the owner must give each owner of an affected manufactured home and the North Carolina Housing Finance Agency notice of the intended conversion at least 180 days before the homeowner is required to move the home, regardless of the term of the then-existing tenancy. The statute states that failure to give the required notice is a defense in any action for possession brought by or on behalf of the park owner.

QUESTION: Are there any special rules for disposing of a tenant-owned manufactured home and its contents once a landlord obtains a writ of possession?

ANSWER: If the home has a value in excess of \$500.00, special rules do apply. Specifically, section 42-25.9(g) of the Act states that in such a case, disposition of the home and its contents is governed by Section 44A-2(e2) of North Carolina’s possessory lien statute.

QUESTION: It sounds as though if the home is worth more than \$500, the landlord is deemed to have a lien on the tenant’s home and contents once a writ of possession is obtained. Is that correct?

ANSWER: Not exactly. The landlord’s lien does not “attach” to the tenant’s property until 21 days after the lessor obtains a writ of possession, and then only if the lessor also has a “lawful claim for damages.” The lien amount would include the amount of unpaid rent, the cost to repair any damages caused by the tenant, and the reasonable costs and expenses of any sale conducted by the landlord.

QUESTION: Can the landlord remove the manufactured home from the leased property once a writ of possession is obtained?

ANSWER: Again, not exactly. First, the writ of possession must be “executed” or given effect. This process is handled by the Sheriff. The first step is for the Sheriff to give the tenant notice of the time when the writ will be executed. The next step is for the Sheriff to serve the writ by one of the means provided for by statute. Once the writ is executed, the landlord may remove all property remaining on the premises and place it in storage.

QUESTION: Does Section 44A-2(e2) give the owner of the manufactured home additional time to retrieve their property either from the leased premises or from storage?

ANSWER: Yes. In non-manufactured home tenancies, the landlord is only required to give a tenant seven days after execution of a writ of possession to release possession of a tenant’s personal property. In the case of manufactured homes, that period of time is increased to 21 days.

QUESTION: If the tenant fails to retrieve their home and contents, is the landlord permitted to sell that property to recover amounts past due?

ANSWER: Yes. Section 44A-2(e2) authorizes the landlord to enforce its lien by conducting a public sale of the property. It should be noted that the landlord's lien does NOT take priority over any security interest in the tenant's property that was in existence at the time the landlord's lien attached to that property.

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