

H.542

An act relating to transfers of mobile homes and rent-to-own transactions

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 9 V.S.A. § 2602 is amended to read:

§ 2602. SALE OR TRANSFER; PRICE DISCLOSURE; ~~UNIFORM~~

MOBILE HOME UNIFORM BILL OF SALE

* * *

(b)(1) No mobile home may be sold or its ownership otherwise transferred unless a completed mobile home uniform bill of sale as described in subsection (c) is ~~completed~~ endorsed by the clerk of the town in which the mobile home is located and furnished by the seller or transferor to the buyer or transferee. ~~The mobile home uniform bill of sale must be filed with the town clerk of the town in which the mobile home is to be located. Prior to resale, a mobile home uniform bill of sale must be endorsed by the town clerk of the town in which the mobile home is located and a copy sent to the town clerk where the mobile home will be located.~~

(2) If a mobile home is sold or transferred separately from the real property on which it is located, the seller or transferor shall provide a copy of

the mobile home uniform bill of sale by certified mail, return receipt requested, to the record owner of the real property on which the mobile home is located.

(3) A clerk shall not endorse a mobile home uniform bill of sale unless:

(A) all property taxes due and payable on the mobile home, but not the real property on which the mobile home is located if separately owned, have been paid in full as of the most recent assessment, or if the town collects taxes in installments pursuant to 32 V.S.A. § 4872, as of the most recent installment; and

(B) if a mobile home is sold or transferred separately from the real property on which it is located, the seller or transferor has provided a copy of the mobile home uniform bill of sale to the owner of the real property on which the mobile home is located.

(4) The buyer or transferee shall file the bill of sale with the clerk of the town in which the mobile home will be located within 10 days of receipt from the seller or transferor. If the mobile home will be relocated to real property that is not owned by the buyer or transferee, the buyer or transferee shall provide a copy of the mobile home uniform bill of sale to the record owner of the real property on which the mobile home will be located.

(5) A clerk shall not accept for filing a mobile home uniform bill of sale that is not endorsed as required by this subsection.

(6) The requirements of this subsection shall apply to a mobile home that is physically relocated by its owner to another town.

(7) This subsection shall not apply to:

(A) the valid transfer of a mobile home by deed when financed as residential real estate pursuant to this chapter;

(B) the valid transfer of a mobile home by a mobile home uniform bill of sale pursuant to the abandonment process set forth in 10 V.S.A. § 6249;

(C) the physical relocation of a mobile home that is held as inventory by a manufacturer, distributor, or dealer, is stored or displayed on a sales lot, and is not connected to utilities.

~~(c) No mobile home shall be moved over the highways of this state unless the operator of the vehicle hauling such mobile home has in his or her possession a copy of the mobile home uniform bill of sale endorsed pursuant to 32 V.S.A. § 5079 by the town clerk of the town in which the mobile home was last listed and by the clerk of the town in which the mobile home was last located. The mobile home uniform bill of sale shall contain the make, model, serial, size, year manufactured and location of each mobile home. It shall give the name and address of the owner of the property and whether the property is subject to a security interest and shall be substantially in the following form:~~

~~VERMONT MOBILE HOME UNIFORM BILL OF SALE~~

~~KNOW ALL PEOPLE BY THESE PRESENTS THAT~~

~~....., Seller(s), of County of~~

~~..... and State of, in~~

~~consideration of Dollars (\$ ---) paid by~~

~~....., Buyer(s), of~~

~~County of and State of~~

~~the receipt and sufficiency whereof is hereby acknowledged, do hereby grant,
sell, transfer and deliver unto said Buyer(s) the following goods and chattels,
namely:~~

~~Mobile Home Make: Model: Year:~~

~~..... Serial Number: Size:~~

~~Color: presently located~~

~~at in the Town of~~

~~Mobile Home will remain at above location.~~

~~Mobile Home will be located at in Town of~~

~~.....~~

~~TO HAVE AND TO HOLD all and singular the goods and chattels to the said
Buyer(s) and Buyer(s) executors, administrators, and
assigns, to Buyer(s) own use and behoof forever. And the Seller(s) hereby
covenant(s) with the said Buyer(s) that Seller(s) is/are the lawful owner(s) of
said goods and chattels, that they are free from all encumbrances, that Seller(s)~~

~~has/have good right to sell the same as aforesaid, and that Seller(s) will warrant and defend the same against the lawful claims and demands of all persons.~~

~~IN WITNESS WHEREOF, the Seller(s) hereto set(s) his/her/their hand(s), this day of A.D. 20~~

.....

~~Witness~~

~~Seller~~

.....

~~Witness~~

~~Seller~~

~~NOTICE: Title 32 V.S.A. § 5079 requires that this Mobile Home Uniform Bill of Sale be signed by Sellers, Town Clerk of the Town where the Mobile Home is located prior to sale, and filed by Buyer with the Town Clerk of the Town where the Mobile Home will be located after the sale.~~

~~SECURITY INTEREST~~

~~This property is subject to the following security interest or interests of record:~~

~~Secured Party Date Discharged Town Record Number~~

~~TO BE COMPLETED BY TOWN CLERK WHERE MOBILE HOME IS~~

~~PRESENTLY LOCATED.~~

~~I hereby acknowledge that:~~

~~1. Notation of above transfer has been made on the margin of the retained copy of the Mobile Home Uniform Bill of Sale whereby Seller(s) herein acquired title.~~

~~2. Copy of this bill of sale has been forwarded to Town Clerk of Town where above Mobile Home will be located.~~

~~3. Notation of security interest has been made.~~

DATED: ATTEST: TOWN CLERK

(c)(1) A mobile home uniform bill of sale shall contain the following information regarding each mobile home being transferred:

(A) the name and address of each seller or transferor;

(B) the name and address of each buyer or transferee, and if more than one buyer or transferee, the estate under which the buyers or transferees will hold title to the mobile home;

(C) the make, model, serial number, size, and year manufactured;

(D) the current address or location of the mobile home;

(E) whether the mobile home will be moved following the sale or transfer, and if so, the future address of the mobile home;

(F) the name and address of the owner of the real property on which the mobile home is located;

(G) the name and address of the owner of the real property on which the mobile home will be located following the sale or transfer;

(H) if the mobile home is sold separately from the real property on which it is located, confirmation that the seller or transferor has provided notice of the sale to the owner of the real property on which the mobile home is located.

(2) A mobile home uniform bill of sale shall be substantially in the following form:

VERMONT MOBILE HOME UNIFORM BILL OF SALE

NOTICE

Vermont statute requires that this Mobile Home Uniform Bill of Sale be signed by each Buyer and Seller, endorsed by the Town Clerk of the Town where the Mobile Home is located at the time of sale, and filed by Buyer with the Town Clerk of the Town where the Mobile Home will be located after the sale. A financing statement evidencing a security interest in the Mobile Home must be filed with the Secretary of State.

Seller or Transferor ("Seller"):

Name:.....

Street:.....

Town/State/ZIP:.....

County:.....

Mailing Address (if different):

Street:.....

Town/State/ZIP:.....

Buyer or Transferee ("Buyer"):

Name:.....

Street:.....

Town/State/ZIP:.....

County:.....

Mailing Address (if different):

Street:.....

Town/State/ZIP:.....

If more than one Buyer, Buyers take title as:

Joint tenants (co-owners with right of survivorship).

Tenants by the entirety (joint tenancy of persons who are married).

Tenants in common (individual interests without right of survivorship).

Mobile Home Being Sold or Transferred ("Mobile Home")

Specifications:

Make:

Model:.....

Year:.....

Serial Number:

Size:.....

Color:.....

Current Location:

Street:.....

Town/State/ZIP:.....

County:.....

Owner of Real Property on which Mobile Home is Located:

Name:.....

Street:.....

Town/State/ZIP:.....

Mailing Address (if different):

Street:.....

Town/State/ZIP:.....

Seller(s)/Transferor(s) has (have) provided a copy of this bill of sale to the
owner of the real property on which mobile home is currently located.

Location of Mobile Home Following Sale

Mobile Home will remain at current location.

Mobile Home will be relocated to the following address:

Street:.....

Town/State/ZIP:.....

County:.....

Owner of Real Property on which Mobile Home will be Located:

Name:.....

Street:.....

Town/State/ZIP:.....

Mailing Address (if different):

Street:.....

Town/State/ZIP:.....

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, Seller hereby transfers to the Buyer the Mobile Home identified in this Bill of Sale, and Seller covenants with Buyer that Seller is the lawful owner of the Mobile Home, that it is free from all encumbrances, that Seller has good right to sell the Mobile Home, and that Seller will warrant and defend the same against the lawful claims and demands of all persons.

Seller Signature.....Date.....

Witness Signature.....Date.....

Buyer Signature.....Date.....

Witness Signature.....Date.....

TOWN CLERK ENDORSEMENT

TO BE COMPLETED BY TOWN CLERK WHERE MOBILE HOME IS CURRENTLY LOCATED.

I hereby acknowledge that:

1. Notation of above transfer has been made on the margin of the retained copy of the Mobile Home Uniform Bill of Sale whereby Seller

acquired title.

2. All property taxes due and payable on the mobile home, but not the real property on which the mobile home is located if separately owned, have been paid in full as of the most recent assessment, or if the town collects taxes in installments pursuant to 32 V.S.A. § 4872, as of the most recent installment.

3. If the Mobile Home is sold or transferred separately from the real property on which it is located, Seller has provided a copy of the Mobile Home Uniform Bill of Sale to the Owner of the real property on which the Mobile Home is located.

Town Clerk Signature:.....Date:.....

(3) Within 14 days of filing, the town clerk in the town in which a mobile home uniform bill of sale is filed shall mail a copy of the filed bill of sale to each buyer, seller, and owner of real property for whom a mailing address is provided.

(d) A mobile home shall not be moved over the highways of this state unless the operator of the vehicle hauling the mobile home has in his or her possession a copy of the mobile home uniform bill of sale endorsed pursuant to subsection (b) of this section. In addition to any penalty or remedy imposed under section 2607 of this title, a violation of this subsection shall be subject to the collection and enforcement provisions set forth in 32 V.S.A. § 5079.

(e)(1) For purposes of this subsection, “an agreement to purchase a mobile home on a rent-to-own, lease-purchase, or similar basis” means any agreement, other than an agreement to purchase a mobile home, that will be financed as residential real estate, under which:

(A) a buyer or lessee, however named, agrees to pay consideration in one or more installments to the owner of a mobile home, or to a third party designated by the owner of the mobile home to receive payment on behalf of the owner, for the right to use or occupy the mobile home;

(B) upon full compliance with the terms of the agreement, the buyer or lessee, however named, is bound to become, or for no further or a merely nominal additional consideration, has the option of becoming, the owner of the mobile home.

(2) An agreement to purchase a mobile home on a rent-to-own, lease-purchase, or similar basis shall not transfer ownership of the mobile home, or the rights, duties, and liabilities arising from ownership of the mobile home, unless and until:

(A) the buyer and seller execute a written retail installment contract complying with the requirements set forth in chapter 59 of this title;

(B) the seller furnishes to the buyer an executed mobile home uniform bill of sale endorsed pursuant to subsection (b) of this section; and

(C) the buyer executes and files the mobile home uniform bill of sale with the town clerk of the town in which the mobile home will be located within 10 days of receipt from the seller.

(3) An agreement to purchase a mobile home on a rent-to-own, lease-purchase, or similar basis that meets the requirements of subdivision (2) of this subsection shall constitute a “retail installment transaction” as defined in subdivision 2351(4) of this title, and in addition to any other applicable law, shall be subject to chapter 59 of this title and 9A V.S.A. Article 2 of the Uniform Commercial Code (Sale of Goods).

(4) An agreement to purchase a mobile home on a rent-to-own, lease-purchase, or similar basis that does not meet the requirements of subdivision (2) of this subsection shall constitute a residential rental agreement as defined in subdivision 4451(8) of this title, and in addition to any other applicable law, shall be governed by chapter 137 of this title, and as appropriate, 9A V.S.A. Article 2A of the Uniform Commercial Code (Leases) and chapter 153 of Title 10.

(5) In addition to remedies available under subdivisions (2)–(4) of this subsection, a buyer or seller may pursue any other remedies available at law or equity for injury arising from an agreement to purchase a mobile home on a rent-to-own, lease-purchase, or similar basis.

(f)(1) The sale of a mobile home under this section is a sale of goods under Article 2 of the Uniform Commercial Code, as codified in Title 9A of the Vermont Statutes Annotated. The provisions of this section should be harmonized with the provisions of the Uniform Commercial Code to the furthest possible extent, but in the event of a direct conflict, this section shall govern.

(2) The sale of a mobile home under this section is subject to the provisions governing express and implied warranties on the sale of goods set forth in 9A V.S.A. Article 2, Part 3, with the following modifications:

(A) the warranty of title in a contract of sale under 9A V.S.A. § 2-312 may be excluded or modified only by a written agreement that is executed by the buyer and seller prior to sale and clearly states any deficiency or limitation on the seller's title, as well as any security interest, lien, or encumbrance on the mobile home that excludes or modifies the warranty of title; and

(B) the implied warranty of merchantability under 9A V.S.A. § 2-314 and the implied warranty of fitness for a particular purpose under 9A V.S.A. § 2-315 may not be waived if the seller has notice, as that term is defined in 9A V.S.A. § 1-202, that the mobile home will be used by the buyer as his or her primary residence.

(3) In addition to any additional penalties or remedies available at law or at equity, the sale of a mobile home in violation of subdivision (2)(A) or (B) of this subsection shall be unenforceable against the buyer.

Sec. 2. 32 V.S.A. § 5079 is amended to read:

§ 5079. SALE OR TRANSFER OF MOBILE HOMES; COLLECTION OF
TAXES

(a) ~~Within 10 days of acquiring ownership by sale, trade, transfer, or other means, an owner of a mobile home as defined in 9 V.S.A. § 2601 or 10 V.S.A. § 6201 shall file with the clerk of the municipality in which the mobile home is located a mobile home uniform bill of sale, containing the make, model, serial number, size, year manufactured, and location of the mobile home. It shall give the name and address of the owner of the property, and whether the property is subject to a security interest, and shall be substantially in the form prescribed in 9 V.S.A. § 2602(c). This subsection shall not apply to mobile homes held solely for sale by a manufacturer, distributor, or dealer that are stored or displayed on a sales lot and are not connected to utilities. A transfer of ownership of a mobile home shall be made pursuant to the requirements set forth in chapter 72 of Title 9.~~

(b) ~~An owner of a mobile home, except those held for sale by a manufacturer, distributor or dealer that are stored or displayed on a sales lot and are not connected to utilities, may not sell, trade, transfer, or move the~~

~~home without a mobile home uniform bill of sale endorsed by the clerk of the municipality in which it is located. In the case of removal of a mobile home from the municipality, or of a sale, trade, or transfer that will result in the removal of the mobile home from the municipality, the clerk shall not endorse the mobile home uniform bill of sale unless all property taxes assessed with regard to the mobile home, but not the mobile home site, have been paid. The owner of the mobile home shall file a copy of the endorsed mobile home bill of sale with the clerk of the new municipality within 10 days of the date on which the mobile home is moved into the new municipality. Where ownership of an abandoned mobile home is transferred pursuant to a court order issued pursuant to 10 V.S.A. § 6249, the order shall not constitute a release of the mobile home from any lien for penalties, interest and taxes due the town to the date of the bill of sale, prorated as of that date. Where ownership of an abandoned mobile home is transferred pursuant to 10 V.S.A. § 6249 to an owner who certifies to the court that the mobile home will be disposed of, the order shall not constitute a release of the mobile home from any lien for taxes due the town and an authorization to remove the mobile home from the town for the purpose of disposal.~~

(c) ~~Any person, including the owner of a mobile home or agent, who removes a mobile home from the town in which it was listed without having in his or her possession a mobile home uniform bill of sale endorsed by the clerk~~

~~of the municipality where the mobile home was located as required by subsection (b) of this section shall be fined not more than \$300.00.~~

(d) A mobile home removed from a town without a mobile home uniform bill of sale endorsed by the clerk of the municipality where the mobile home was located as required by ~~subsection (b) of this section~~ 9 V.S.A. § 2602 may be taken into possession by any sheriff, deputy sheriff, constable, or police officer, or by the treasurer or tax collector of the town in which the mobile home was last listed if known, or by the commissioner of taxes if that town is unknown. A mobile home taken into possession under this section by an officer other than the collector of taxes shall be delivered promptly to the collector of taxes of the town in which the mobile home was last listed. In taking possession, the authorized officer may proceed without judicial process only in the event that the taking of possession can be done without breach of the peace. Proceedings for collection of the taxes assessed against and due with respect to the mobile home shall then be conducted in accordance with subchapter 9 of chapter 133 of this title.

(e) Taxes assessed against a mobile home shall be considered due for purposes of this section as of the date of removal of the mobile home from the town in which the mobile home was last listed, and the owner shall be liable for fees provided for in section 1674 of this title from the date of removal.

(f) The treasurer or tax collector of any town from which a mobile home is removed, without an endorsed mobile home uniform bill of sale as required by ~~subsection (b) of this section~~ 9 V.S.A. § 2602(b) may notify the director of the division of property valuation and review of the removal giving a description of the mobile home by serial or other number if known. If the director is notified of the seizure of a mobile home as provided in subsection (d) of this section, he or she shall immediately notify the treasurer or tax collector of the town, if known, in which the mobile home was last listed on the grand list.

(g) Taxes lawfully assessed upon a mobile home shall attach as a lien on the mobile home as provided in section 5061 of this title.

Sec. 3. 10 V.S.A. § 6204(d) is amended to read:

(d) A mobile home occupied on the basis of a lease-purchase or ~~“rent to own”~~ rent-to-own contract shall be subject to the provisions of 9 V.S.A. ~~chapter 59~~ § 2602(e).

Sec. 4. AVAILABILITY OF MOBILE HOME UNIFORM BILL OF SALE

The department of housing and community affairs shall make publicly available on its website a mobile home uniform bill of sale in a format substantially similar to the form set forth in 9 V.S.A. § 2602(c).

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2010.