

810-5-75-.66 Title Procedure –Cancellation Of Manufactured Home Certificate Of Origin Or Certificate Of Title.

(1) The certificate of origin or certificate of title for a manufactured home that is not more than 20 model years old, as determined by the department, and is permanently affixed to a parcel of real property may be cancelled if the ownership of the manufactured home and real property is identical. The term “permanently affixed” means that the tongue, axles and wheels have been removed from the manufactured home and it has been installed in accordance with the Installation Rules and Regulations of the Alabama Manufactured Housing Commission as found in chapters 535-X-12 and 535-X-13. Either the original retail purchaser or lienholder as recorded on the certificate of origin, or the titled owner or owner’s lienholder as recorded on the certificate of title or listed on a completed surety bond may apply for cancellation of a certificate of origin or certificate of title. The request for cancellation must be made through a designated agent appointed by the Alabama Department of Revenue. The department, upon approval of the cancellation request, will issue a certificate of cancellation of the certificate of origin or cancellation of the certificate of title to the manufactured home in accordance with the following procedures:

(a) Cancellation of Certificate of Origin/Title. The original retail purchaser or lienholder for the original retail purchaser, or titled owner or owner’s lienholder as recorded on the certificate of origin/title must apply for a cancellation of certificate of origin/title through a designated agent of the department.

2. A designated agent will use the Electronic Title Application Processing System (ETAPS) to prepare a Form MVT 5-39E “Notice of Cancellation of a Certificate of Origin or Alabama Certificate of Title for a Manufactured Home Classified as Real Property” by entering the following information concerning the manufactured home:

- (i) Primary supporting document type (Alabama title or manufacturers certificate of origin),
- (ii) Manufactured home identification number(s),
- (iii) Year model, make, model, New/Used, color, date of purchase,
- (iv) Owner’s name and owner’s address,
- (v) County of fixation.

(I) Note: The terms “manufactured home identification number” and “vehicle identification number” are used interchangeably within this rule.

(II) ETAPS will assign a unique document control number (DCN) and creation date to each completed MVT 5-39E. The MVT 5-39E will be valid for 90 days from its creation to be used in conjunction with the Form MVT 5-44E “Application for Cancellation of Certificate of Origin/Title”.

3. All parties who have ownership in both the manufactured home and the realty to which the manufactured home has become permanently affixed must sign the MVT 5-39E attesting to the fact that the manufactured home has been permanently affixed, and recorded as real property.

- (i) Note: No more than two owners can be recorded on a certificate of cancellation.

4. The MVT 5-39E must be signed by the judge of probate (or his/her designee) in the county where the manufactured home is located attesting to the fact that the manufactured home has been recorded in that office as real property. A designated agent will use ETAPS to complete an MVT 5-44E "Application for Cancellation of Certificate of Origin/Title", for each manufactured home identification number listed on the MVT 5-39E, based on information listed on the MVT 5-39E.

6. The designated agent shall assemble the cancellation package (MVT 5-44E, MVT 5-39E, certificate of origin/title for each separate unit, lien release, etc.), and submit it to the department. The title application and Alabama Housing Foundation fees as required by Section 32-20-4, Code of Alabama 1975, as amended, shall be sent electronically through ETAPS utilizing either an Automated Clearing House (ACH) transaction or credit card payment.

7. The department will examine the documents received and, if approved, issue a Certificate of Cancellation For A Certificate of Origin/Title For A Manufactured Home Classified As Real Property, in the name of the first retail purchaser or the titled owner.

(b) Certification of Cancellation by Posting a Surety Bond.

1. When the current owner or owner's lienholder is not properly recorded on a certificate of title, such parties may post a bond by applying through a designated agent. In addition, if the department is not satisfied as to the ownership of the manufactured home or that there are no undisclosed security interests in it, as a condition of issuing a certificate of cancellation, the department may require the applicant to file with the department a surety bond executed by a person/company authorized to conduct a surety business in this state, or in lieu of, a deposit of cash with the department in the amount of the required bond. The bond shall be conditioned to indemnify any prior owner and lienholder and any subsequent purchaser of the manufactured home or person acquiring any security interest in it.

2. A single bond shall be required for each manufactured home.

3. The bond shall be in an amount equal to fifty thousand dollars (\$50,000.00) for manufactured homes less than ten (10) model years old and twenty-five thousand dollars (\$25,000.00) for all manufactured homes ten (10) model years old and less than 20 model years old, or in lieu of, a deposit of cash in the amount of the required bond will be accepted.

4. A designated agent will use the Electronic Title Application Processing System (ETAPS) to partially complete a Form MVT 11B "Manufactured Home Bond Form" by entering the following information for the manufactured home:

- (i) Manufactured home identification number(s),
- (ii) Vehicle year, vehicle make, vehicle model, vehicle color,
- (iii) New/Used,
- (iv) Owner's name and owner's address,
- (v) Date of purchase, and
- (vi) County of affixation.

(I) Note: A maximum of four (4) manufactured home identification numbers can be entered on the Form MVT 11B, if the manufactured home contains more than one unit.

(II) Note: ETAPS will print identical MVT 11B forms for each manufactured home identification number listed, because a separate MVT 11B is required for each unit of the home. The same certificate of title surety bond number will be recorded on each of the MVT 11B forms.

(III) Note: ETAPS assigns the bond amount to the MVT 11B in accordance with section (b) (3) of this rule.

5. ETAPS will assign the partially completed MVT 11B a unique document control number (DCN) and creation date. The MVT 11B will be valid for 90 days from date of creation to be used in conjunction with the Form MVT 5-39E.

6. The MVT 11B shall be completed and executed by a surety company licensed and duly authorized to do business in Alabama.

7. A designated agent will use ETAPS to prepare a Form MVT 5-39E by entering the document control number (DCN) assigned to the MVT 11B, or in accordance with subsection (a) (2).

8. All parties who have ownership in both the manufactured home and the realty to which the manufactured home has become permanently affixed must sign the MVT 5-39E attesting to the fact that the manufactured home has been permanently affixed, and recorded as real property

9. The MVT 5-39E must be signed by the judge of probate (or his/her designee) in the county where the manufactured home is located attesting to the fact that the manufactured home has been recorded in that office as real property.

10. A designated agent will use ETAPS to complete an Application for Cancellation of Certificate of Origin/Title (MVT 5-44E), for each manufactured home identification number listed on the MVT 5-39E, based on information listed on the MVT 5-39E.

11. The designated agent shall assemble the cancellation package (MVT 5-44E, MVT 5-39E, MVT 11B, and bond endorsement), and submit it to the department. The title application and Alabama Housing Foundation fees as required by Section 32-20-4, Code of Ala. 1975, as amended, shall be sent electronically through ETAPS utilizing either an Automated Clearing House (ACH) transaction or credit card payment.

12. The department will examine the documents received and, if approved, issue a Certificate of Cancellation For A Certificate of Origin/Title For A Manufactured Home Classified As Real Property, in the name of the owner.

13. Chapter 20 of Title 32, Code of Ala. 1975, does not provide for the issuance of a replacement certificate of cancellation. In the event that a certificate of cancellation is lost, stolen, mutilated, destroyed, or becomes illegible, a replacement certificate of cancellation cannot be issued. However, records of the cancellation may be obtained by completing the form MV DPPA1 (See rule 810-5-1-.485).

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Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 32-20-3(b), as amended.

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