

WFG Underwriting Bulletin



To: All Louisiana Policy Issuing Agents of WFG National Title Insurance Company
From: WFG Underwriting Department
Date: June 7, 2017
Bulletin No: LA 2017-06
Subject: Insuring Manufactured Housing and Issuance of ALTA 7 Series Endorsements

Manufactured homes, including mobile and modular homes, are considered movable property in Louisiana, and are subject to the motor vehicle title law. The transfer or mortgage of the land on which the manufactured home is located does not affect title to the manufactured home, unless it has been immobilized in accordance with La. R.S. 9:1149.4.

The ALTA 7-06 (loan or owners) endorsement modifies the definition of “Land” in the policy to include “the manufactured housing unit located on the land described in Schedule A at Date of Policy.” The ALTA 7.1-06 (loan) and 7.2-06 (owners) endorsements provide additional coverage for loss or damage if the manufactured home is not actually on the insured land, does not constitute immovable property, does not belong to the same owner as the land, is subject to personal property tax, UCC or motor vehicle liens, or if the insured mortgage is not enforceable against the land or in a single foreclosure action (ALTA 7.1-06 only).

To insure title to a manufactured home and issue an ALTA 7 series endorsement, you must comply with the following guidelines:

1. Verify that the manufactured home is located on and permanently attached to the land. Evidence of this would be the removal of the wheels and axle, the presence of a slab, and connection to utilities. This verification can be done by survey, inspection or appraisal.
2. Verify that the manufactured home is owned by the owner of the land by reviewing the motor vehicle certificate of title (or manufacturer’s certificate of origin if the home was acquired from the manufacturer and will be immobilized within 20 days of delivery). Note that a manufactured home may have more than one title. If a manufactured home has been previously immobilized, a copy of the title may be attached to the recorded act or declaration of immobilization. If the manufactured home has not been previously immobilized, the owner or seller will need to provide the original certificate of title or a copy if the title is held by a lienholder whose lien will be satisfied with the proceeds of the loan.
3. Review the certificate of title for any liens or security interests affecting the manufactured home. These must be satisfied and released.

4. Verify that a declaration or act of immobilization has been properly executed and filed in accordance with R.S. 9:1149.4. This can be done by a separate authentic act or within a validly executed and acknowledged sale or mortgage. The act or declaration must contain a description of the manufactured home as described in the certificate of title or origin, a description of the land, and a declaration by the owner and any mortgage or security interest holder, that it shall remain permanently attached to the land described therein. The declaration or act is generally filed in the conveyance records. However, you may need to search the mortgage records, including cancelled inscriptions, to locate a previously-filed immobilization. Although not required, it is good practice to attach the certificate of title to the immobilization or record later as an act of deposit. A certified copy of the recorded immobilization must also be filed with the Office of Motor Vehicles, which maintains an online searchable database [here](#).
5. Include a description of the manufactured home as well as the legal description of the land on Schedule A of the policy. The manufactured home description generally contains the year, make, model and vehicle identification number(s).
6. If the manufactured home will be permanently attached to the land with the proceeds of the loan after closing, a long form loan policy with standard exceptions must be used. You may issue an ALTA 7 series endorsement and amend the legal description on Schedule A to add the manufactured home after all of the requirements outlined above are satisfied.

If you have any questions, please contact underwriting counsel.

NOTE: The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.