

RE: Deactivation of Manufactured Homes Assessed as Real Property
Effective date: Immediate

Date: January 15, 2009
To: All MVD
From: Mac Lewis, MVD Policy and Procedures Manager

[This is the latest in a series of procedural updates. These updates deal with specific MVD procedures and practices. Managers and Supervisors should consistently distribute the updates to all personnel and integrate them into regular information and training sessions.]

If certain conditions are met, the Vehicle Services Unit can now deactivate the title to a manufactured home, and issue a new inactive title, even though the home is currently assessed as real property.

It sometimes happens that a manufactured home that is titled as a vehicle (personal property) by the MVD has been placed on a permanent foundation and assessed as real property without deactivation of the vehicle title. Since then there may have been one or more transfers of ownership of the home as real property.

If the current owner of the manufactured home now wishes to sell or mortgage it (as real property) a lender, title insurance company, or other party to the transaction may require a hard-copy deactivated title in the name of the current owner before it will proceed.

MVD policy has been that, though we can mark a title as inactive on our electronic records, we cannot change the owner's name or print a new, inactive title for a manufactured home that is currently assessed as real property.

Effective immediately, the Vehicle Services Unit in Santa Fe can now deactivate a manufactured home title and issue a new inactive title to the current owner, even though the home is currently assessed as real property, as long as there is complete documentation of ownership (or a surety bond); there are no recorded liens on the manufactured home as a vehicle (personal property); and all other requirements are met. The title can only be issued if it is deactivated in the same transaction and issued as an inactive title. And there can be no liens on the inactive title.

To request deactivation of the title and issuance of new inactive title, the current owner should send a letter to the Vehicle Services Unit in Santa Fe with the \$5.00 fee payable to MVD and complete documentation including:

- the county assessor's statement that the home is assessed as real property;
- a tax release from the county treasurer or assessor;
- a title application signed by the current owner;
- a lien release for any recorded lien; and
- (if ownership has changed) the complete ownership history or a surety bond.

If there is a recorded lien on the title, but request for release of lien (addressed to lienholder at address of record) is returned undeliverable, we can accept a copy of the request with an undeliverable return receipt.

Field office managers and supervisors should refer any comments or questions regarding this Procedural Quick Update to their Bureau Chiefs, with cc to mac.lewis@state.nm.us. Others are encouraged to direct comments or questions directly to Mac Lewis.
