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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2967

02/11/2020 Authored by Sauke, Kiel, Koegel and Bahr
The bill was read for the first time and referred to the Housing Finance and Policy Division

1.1 A bill for an act
1.2 relating to housing; allowing mortgage financing for manufactured homes in
1.3 manufactured home park cooperatives; amending Minnesota Statutes 2018, sections
1.4 168A.141, subdivision 1a; 273.125, subdivision 8.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2018, section 168A.141, subdivision 1a, is amended to read:

1.7 Subd. 1a. Affidavit form. An affidavit of affixation must be in substantially the following
1.8 form and must contain the following information.

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141

1.11 Homeowner, being duly sworn, on his or her oath, states as follows:

1.12 1. Homeowner owns the manufactured home ("home") described as follows:

1.13

Table with 5 columns: New/Used, Year, Manufacturer's Name, Model Name or Model No., Manufacturer's Serial No., Length/Width

1.16 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is
1.17 attached.

1.18 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety
1.19 Driver and Vehicle Services is attached.

1.20 4. The home is or will be located at the following "Property Address":

3.1 Homeowner Signature (if applicable)

3.2

3.3 Printed Name

3.4 This instrument was drafted by, and when recorded return to:

3.5

3.6

3.7

3.8 Subscribed and sworn to before me this day of,

3.9

3.10 Signature of Notary Public or Other Official

3.11 Notary Stamp or Seal

3.12 (optional)

3.13 Lender's Statement of Intent:

3.14 The undersigned ("lender") intends that the home be immovable and a permanent
3.15 improvement to the land free of any personal property security interest.

3.16

3.17 Lender

3.18 By:

3.19 Authorized Signature

3.20 STATE OF

3.21) ss:

3.22 COUNTY OF

3.23 On the day of in the year before me, the undersigned, a Notary Public in and
3.24 for said state, personally appeared

3.25

3.26 personally known to me or proved to me on the basis of satisfactory evidence to be the
3.27 individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged
3.28 to me that he/she/they executed the same in his/her/their capacity(ies), and that by
3.29 his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of
3.30 which the individual(s) acted, executed the instrument.

3.31

3.32 Notary Signature

3.33

- 4.1 Notary Printed Name
- 4.2 Notary Public, State of
- 4.3 Qualified in the County of
- 4.4 My commission expires

4.5 Official seal:

4.6 Sec. 2. Minnesota Statutes 2018, section 273.125, subdivision 8, is amended to read:

4.7 Subd. 8. **Manufactured homes; sectional structures.** (a) In this section, "manufactured
 4.8 home" means a structure transportable in one or more sections, which is built on a permanent
 4.9 chassis, and designed to be used as a dwelling with or without a permanent foundation when
 4.10 connected to the required utilities, and contains the plumbing, heating, air conditioning, and
 4.11 electrical systems in it. Manufactured home includes any accessory structure that is an
 4.12 addition or supplement to the manufactured home and, when installed, becomes a part of
 4.13 the manufactured home.

4.14 (b) Except as provided in paragraph (c), a manufactured home that meets each of the
 4.15 following criteria must be valued and assessed as an improvement to real property, the
 4.16 appropriate real property classification applies, and the valuation is subject to review and
 4.17 the taxes payable in the manner provided for real property:

4.18 (1) the owner of the unit holds title to the land on which it is situated or the owner that
 4.19 holds title to the land on which it is situated is a member of a Minnesota nonprofit corporation
 4.20 or a Minnesota cooperative;

4.21 (2) the unit is affixed to the land by a permanent foundation or is installed at its location
 4.22 in accordance with the Manufactured Home Building Code in sections 327.31 to 327.34,
 4.23 and rules adopted under those sections, or is affixed to the land like other real property in
 4.24 the taxing district; and

4.25 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced
 4.26 by water and sewer facilities comparable to other real property in the taxing district.

4.27 (c) A manufactured home that meets each of the following criteria must be assessed at
 4.28 the rate provided by the appropriate real property classification but must be treated as
 4.29 personal property, and the valuation is subject to review and the taxes payable in the manner
 4.30 provided in this section:

4.31 (1) the owner of the unit is a lessee of the land under the terms of a lease, or the unit is
 4.32 located in a manufactured home park but is not the homestead of the park owner;

5.1 (2) the unit is affixed to the land by a permanent foundation or is installed at its location
5.2 in accordance with the Manufactured Home Building Code contained in sections 327.31 to
5.3 327.34, and the rules adopted under those sections, or is affixed to the land like other real
5.4 property in the taxing district; and

5.5 (3) the unit is connected to public utilities, has a well and septic tank system, or is serviced
5.6 by water and sewer facilities comparable to other real property in the taxing district.

5.7 (d) Sectional structures must be valued and assessed as an improvement to real property
5.8 if the owner of the structure holds title to the land on which it is located or is a qualifying
5.9 lessee of the land under section 273.19. In this paragraph "sectional structure" means a
5.10 building or structural unit that has been in whole or substantial part manufactured or
5.11 constructed at an off-site location to be wholly or partially assembled on site alone or with
5.12 other units and attached to a permanent foundation.

5.13 (e) The commissioner of revenue may adopt rules under the Administrative Procedure
5.14 Act to establish additional criteria for the classification of manufactured homes and sectional
5.15 structures under this subdivision.

5.16 (f) A storage shed, deck, or similar improvement constructed on property that is leased
5.17 or rented as a site for a manufactured home, sectional structure, park trailer, or travel trailer
5.18 is taxable as provided in this section. In the case of property that is leased or rented as a site
5.19 for a travel trailer, a storage shed, deck, or similar improvement on the site that is considered
5.20 personal property under this paragraph is taxable only if its total estimated market value is
5.21 over \$10,000. The property is taxable as personal property to the lessee of the site if it is
5.22 not owned by the owner of the site. The property is taxable as real estate if it is owned by
5.23 the owner of the site. As a condition of permitting the owner of the manufactured home,
5.24 sectional structure, park trailer, or travel trailer to construct improvements on the leased or
5.25 rented site, the owner of the site must obtain the permanent home address of the lessee or
5.26 user of the site. The site owner must provide the name and address to the assessor upon
5.27 request.