



Selling property that includes a manufactured home

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QUESTION: I recently met with a property owner about listing her property for sale. During our initial meeting, while going over the standard listing agreement (Standard Form 101), the property owner told me that the home on her property is a manufactured home. She provided me with the vehicle identification number (“VIN”) of the home and I inserted that information in paragraph 12(m) of the listing agreement. What additional steps, if any, do I need to take when dealing with the sale of this type of property?

ANSWER: First, it is important to understand that there is a difference between manufactured homes (also known as mobile homes) and modular homes. While the two types of homes may look identical, the difference has to do with the building codes that govern their construction. Manufactured homes are built according to a federal code promulgated by HUD, while modular homes are built according to whatever state and local codes are applicable to the location where the home will be placed.

In North Carolina, modular homes become part of the real property at the time of installation. In contrast, manufactured housing generally starts out as personal property. That status can change by following one of two procedures. If no title to the home has been issued by the DMV, the owner can file a “declaration of intent to affix the manufactured home” with the Register of Deeds. If a title to the home has been issued by the DMV, the owner can file an affidavit (on the DMV’s Form MVR-46G) with the DMV to remove the home from the DMV’s registration files. The DMV requires the owner to attach (or surrender) the original title to that affidavit. Once signed and returned by the DMV, the affidavit must then be recorded in the Register of Deeds’ office. Once that is recorded, the home will be considered real property.

If you list property for sale, and it includes either a manufactured or modular home, we strongly recommend that you disclose that fact in your MLS listing, regardless of the home’s status as real or personal property. If the home is a manufactured home, you should check to see if a “Declaration of Intent” or an “Affidavit for Removal” has been filed with the Register of Deeds. If not, the home is personal property. In that event, any contract for the sale of your client’s property should include the Additional Provisions Addendum (Standard Form 2A11-T). Paragraph 5 of that form makes specific reference to the existence of a manufactured home on the property. In our view, Standard Form 2A11-T is not necessary if the home is either (a) a modular home or (b) a manufactured home that has been affixed to the real property and the required documents have been recorded with the Register of Deeds.

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