

This Document can be made available in alternative formats upon request

State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 927

02/10/2021 Authored by Koegel and Koznick
The bill was read for the first time and referred to the Committee on Housing Finance and Policy
02/18/2021 By motion, recalled and re-referred to the Committee on Transportation Finance and Policy

1.1 A bill for an act
1.2 relating to motor vehicles; modifying provisions governing manufactured home
1.3 certificates of title; proposing coding for new law in Minnesota Statutes, chapter
1.4 168A; repealing Minnesota Statutes 2020, section 168A.141.

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

1.6 Section 1. 168A.1412 MANUFACTURED HOME AFFIXED TO REAL
1.7 PROPERTY.

1.8 Subdivision 1. Manufactured home as real property. A manufactured home may be
1.9 made an improvement to real property, and no longer titled as personal property, pursuant
1.10 to this section. A manufactured home constitutes an improvement to real property when:

1.11 (1) the manufactured home is to be affixed or is affixed, as defined in section 273.125,
1.12 subdivision 8, paragraph (b), to the real property;

1.13 (2) the certificate of title is surrendered and canceled pursuant to subdivision 2, or the
1.14 manufacturer's certificate or statement of origin is canceled pursuant to subdivision 3; and

1.15 (3) an affidavit of affixation pursuant to subdivision 5 is recorded with the county recorder
1.16 or registrar of titles, as applicable.

1.17 Subd. 2. Cancellation of certificate of title. (a) Upon request of the owner of the
1.18 manufactured home, the commissioner must designate the certificate of title to the
1.19 manufactured home as canceled in its records and issue notice of cancellation to the owner
1.20 of the manufactured home. The request must be made in writing and include the serial
1.21 number of the manufactured home. After canceling a certificate of title, the commissioner
1.22 must not allow transfer of the title to the manufactured home as personal property. The

2.1 commissioner must not require the owner of the manufactured home to deliver the original
 2.2 certificate of title or the affidavit of affixation described in subdivision 5 in order for the
 2.3 commissioner to designate the certificate of title as canceled in the department's records.

2.4 (b) The commissioner must not cancel a certificate of title if, under this chapter, a security
 2.5 interest has been perfected on the manufactured home. If a security interest has been
 2.6 perfected, the commissioner must notify the owner of the manufactured home that each
 2.7 secured party must release or satisfy the security interest prior to cancellation of the certificate
 2.8 of title by the commissioner. Affixing the manufactured home to real property or the
 2.9 recording of an affidavit of affixation without cancellation of the certificate of title does not
 2.10 extinguish an otherwise valid security interest in or tax lien on the manufactured home.

2.11 Subd. 3. **Surrender of manufacturer's certificate of origin.** The owner of the
 2.12 manufactured home may surrender the manufacturer's certificate of origin to the
 2.13 commissioner for cancellation. Upon delivery of the original certificate of origin, the
 2.14 commissioner must issue notice of cancellation to the owner of the manufactured home.
 2.15 The commissioner must not issue a certificate of title for a manufactured home if the
 2.16 manufacturer's certificate of origin is or has been canceled under this subdivision, except
 2.17 as provided in section 168A.142. The commissioner must not require the owner of the
 2.18 manufactured home to deliver the affidavit of affixation described in subdivision 5 in order
 2.19 for the commissioner to cancel the certificate of origin.

2.20 Subd. 4. **Verification.** The commissioner is not liable for any errors, omissions,
 2.21 misstatements, or other deficiencies or inaccuracies in documents presented to the
 2.22 commissioner under this section if the documents presented appear to satisfy the requirements
 2.23 of this section. The commissioner has no obligation to investigate the accuracy of statements
 2.24 contained in the documents to verify that the manufactured home has been affixed to the
 2.25 real property.

2.26 Subd. 5. **Affidavit of affixation.** An affidavit of affixation must be in substantially the
 2.27 following form and must contain the following information and attachments described in
 2.28 the form. The county recorder or registrar of titles, as applicable, must accept any such
 2.29 affidavit. The county recorder or registrar of titles, as applicable, must provide a copy of
 2.30 the recorded affidavit of affixation to the county auditor of the county for the real property
 2.31 described therein or otherwise inform the county auditor that the home is to be taxed as an
 2.32 improvement to the real property to which it is affixed.

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.1412

3.1("Affiant"), being first duly sworn, on oath states, or affirms
3.2 under penalties of perjury, that:

3.3 1. I am an owner of the manufactured home ("Manufactured Home") described as follows:

3.4 Manufacturer's name:

3.5 Make:

3.6 Model number:

3.7 Model year:

3.8 Serial number:

3.9 Dimensions:

3.10 Other descriptive information (if any):

3.11 2. The Manufactured Home is or will be (check one) affixed, in accordance with
3.12 Minnesota Statutes, section 273.125, subdivision 8, to real property in

3.13 County, Minnesota, with the street address of:

3.14 Street or route:

3.15 City:

3.16 State:

3.17 Zip code:

3.18 and legally described as follows ("Land"):

3.19

3.20

3.21

3.22 Check here if all or part of the described real property is Registered (Torrens)

3.23 3. A copy of the notice of cancellation issued from the Minnesota Department of Public
3.24 Safety Driver and Vehicle Services pursuant to Minnesota Statutes, section 168A.1412,
3.25 subdivision 2 or 3, is attached.

3.26 4. The owner(s) of the Manufactured Home is/are the owner(s) of the Land.

3.27 5. The Affiant makes this affidavit to demonstrate that the Manufactured Home is an
3.28 improvement to real property, no longer titled as personal property, and free of any personal
3.29 property security interest.

3.30 Affiant

3.31

3.32 (Signature)

3.33 Signed and sworn to (or affirmed) before me this day of,

4.1 Notary Stamp or Seal

4.2

4.3 Signature of notarial officer Title (and Rank):

4.4 My commission expires:

4.5 This instrument was drafted by, and when
4.6 recorded return to

4.7

4.8 Subd. 6. **Notice of security interest.** When a perfected security interest exists, or will
4.9 exist, on the manufactured home at the time the manufactured home is affixed to real
4.10 property, and the owner has not satisfied the requirements of subdivision 1, the owner of
4.11 the manufactured home, or its secured party, may record a notice with the county recorder,
4.12 or with the registrar of titles, if the land is registered, stating that the manufactured home
4.13 located on the property is encumbered by a perfected security interest and is not an
4.14 improvement to real property. The notice must state the name and address of the secured
4.15 party as set forth on the certificate of title, the legal description of the real property, and the
4.16 name and address of the record fee owner of the real property on which the manufactured
4.17 home is affixed. When the security interest is released or satisfied, the secured party must
4.18 attach a copy of the release or satisfaction to a notice executed by the secured party containing
4.19 the county recorder or registrar of titles document number of the notice of security interest.
4.20 The notice of release or satisfaction must be recorded with the county recorder, or registrar
4.21 of titles, if the land is registered. Neither the notice described in this subdivision nor the
4.22 security interest on the certificate of title is deemed to be an encumbrance on the real
4.23 property. The notices provided for in this subdivision need not be acknowledged.

4.24 Sec. 2. **REVISOR INSTRUCTION.**

4.25 The revisor of statutes must change all cross-references to Minnesota Statutes, section
4.26 168A.141, to instead reference Minnesota Statutes, section 168A.1412.

4.27 Sec. 3. **REPEALER.**

4.28 Minnesota Statutes 2020, section 168A.141, is repealed.

168A.141 MANUFACTURED HOME AFFIXED TO REAL PROPERTY.

Subdivision 1. **Certificates surrendered for cancellation.** (a) When a manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to real property, the owner of the manufactured home may surrender the manufacturer's certificate of origin or certificate of title to the department for cancellation so that the manufactured home becomes an improvement to real property and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department must issue notice of surrender to the owner, and upon recording an affidavit of affixation, which the county recorder or registrar of titles, as applicable, must accept, the manufactured home is deemed to be an improvement to real property. An affidavit of affixation by the owner of the manufactured home must include the following information:

- (1) the name, residence address, and mailing address of owner or owners of the manufactured home;
- (2) the legal description of the real property in which the manufactured home is, or will be, located;
- (3) a copy of the surrendered manufacturer's certificate of origin or certificate of title and the notice of surrender;
- (4) a written statement from the county auditor or county treasurer of the county where the manufactured home is located stating that all property taxes payable in the current year, as provided under section 273.125, subdivision 8, paragraph (b), have been paid, or are not applicable;
- (5) the name and address of the person designated by the applicant to record the original affidavit of affixation with the county recorder or registrar of titles for the county where the real property is located; and
- (6) the signature of the person who executes the affidavit, properly executed before a person authorized to authenticate an affidavit in this state.

(b) The person designated in paragraph (a), clause (5), must record, or arrange for the recording of, the affidavit of affixation, accompanied by the fees for recording and for issuing a certified copy of the notice, including all attachments, showing the recording date. Upon obtaining the certified copy of the notice under this paragraph, the person designated in the affidavit must deliver the certified copy to the county auditor of the county in which the real property to which the manufactured home was affixed is located.

(c) The department is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the department under this section, if the documents presented appear to satisfy the requirements of this section. The department has no obligation to investigate the accuracy of statements contained in the documents.

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

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141

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

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

.....

New/Used	Year	Manufacturer's Name	Model Name or Model No.	Manufacturer's Serial No.	Length/Width
----------	------	---------------------	-------------------------	---------------------------	--------------

- 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is attached.
- 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety Driver and Vehicle Services is attached.
- 4. The home is or will be located at the following "Property Address":

APPENDIX
Repealed Minnesota Statutes: 21-02235

.....
Signature of Notary Public or Other Official

Notary Stamp or Seal
(optional)

Lender's Statement of Intent:

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

.....
Lender

By:

Authorized Signature

STATE OF

.....) ss:

COUNTY OF

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

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

.....
Notary Signature

.....

Notary Printed Name

Notary Public, State of

Qualified in the County of

My commission expires

Official seal:

Subd. 2. Perfected security interest prevents surrender. The department may not cancel a certificate of title if, under this chapter, a security interest has been perfected on the manufactured home. If a security interest has been perfected, the department must notify the owner that each secured party must release or satisfy the security interest prior to proceeding with surrender of the manufacturer's certificate of origin or certificate of title to the department for cancellation. Permanent attachment to real property or the recording of an affidavit of affixation does not extinguish an otherwise valid security interest in or tax lien on the manufactured home, unless the requirements of section 168A.141, subdivisions 1, 1a, and 2, including the release of any security interest, have been satisfied.

Subd. 3. Notice of security interest. When a perfected security interest exists, or will exist, on the manufactured home at the time the manufactured home is affixed to real property, and the owner has not satisfied the requirements of section 168A.141, subdivision 1, the owner of the manufactured home, or its secured party, may record a notice with the county recorder, or with the registrar of titles, if the land is registered, stating that the manufactured home located on the property is encumbered by a perfected security interest and is not an improvement to real property. The notice must state the name and address of the secured party as set forth on the certificate of title, the legal

APPENDIX
Repealed Minnesota Statutes: 21-02235

description of the real property, and the name and address of the record fee owner of the real property on which the manufactured home is affixed. When the security interest is released or satisfied, the secured party must attach a copy of the release or satisfaction to a notice executed by the secured party containing the county recorder or registrar of titles document number of the notice of security interest. The notice of release or satisfaction must be recorded with the county recorder, or registrar of titles, if the land is registered. Neither the notice described in this subdivision nor the security interest on the certificate of title is deemed to be an encumbrance on the real property. The notices provided for in this subdivision need not be acknowledged.