

# MANUFACTURED HOMES & TITLE INSURANCE



## WHAT YOU NEED TO KNOW BEFORE LISTING A MANUFACTURED HOME

Mobile homes are considered personal property and have titles like cars do. This means they are not insurable as real property. For them to be deemed real property a process needs to be completed called manufactured home title elimination. This is something a seller does through the Department of Licensing. It eliminates title and legally affixes the home to the land. Typically, this is something the lender requires to finance the purchase of said property.

As a listing broker it's important to find out if your customer's mobile home has had the title eliminated. The title commitment will show if it has in Schedule B Part II Notes section, and you will see the document hyperlinked there. If title has not been eliminated, we will also call that out in the Schedule B Part II Exceptions section – that is your cue to talk to your sellers about this process. If the buyer purchasing the property has a lender that requires title to be eliminated, it's extra steps that can take extra time.

It's important to note, the mobile home title elimination is specific to that mobile home. If the sellers eliminated title, then 5 years later tore down that mobile home and purchased a new one, they would have to do the process all over again.

A mobile home will be excepted from the legal description of a property and will not be included in the title insurance policy unless the certificate of title is eliminated, and the mobile home is converted to real property. To do this a person must fill out a "Manufactured Home Application – Title Elimination" from the department of licensing. The application must be signed by the registered and legal owners of the mobile home, the owner of the land (usually the same as the registered owner) and the city or county building permit office; approved by the department of licensing; and recorded. All taxes must be paid, and proof of payment needs to be submitted to title.

When you see the below paragraphs on your title commitment, it means the mobile home will be excluded and your client will need to do a title elimination to include its value in the title policy.

IF A MOBILE HOME IS LOCATED ON THIS PROPERTY, IT WILL BE EXCEPTED FROM THE LEGAL DESCRIPTION AND NOT INSURED BY THE POLICY UNLESS THE CERTIFICATE OF TITLE IS ELIMINATED AND THE MOBILE HOME IS CONVERTED TO REAL PROPERTY AS REQUIRED BY CHAPTER 65.20 OF THE REVISED CODE OF WASHINGTON, EFFECTIVE MARCH 1, 1990.

TO ELIMINATE THE CERTIFICATE OF TITLE, A "MANUFACTURED HOME APPLICATION - TITLE ELIMINATION" FORM SHOULD BE OBTAINED FROM THE DEPARTMENT OF LICENSING. THE APPLICATION MUST BE SIGNED BY THE REGISTERED AND LEGAL OWNERS OF THE MOBILE HOME, THE OWNER OF THE LAND (USUALLY THE SAME AS THE REGISTERED OWNER), AND THE CITY OR COUNTY BUILDING PERMIT OFFICE; APPROVED BY THE DEPARTMENT OF LICENSING; AND RECORDED. ALL TAXES MUST BE PAID AND PROOF OF PAYMENT MUST BE GIVEN TO THE DEPARTMENT.

FEES: THE STATE OF WASHINGTON DEPARTMENT OF LICENSING CHARGES FEES FOR PROCESSING A "MANUFACTURED HOME APPLICATION - TITLE ELIMINATION" AND FOR PROCESSING A CHANGE OF OWNERSHIP FOR A MOBILE HOME. THE DEPARTMENT OF PLANNING AND DEVELOPMENT SERVICES (PDS) ALSO CHARGES A FEE TO APPROVE ANY REQUEST FOR TITLE ELIMINATION. ADDITIONAL FEES MAY APPLY. PLEASE CALL YOUR TITLE COMPANY RECORDER FOR INFORMATION REGARDING SUCH ADDITIONAL FEES.

The paragraph below shows that title elimination has already been done and recorded so no further action is needed.

THERE IS A RECORDED "MANUFACTURED HOME TRANSFER IN LOCATION APPLICATION" OR "MANUFACTURED HOME TITLE ELIMINATION APPLICATION" FILED UNDER <<PROPERTY COUNTY>> COUNTY RECORDING NO. [ ]. SAID MANUFACTURED HOME IS THEREFORE CLASSIFIED AS REAL ESTATE AND THE VALUE OF SAME WILL BE INCLUDED FOR TITLE INSURANCE COVERAGE WITHIN THE POLICY TO ISSUE. THE ALTA 7-06 ENDORSEMENT WILL BE ISSUED WITH THE FORTHCOMING LOAN POLICY.

**Connect with CW Title – we're happy to help!**

1.855.CWTITLE | [cwservice@cwtitle.com](mailto:cwservice@cwtitle.com) | [www.cwtitle.com](http://www.cwtitle.com)