ALABAMA DEPARTMENT OF REVENUE
ADMINISTRATIVE CODE

CHAPTER 810-5-75
TITLE PROCEDURE

810-5-75-.66 Cancellation Of Manufactured Home Certificate Of Origin Or Certificate Of Title.

(1) The certificate of origin or certificate of title for a manufactured home designated 2000-year model and newer that is permanently affixed to a parcel of real property may be cancelled if the ownership of the manufactured home and real property is identical. The term "permanently affixed" means that the tongue, axles and wheels have been removed from the manufactured home and it has been installed in accordance with the Installation Rules and Regulations of the Alabama Manufactured Housing Commission as found in chapters 535-X-12 and 535-X-13. Either the original retail purchaser or lienholder as recorded on the certificate of origin, or the titled owner or owner's lienholder as recorded on the certificate of title or listed on a completed surety bond may apply for cancellation of a certificate of origin or certificate of title. The request for cancellation must be made through a designated agent appointed by the department. The department, upon approval of the cancellation request, will issue a certificate of cancellation of the certificate of origin or cancellation of the certificate of title to the manufactured home in accordance with the following procedures:

(a) Cancellation of Certificate of Origin/Title. The original retail purchaser or lienholder for the original retail purchaser, or titled owner or owner's lienholder as recorded on the certificate of origin/title must apply for a cancellation of certificate of origin/title through a designated agent of the department.

1. The designated agent will use the Alabama Title System (ALTS) to prepare Form MVT 5-39E "Notice of Cancellation of a Certificate of Origin or Alabama Certificate of Title for a Manufactured Home Classified as Real Property".

2. ALTS will assign a unique document control number (DCN) and creation date to each completed MVT 5-39E. The MVT 5-39E will be valid for 90 days from its creation to be used in conjunction with the Form MVT 5-1E "Application for Cancellation of Certificate of Origin/ Title".

3. All parties who have ownership in both the manufactured home and the realty to which the

manufactured home has become permanently affixed must sign the MVT 5-39E attesting to the fact that the manufactured home has been permanently affixed and recorded as real property.

Note: No more than two owners can be recorded on a certificate of cancellation.

4. The MVT 5-39E must be signed by the judge of probate (or his/her designee) in the county where the manufactured home is located attesting to the fact that the manufactured home has been recorded as being permanently affixed and recorded as real property in that county. A designated agent will use ALTS to complete an MVT 5-1E "Application for Cancellation of Certificate of Origin/Title", for each manufactured home identification number listed on the MVT 5-39E, based on information listed on the MVT 5-39E.

5. The designated agent must assemble the cancellation package (MVT 5-1E, MVT 5-39E, certificate of origin/title for each separate unit, lien release, etc.), and submit it to the department. The title application and fees as required by §32-20-4, Code of Ala. 1975, must be sent electronically through ALTS utilizing either an Automated Clearing House (ACH) transaction or credit card payment.

6. The department will examine the documents received and, if approved, issue a Certificate of Cancellation For A Certificate of Origin/Title For A Manufactured Home Classified As Real Property, in the name of the first retail purchaser or the titled owner.

(b) Certification of Cancellation by Posting a Surety Bond.

1. When the current owner or owner's lienholder is not properly recorded on a certificate of title or when a manufacturer certificate of origin is not available, such parties must post a bond by applying through a designated agent. In addition, if the department is not satisfied as to the ownership of the manufactured home or that there are no undisclosed security interests in it, as a condition of issuing a certificate of cancellation, the department may require the applicant to file with the department a surety bond executed by a person/company authorized to conduct a surety business in this state, or in lieu of, a deposit of cash with the department in the amount of the required bond. The bond is conditioned to indemnify any prior owner and lienholder and any subsequent purchaser of the manufactured home or person acquiring any security interest in it.

2. A single bond is required for each manufactured home.

3. The bond must be in an amount equal to fifty thousand dollars ($50,000.00) for manufactured homes less than ten (10) model years old and twenty-five thousand dollars ($25,000.00) for all manufactured homes ten (10) model years old and older, or in lieu of, a deposit of cash in the amount of the required bond will be accepted.

4. The department's surety bond portal will assign the partially completed MVT 10-1A application a unique document control number (DCN) and creation date. The MVT 10-1A will be valid for 90 days from date of creation.

Note: A maximum of four (4) manufactured home identification numbers can be entered on the MVT 10-1A application, if the manufactured home contains more than one unit.

5. After department approval of MVT 10-1A, the MVT 10-1 must be completed and executed by a surety company licensed and duly authorized to do business in Alabama. The completed MVT 10-1 must be submitted with the MVT 5-1E.

6. Chapter 20 of Title 32, Code of Ala. 1975, does not provide for the issuance of a replacement certificate of cancellation. In the event that a certificate of cancellation is lost, stolen, mutilated, destroyed, or becomes illegible, a replacement certificate of cancellation cannot be issued. However, records of the cancellation may be obtained from the department.

7. The department may authorize designated agents to electronically submit title applications and supporting documents in lieu of delivering the original documents to the department.

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Statutory Authority: Code of Ala. 1975, §§40-2A-7(a)(5), 32-20-3(b), 32-20-21; and Alabama Manufactured Housing Commission Rules Chapters 535-X-12 and 535-X-13.
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