

§ 20-109.2. Surrender of title to manufactured home.

(a) Surrender of Title. – If a certificate of title has been issued for a manufactured home, the owner listed on the title has the title, and the manufactured home qualifies as real property as defined in G.S. 105-273(13), the owner listed on the title shall submit an affidavit to the Division that the manufactured home meets this definition and surrender the certificate of title to the Division.

(a1) Surrender When Title Not Available. – If a certificate of title has been issued for a manufactured home, no issued title is available, and the manufactured home qualifies as real property as defined in G.S. 105-273(13), the owner listed on the title shall be deemed to have surrendered the title to the Division if the owner of the real property on which the manufactured home is affixed (i) submits an affidavit to the Division that the manufactured home meets the definition of real property under G.S. 105-273(13) and in compliance with subsection (b) of this section and (ii) submits a tax record showing the manufactured home listed for ad valorem taxes as real property pursuant to Article 17 of Chapter 105 of the General Statutes in the name of the record owner of the real property on which the manufactured home is affixed.

(b) Affidavit. – The affidavit must be in a form approved by the Commissioner and shall include or provide for all of the following information:

- (1) The manufacturer and, if applicable, the model name of the manufactured home affixed to real property upon which cancellation is sought.
- (2) The vehicle identification number and serial number of the manufactured home affixed to real property upon which cancellation is sought.
- (3) The legal description of the real property on which the manufactured home is affixed, stating that the owner of the manufactured home also owns the real property or that the owner of the manufactured home has entered into a lease with a primary term of at least 20 years for the real property on which the manufactured home is affixed with a copy of the lease or a memorandum thereof pursuant to G.S. 47-18 attached to the affidavit, if not previously recorded.
- (4) A description of any security interests in the manufactured home affixed to real property upon which cancellation is sought.
- (5) A section for the Division's notation or statement that either the procedure in subsection (a) of this section for surrendering the title has been surrendered and the title has been cancelled by the Division or the affiant submits this affidavit pursuant to subsection (a1) of this section to have the title deemed surrendered by the owner listed on the certificate of title.
- (6) An affirmative statement that the affiant is (i) the record owner of the real property on which the manufactured home is affixed and the lease for the manufactured home does not include a provision allowing the owner listed on the certificate of title to dispose of the manufactured home prior to the end of the primary term of the lease or (ii) is the owner of the manufactured home and either owns the real property on which the manufactured home is affixed or has entered into a lease with a primary term of at least 20 years for the real property on which the manufactured home is affixed.
- (7) The affiant affirms that he or she has sent notice of this cancellation by hand delivery or by first-class mail to the last known address of the owner listed on the certificate of title prior to filing this affidavit with the Division.

(c) Cancellation. – Upon compliance with the procedures in subsection (a) or (a1) of this section for surrender of title, the Division shall rescind and cancel the certificate of title. If a security interest has been recorded on the certificate of title and not released by the secured party, the Division may not cancel the title without written consent from all secured parties. After

cancelling the title, the Division shall return the original of the affidavit to the affiant, or to the secured party having the first recorded security interest, with the Division's notation or statement that the title has been surrendered and has been cancelled by the Division. The affiant or secured party shall file the affidavit returned by the Division with the office of the register of deeds of the county where the real property is located. The Division may charge five dollars (\$5.00) for a cancellation of a title under this section.

(d) Application for Title After Cancellation. – If the owner of a manufactured home whose certificate of title has been cancelled under this section subsequently seeks to separate the manufactured home from the real property, the owner may apply for a new certificate of title. The owner must submit to the Division an affidavit containing the same information set out in subsection (b) of this section, verification that the manufactured home has been removed from the real property, verification of the identity of the current owner of the real property upon which the manufactured home was located, and written consent of any affected owners of recorded mortgages, deeds of trust, or security interests in the real property where the manufactured home was placed. Upon receipt of this information, together with a title application and required fee, the Division shall issue a new title for the manufactured home in the name of the current owner of the real property upon which the manufactured home was located.

(e) Sanctions. – Any person who violates this section is subject to a civil penalty of up to one hundred dollars (\$100.00), to be imposed in the discretion of the Commissioner.

(f) No Right of Action. – A person damaged by the cancellation of a certificate of title pursuant to subsection (a1) of this section does not have a right of action against the Division or a commission contractor of the Division. (2001-506, s. 2; 2003-400, s. 1; 2013-79, s. 1; 2016-59, s. 6; 2021-134, s. 6.1.)