

April 10, 2003

H 1006. MANUFACTURED HOUSING. TO GRANT GREATER CONSUMER PROTECTION TO RESIDENTS OF MANUFACTURED HOUSING IN NORTH CAROLINA. Amends GS 47-20.7, which authorizes person owning real estate to declare that manufactured home placed on that real estate is to be treated as real estate and not personal property, to allow owner of home placed on real estate on which he or she has a lease for at least 20 years to make a similar declaration. Amends GS 42-14 to require notice by persons renting space for manufactured home to give at least 120 days before the end of the current rental period of their intent to terminate the lease. Adds new GS 42-14.3 to require owner of manufactured home community to give residents one year's notice before selling or closing community, unless closure is due to government order. Amends GS 143-143.10 to specify that two members of Manufactured Housing Board must be residents of such homes who have no beneficial financial interest in the industry. Adds new GS 143-143.20A and -143.20B to require specified display of prices and financing options for consumers. Amends GS 143-143.21A, which regulates purchase agreements and cancellation of contracts for these homes, to give consumer three days to cancel when any material terms of the purchase agreement are changed by the dealer. Effective July 1, 2003

Intro. by Hunter.

Ref. to Judiciary II

GS 42, 47, 143

June 2, 2003

H 1006. MANUFACTURED HOUSING. Intro. 4/10/03. House committee substitute makes the following changes to 1st edition. (1) Amends GS 20-109.2(b)(3) by requiring that the legal description of the real property on which a manufactured home is placed state either 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 memorandum thereof attached to the affidavit if said lease or memorandum has not been previously recorded. (2) Amends GS 20-109.2(c) to provide that Division of Motor Vehicles may not cancel title without written consent of a secured party if that secured party has not released its recorded security interest at the time the owner of a manufactured home seeks to surrender title to the Division. Also adds provision allowing the Division of Motor Vehicles to charge \$5.00 for a cancellation of title to a manufactured home. (3) Deletes proposed amendment of GS 47-20.6(a) and replaces it with new amendment requiring the owner of a manufactured home who 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 and who has surrendered title to the manufactured home to record the affidavit described in GS 20-109.2 in the office of the register of deeds where the real property is located. (4) Deletes proposed new subsection (e) to GS 47-20.6. (5) Deletes proposed amendment of GS 47-20.7 and replaces it with a new amendment of GS 47-20.7(a) providing that the owner of a manufactured home who has entered into a lease with a primary term of at least 20 years for the real property on which the manufactured home is or will be place, where the manufactured home has never been titled by the Division or where the title has been surrendered and cancelled prior to Jan. 1, 2002, may record in the office of the register of deeds where the real property is located a declaration of intent to affix the manufactured home to real property and may convey or encumber the real property, including the manufactured home, by deed, deed of trust, or other recorded instrument. (6) Amends proposed amendment of GS 105-273(13) by providing that before a manufactured home concerning which the owner 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 can be considered "real property," "real estate," and "land" the lease must expressly provide for disposition of the manufactured home upon termination of the lease. (7) Deletes proposed amendment of GS 42-14. (8) Deletes subsection (a) to proposed new GS 42-14.3 and replaces it with new subsection (a) providing that where an owner of a manufactured home community intends to convert the community to another use that will require movement of the manufactured homes, the owner of the community shall give each owner of a manufactured home notice of the intended conversion at least 180 days before the owner of the manufactured home is required to vacate and move the manufactured home. (9) Deletes proposed amendment to GS 143-143.10(a). (10) Deletes

proposed new subsection (c) to GS 143-143-10. (11) Deletes proposed new GS 143-143.20A and replaces it with new section GS 143-143.20A requiring a manufacturer of a manufactured home (i) to publish a suggested retail price and to display that price near the front entrance of the home, and (ii) to display a sign and provide a notice developed by the NC Manufactured Housing Board about the Board to each buyer. The notice is to include information about how to file a consumer complaint with the Board and about the warranties provided for each new manufactured home under federal and state law. (12) Deletes proposed new GS 143-143.20B. (13) Changes proposed amendment of GS 143-143-21A(d) to provide that the additional three-day cancellation period required when the dealer gives a buyer a new set of financing terms shall not apply when the financing terms are more favorable to the buyer. (14) Deletes proposed new subsections (f) and (g) to GS 143-143-21A and replaces them with a new subsection (f) directing the NC Manufactured Housing Board to adopt rules concerning the terms of any deposit paid by a buyer to a dealer, and allowing such rules to exempt deposits of less than \$2000, and to protect deposits from the claims of the dealer's creditors when the dealer declares bankruptcy. (15) Effective dates of the proposed amendment to GS 143-143.20A and the proposed amendments to GS 143-143.21A are Oct. 1, 2003; remainder of the act becomes effective upon enactment.

June 11, 2003

H 1006. MANUFACTURED HOUSING. Intro. 4/10/03. House amendment makes the following changes to 2nd edition. Amends GS 42-14.3(a) to provide that the rights and obligations stated in the lease between the community owner and manufactured home owner shall continue in effect during the notice period.