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## Understanding Manufactured Housing, Land Lease Communities and Abandoned Homes



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## MEET THE PRESENTER



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# What is Manufactured Housing?



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## BRIEF HISTORY



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# HUD V. INDUSTRIALIZED/MODULAR

## Similarities

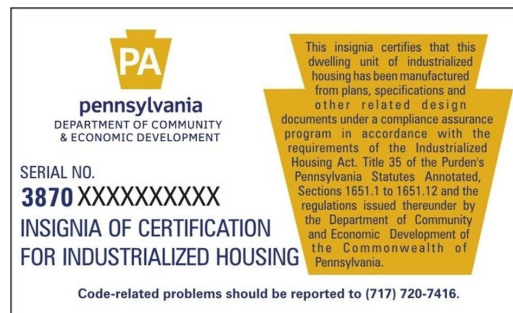
- Factory Built
- Quality
- Transportation

## Differences

- Codes
- Sections
- Siting Options
- Perception

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# LABELING



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## TRAILER – MOBILE HOME – MANUFACTURED HOME

### Definitions

- Trailer – 40's and 50's
- Mobile Home – 60's and mid-70's
  - ANSI 119.1
- Manufactured Home – late 70's to today
  - Section 603(6) of the National Manufactured Housing Construction and Safety Standards Act of 1974

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## SECTION 603(6) OF THE NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS ACT OF 1974

### Manufactured Home

A structure, transportable in one or more sections which in the traveling mode, is 8 body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein; except that such term shall include any structure which meets all the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the Secretary and complies with the standards established under this title, and except for such term shall not include any self-propelled RV.

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# DATA PLATE

MANUFACTURED HOME DATA PLATE

State of Manufacture:  00  01  02  03  04  05  06  07  08  09  10  11  12  13  14  15  16  17  18  19  20  21  22  23  24  25  26  27  28  29  30  31  32  33  34  35  36  37  38  39  40  41  42  43  44  45  46  47  48  49  50

Plant Number \_\_\_\_\_

Manufacturer's Serial Number and Model Unit Designation \_\_\_\_\_

Design Approval by (S.A.P.R.): \_\_\_\_\_

The manufacturer hereby certifies that this manufactured home conforms to the requirements of the Code of Pennsylvania, Chapter 820, Pa.C.S. for the manufacture and sale of manufactured homes, and that the same are to be used in accordance with the provisions of the Code of Pennsylvania, Chapter 820, Pa.C.S. for the manufacture and sale of manufactured homes.

The factory installed equipment includes:

Equipment	Manufacturer	Model Designation
For heating	_____	_____
For air cooling	_____	_____
For cooking	_____	_____
Refrigerator	_____	_____
Water Heater	_____	_____
Stove	_____	_____
Clothes Dryer	_____	_____
Dishwasher	_____	_____
Garbage Disposal	_____	_____
Freight	_____	_____

HOME CONSTRUCTED FOR:  Zone 1  Zone 2  Zone 3  Zone 4

**BASIC HOME ZONE MAP**

**REGIONAL FOUND ZONE MAP**

**US ZONE ZONE MAP**

MANUFACTURER'S SERIAL NUMBER \_\_\_\_\_

MANUFACTURER'S MODEL UNIT DESIGNATION \_\_\_\_\_

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# HOW TO CONVEY OWNERSHIP

**MANUFACTURER'S CERTIFICATE OF ORIGIN**  
**MANUFACTURED HOME**

The undersigned manufacturer hereby certifies that the above described home is the property of said manufacturer, has been manufactured by \_\_\_\_\_ at \_\_\_\_\_, Pa. by \_\_\_\_\_, on or about \_\_\_\_\_, for service to \_\_\_\_\_.

It is \_\_\_\_\_, ABC MANUFACTURED HOME SALES

whose address is \_\_\_\_\_ P.O. Box 00, \_\_\_\_\_, \_\_\_\_\_, PA 17066

Trade Name \_\_\_\_\_ Serial no. \_\_\_\_\_

OE \_\_\_\_\_ Model \_\_\_\_\_ All: \_\_\_\_\_

No. Wheels \_\_\_\_\_ 30

Walls \_\_\_\_\_ 30'

Send the BARRIERS: BARRIERS: \_\_\_\_\_ Length \_\_\_\_\_ 50'

Shipping Weight \_\_\_\_\_ 40,000 LBS

Date Manufactured \_\_\_\_\_ August \_\_\_\_\_ 2010

Other Data \_\_\_\_\_ MONTH YEAR

Other Data \_\_\_\_\_ 2010 MODEL

Said manufacturer hereby certifies that this written instrument constitutes the first conveyance of said home after its manufacture and that the manufacturer's serial number or date shown hereon and will not be used for the manufacture of any other home manufactured by said manufacturer, and that there are no other manufacturer's certificates issued by the manufacturer for the home described above.

**LAND MANUFACTURER:** \_\_\_\_\_

By \_\_\_\_\_ MARY SMITH, DEPUTY MANAGER

Signature \_\_\_\_\_ TITLE OR POSITION \_\_\_\_\_

LAND MANAGER, FORM A



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## PLAYERS IN THE INDUSTRY

- Manufacturers
- Suppliers
- Retailers
- Community Owners/Managers
- Insurance/Finance
- Installers
- Transporters

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## MANUFACTURED HOUSING COMMUNITIES

- Overview of this Unique Rental Relationship
- Presence in the State
- Changing Dynamics of Land Lease Communities

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## MANUFACTURED HOUSING LAND LEASED COMMUNITIES

- Manufactured Housing Community Rights Act – Act 261 of 1976
- Landlord Tenant Act – Act 74 of 1996
- Amendment to Act 261 – Act 80 of 2010
- Amendment to Act 261 – Act 156 of 2012
  - Abandoned home process established

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## Recreational Park Model Trailers



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## RECREATIONAL PARK MODEL TRAILERS

- Definition
- Differences compared to manufactured and modular homes
- Concerns and Challenges

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## DEFINITION

- A “recreational park trailer (model)” is a recreation vehicle primarily designed and intended to provide temporary living quarters for recreation, camping or seasonal use. It is built on a single chassis, mounted on wheels with a gross trailer area not exceeding 400 square feet in the setup mode.
- Each recreational park model trailer is certified by its manufacturer as complying with ANSI A119.5.
- Two different types of Recreational Park Trailers are offered. One is less than 8’6” in width and is designed for frequent travel on highways while the other, more popular type, is wider than 8’6” (usually 12’ in width), and must be transported with special movement permits issued by the state highway department. The 8’6” unit is expandable when it reaches its destination utilizing slide-outs or tip-outs. The wider less mobile units are usually sited in RV parks for extended terms, typically for several years.

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## COMPARED TO MANUFACTURED HOMES

### Differences

- This is an RV - not intended for full time occupancy
- No clear guidance from building code perspective related to installation
- No clear zoning guidance
- Sales tax paid every time sold
- Can or cannot be registered (license plate)

### Similarities

- Restricted highway movement
- Titled
- Carries a label



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## CONCERNS AND CHALLENGES

- Zoning and building codes attempt to treat them the same as manufactured homes
- Can be built and sold by the same retailers selling manufactured homes
- They are also confused with tiny homes – new topic – no relation!!

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## Abandoned Manufactured Homes in Land Lease Communities



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## OVERVIEW OF ABANDONED HOME LAW ACT 156 OF 2012

### Definition of Abandoned Home and Personal Property

- Rent Arrears for minimum of 30 days
- No Activity in the Home – minimum of 30 days
- Other



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## RESPONSIBILITIES OF COMMUNITY OWNERS

- Must Determine Abandonment
- Jurisdiction for Abandonment Determination
  - Judgment for Possession from MDJ
- Post Notification Requirements for Community Owner
  - Resident
  - Lenders
  - Taxing Authorities

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## ACT 156 OF 2012

### Post Notification Requirements

- 60-days
- Written Notice – certified, return-receipt or receipted first-class mail
- Posted in conspicuous location in the community

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## ACT 156 OF 2012

### Options for the Community Owner

- Move the home and/or personal property to storage
- Sell the home and/or personal property as is
- Rehab and sell the home and/or personal property
- Destroy the home and/or personal property

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## ACT 156 OF 2012

### Responsibilities of Community Owners

- Enter home to secure personal property and protect from further damage
- Disconnect utilities
- Make arrangements for the removal of possible pets/animals living inside the home

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## ACT 156 OF 2012

### Tax Lien Responsibility for Abandoned Manufactured Homes

- At no time do tax liens against an abandoned manufactured home transfer to the community owner, their property, or a new owner of the home if abandoned home process is followed
- Taxing authority can charge tax liens against the resident who abandoned the home

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## ACT 156 OF 2012

### Proceed Distribution from the Sale of an Abandoned Home

- 1st – pay all costs of moving, storing and selling the personal property or the home
- 2nd – pay all back rent due and all other amounts owing to the community owner
- **3rd – pay all outstanding taxes on the home**
- 4th – pay all outstanding liens on the home
- 5th – pay to the resident who abandoned the home

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## ACT 156 OF 2012

### Immunity from Retaliation

- Community owners cannot be denied permits, licenses, etc. due to tax liability created from an abandoned home

### Immunity from Liability

- Community owners are immune from liability in regards to sale, disposal or destruction of an abandoned home if they follow procedures

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## BENEFITS OF ACT 156

### Community Owner

- Allows community to recoup lost revenues
- Replaces delinquent resident with paying resident
- Allows community owner to remove rundown or blighted homes
- Provides for a method to recover the site with minimal costs to the community owner
- Greatly reduces liability for the community owner

### Tax Office

- Sale allows for possibility of recovery of back taxes
- Tax liability remains with the resident abandoning the home
- Removal or disposal allows for a newer home which means more tax dollars and increased value of the community as a whole
- Replacing non-taxpayers with taxpayers
- Removes property from the repository

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## ABANDONMENT POST *BROWN* DECISION

### *Jay R. Brown v. Chester County Tax Claim Bureau and Chester County*

The Court determined that once a manufactured home has been subject to an upset sale, ownership of the home transfers from the titled owner to the tax claim bureau, the Manufactured Home Community Rights Act may not apply.

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## ABANDONMENT POST *BROWN* DECISION

### Where do we go from here?

- Communities still have the right to remove the home from the site and store it – without paying delinquent taxes.
- Communities can disconnect from utilities which stops future taxes
- For those counties upholding the Brown decision
  - We are back to before Act 156
  - Homes will sit until they fall apart ... NO ONE WINS!!

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## ADDITIONAL THOUGHTS

- How does the taxing authority know proper procedures were followed?
- Can the taxing authority ask for costs and distribution of proceeds?
- What about current year taxes?

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## Manufactured Homes and PA Property Tax Laws



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## MANUFACTURED HOMES AND PA PROPERTY TAX LAWS

- How are Manufactured Homes Taxed
- Responsibilities of Land Lease Communities
- Responsibilities of Manufactured Home Owners

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## HOW ARE MANUFACTURED HOMES TAXED

- Taxes begin once anchored to the ground and connected to utilities
- Valuation is according to actual value and value of what it would sell for
- Valuation does not include the value of the land (communities)
- Valuation of the land does not include the value of the home (communities)

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## RESPONSIBILITIES OF LAND LEASE COMMUNITIES

- Allow assessors access to their records/leases at reasonable times
- Report Arrivals and Departures of homes in their community (monthly)
  - Owners Name (as it appears on the title)
  - Date of Arrival of Home
  - Home manufacturer – would be nice if would require the year and serial number/VIN
  - Owners prior address
  - Penalties – Failure to provide reports is a summary offense – §7502 Crimes Code – only if a procedure to report is given by taxing authority


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## RESPONSIBILITIES OF (MANUFACTURED) HOME OWNERS

- (Should) pay taxes on time
- If move the home from the taxing district must get removal permit
- If sell the home must get tax certification that no back taxes are owed for title transfer

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# Questions?



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## MEET THE PRESENTER



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