

When buying a manufactured home there are some issues you need to be on the lookout for.

1. Affidavit of affixture
2. Title
3. Loan type

1. Affidavit of affixture- what's that?

An Affidavit of affixture is just what it sounds like. A piece of paper ensuring that the manufactured home is not going to be moved off of the property it is currently on. According to the State of Michigan's website: <http://w3.lara.state.mi.us/mhboa/>

“The Bureau of Construction Codes, Building Division is responsible for issuance of Affidavits of Affixture for the manufactured housing industry. In order for an individual or entity to cancel or retire a title to a manufactured home, an Affidavit of Affixture must be provided to the bureau. The Affidavit of Affixture is a method of affixing a manufactured home to be part of real property/real estate. This site allows a status search for the affidavit and is updated at the end of each business day. It is important to note that processing time for the affidavit is 7-10 business days after receipt. An approval or denial notice will be mailed once the review is complete.”

So how does a home become “affixed” to a property? Just like it sounds. You either “tie-down” or anchor your home to the foundation of the property.

Structural home inspections will look for this type of affixture and ensure that it has been done correctly.

2. Title – for my home?

Yes, you will need a title for your home if it is a manufactured. This title is just like the one you would have for your car, boat or RV and it is absolutely critical when applying for the Affidavit of Affixture.

The way the process works with manufactured homes is this; the manufacturer sells the home to you along with a “Certificate of Origin”. You would take the certificate to the Secretary of State and exchange that for a title. In 2006, the State of Michigan started requiring that the title be “retired” through the Affidavit of Affixture process, effectively making the home part of the real property.

Unfortunately, in many cases, a title was never issued to the home owner or has been lost, especially in the case of older manufactured homes.

So what do you do?

What happens if the manufactured home company is no longer in business or you lost your title? Thankfully, there is a solution for that.

In the easier scenario of the two, you lost your title; you can go to the Secretary of State and apply for a lost title. You will want to look on your home for your manufacturer’s tag. The tag should include the name of the manufacturer, the year, the model, the serial number/VIN number. There will be a fee to pay but you can have a title in about a week and a half.

In the other scenario, if the manufactured home company did not issue a title and is no longer in business, you can still get a title from the Secretary of State by obtaining a Surety Bond or worst case scenario, a court order.

According to the State of Michigan:

“If you cannot locate the previous owner, it will be necessary to get:

1. A Court Order - A court order awarding ownership of a vehicle can be used if the order includes the year, make, and vehicle identification

number (VIN) of the vehicle; or

2. A Surety Bond - Without a court order, you must obtain a surety bond. A surety bond is like an insurance policy, and is purchased by the applicant from an insurance company or bonding agency. It must be for twice the fair market value of the vehicle ("fair market value" can be established by a(n)... appraisal ..."

A Surety Bond will ensure that if someone lays claim to the home, the bond will pay out damages to that person up to the amount twice the fair market value, pending an appraisal. In order to obtain a Surety Bond, you print a form provided by the State of Michigan, take it to an insurance company, pay a fee and they complete the form and policy. The form gets taken to SoS and then a title is issued.

Once that is all finally in place, the title gets retired, as mentioned before, and an Affidavit of Affixture can be obtained.

3. What type of loan should I get?

There are a select few loans that can be obtained in order to purchase a manufactured home. According to Nations Lending Corporation, those loans include: Conventional, FHA, VA, and USDA loans.

Because those types of loans all have different criteria, it is always a good idea to get pre-approved for a home loan before you start your shopping. Sitting down with a lender will help you understand your options as far as the type of home you can purchase and how much you can afford.

The best way to choose a home loan provider? Interview them. Choose a select handful of mortgage brokers and sit down with each of them to go over their options, rates and expertise.

