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Commissioner

COMMONWEALTH of VIRGINIA  
Department of Motor Vehicles

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January 12, 2026

The Honorable Karrie K. Delaney  
Chairwoman, House Committee on Transportation  
General Assembly Building, Room 1112  
201 North 9th Street  
Richmond, Virginia 23219

Re: Report on the Manufactured Home Study

Dear Chairwoman Delaney:

In a letter dated January 31, 2025 (attached), you requested that the Virginia Department of Motor Vehicles (DMV) convene a stakeholder group/study group to examine the transfer of ownership of manufactured homes in person-to-person transactions where an accurate title is not provided at the time of contract or transfer. You requested that the study group report back to the Senate and House Committees on Transportation with the results of the study, including the stakeholder group's recommendations, any proposed legislation that would be necessary in order to pursue the recommendations and the costs to implement such legislation.

In response to your letter, DMV invited representatives from several organizations to partner with our agency to study the issues you raised. A list of those organizations and their representatives (study group) is attached. This report represents the collaborative efforts of the study group members.

The study group convened three times—on April 28, June 9, and December [date], 2025—to explore opportunities for addressing the issues within the framework of current Virginia law on manufactured homes and DMV procedures. As described below, the study group recommends:

1. Legislation to amend Title 55.1 of the *Code of Virginia* to require any party offering a manufactured home for sale or as rent-to-own to provide a copy of the home's title prior to finalizing the sale or lease agreement.
2. Legislation to require manufactured home community owners to obtain a copy of the title to a manufactured home situated within their communities. The Virginia Poverty Law Center (VPLC) has offered to draft the legislation, which will be reviewed by the Department of Housing and Community Development (DHCD);

3. An education campaign for both community owners and manufactured homeowners, as many of the issues discussed could be resolved through existing processes.

#### Overview of the Current Laws Relating to Manufactured Homes in Virginia

Virginia law provides a comprehensive framework for the classification, taxation, and regulation of manufactured homes, including their conversion to real property and the rights of tenants in manufactured home communities. Manufactured homes (commonly known as mobile homes) are residential dwellings constructed in factories and subsequently transported to their final sites, where they are installed on permanent or semi-permanent foundations. All manufactured homes in Virginia must comply with the federal Department of Housing and Urban Development's Manufactured Home Construction and Safety Standards.<sup>1</sup> Based on historical, legal, and practical reasons, Virginia law classifies manufactured homes as personal property unless they are converted to real property. Manufactured homes are defined in Title 46.2 of the *Code of Virginia* and are subject to the same rules as other motor vehicles until their status is formally changed to real property.<sup>2</sup>

Under Va. Code § 46.2-653.1, established pursuant to Chapter 624 of the 2014 Acts of Assembly, a manufactured homeowner may convert a manufactured home to real property by certifying to DMV that the home has been permanently affixed to land they own, surrendering the title, and filing an affidavit of affixation with the circuit court in the locality where the property is located. Once these steps are completed, the manufactured home is deemed real estate. Subsection C of the statute outlines the steps for reversing the conversion process and reclassifying a manufactured home as personal property after it has been physically removed from the land to which it was affixed.

Localities may tax manufactured homes as personal or real property. When classified as personal property, manufactured homes are subject to local personal property taxes. Localities assess the value of manufactured homes based on size, age, and condition, often using DMV records or appraisal formulas. Once installed according to the Uniform Statewide Building Code, manufactured homes are assessed in the same manner as improvements and buildings on that property.<sup>3</sup>

The Manufactured Home Lot Rental Act (MHLRA) governs the relationship and obligations between landlords and tenants in manufactured home communities with five or more manufactured homes.<sup>4</sup> Under the MHLRA, a manufactured home is defined as a structure built on a permanent chassis and designed to be used as a dwelling, regardless of whether it is placed on a permanent foundation, as long as it is connected to essential utilities. This classification

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<sup>1</sup> National Manufactured Housing Construction and Safety Standards Act of 1974, 42 U.S.C. §§ 5401–5426 (2025); implementing regulations at 24 C.F.R. pt. 3280.

<sup>2</sup> Va. Code §§ 46.2-100, 46.2-653.1(A).

<sup>3</sup> Va. Code § 58.1-3522.

<sup>4</sup> Va. Code §§ 55.1-1300 et seq.

includes all integrated systems such as plumbing, heating, air conditioning, and electrical installations.

The MHLRA does not explicitly categorize manufactured homes as either personal or real property. Instead, it emphasizes the rights and responsibilities of landlords and tenants within manufactured home communities with five or more homes. Key provisions include requirements for written leases of at least one year, restrictions on certain fees, and detailed procedures for lease termination, eviction, and tenant protections. Furthermore, the MHLRA obligates landlords to maintain habitable manufactured home park living conditions and grants tenants the right to seek remedies for unresolved repair issues.<sup>5</sup>

#### Current Statutory Processes for Manufactured Home Transactions and Identified Issues

Scenario	Property Status	Legal Authority & Governing Rules	Process Steps	Who Can Handle the Sale and Issues
1. Sale of manufactured homes treated as personal property (affixed / not converted).	Home retains DMV title; treated like a "vehicle" under VA law.	VA Code Title 46.2 (motor vehicle titling); DMV 3% sales/use tax rules.	<p>1. Seller signs/assigns title to buyer.</p> <p>2. Buyer submits VSA 17B, proof of address, title, and tax/fee payment to DMV.</p> <p>3. DMV issues new title.</p>	<p>Private parties are allowed. Real estate agents cannot handle sales unless they also hold manufactured-home dealer/broker license.</p> <p><b>Issues:</b></p> <ul style="list-style-type: none"> <li>• <b>Manufactured home sales completed using only a bill of sale, without a recorded title transfer through the DMV. This also applies to scenario 3.</b></li> <li>• <b>Individuals paying real or personal property taxes on manufactured homes without holding title—often under the mistaken belief that they are the rightful owners, because</b></li> </ul>

<sup>5</sup> Virginia Dep't of Hous. & Cmty. Dev., *Virginia Statement of Tenant Rights and Responsibilities under the Virginia Manufactured Home Lot Rental Act as of July 1, 2025*, <https://www.dhcd.virginia.gov/sites/default/files/Docx/landlord-tenant/final-vmhlra-statement-formatted.pdf>.

				<p>the previous owner never had title to the home.</p> <ul style="list-style-type: none"><li>• Bad-actor community owners exploiting the DMV’s Abandoned Vehicle Process (AVP) to claim title to homes after evictions, thereby bypassing proper ownership transfer procedures. This also applies to Scenario 3 below.</li><li>• Individuals using social media to sell three or more manufactured homes in any 12-month period without proper licensing.</li><li>• Issues related to rental agreements and improper ownership transfers (this also applies to Scenario 3).</li><li>• Pre-1976 homes without VINs or titles are found in manufactured home communities where community owners have entered into rent-to-own agreements or leases without holding valid title to the homes. This also affects scenario 3 for manufactured homes that were never converted before the law changed in 2014, establishing §46.2-653.1.</li></ul>
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2. Sale of a manufactured home that has been converted to real property (affixed to land).	Home is permanently attached to land; DMV title cancelled; part of the real estate.	VA Code §46.2-653.1; Affidavit of Affixation; Circuit Court recording rules; local property tax rules.	<p>1. Homeowner files VSA 35 with DMV to cancel title.</p> <p>2. After confirmation, owner files Affidavit of Affixation in Circuit Court with land description &amp; VIN.</p> <p>3. Home becomes real property.</p> <p>4. Home is sold like any house (standard real-estate closing, deed transfer, etc.).</p>	<p>Real estate agents can handle sale. No DMV involvement.</p> <p><b>Issue:</b></p> <ul style="list-style-type: none"> <li>• Unresolved, pre-existing liens block the transfer of title to new owners, and there is an absence of a reliable mechanism to confirm legitimate ownership transfers due to unrecorded conveyances.</li> </ul>
3. Sales of manufactured homes on leased land (e.g., mobile home park).	Home is personal property; land is not part of transaction.	VA DMV titling rules; local park lease rules.	<p>1. Transfer title through DMV (same as Scenario 1).</p> <p>2. Separate process with park owner to approve new tenant/lease.</p>	<p>Private parties. • Real estate agents generally cannot participate unless also licensed as manufactured-home dealers.</p> <p><b>Issues:</b></p> <ul style="list-style-type: none"> <li>• Bad-actor community owners exploiting the DMV's Abandoned Vehicle Process (AVP) to claim title to homes after evictions, thereby bypassing proper ownership transfer procedures.</li> </ul>

				<ul style="list-style-type: none"> <li>Some community owners sell or offer rent-to-own agreements for manufactured homes they do not legally own. Some of these Manufactured homes have no VIN or title.</li> </ul>
4. Sales after severing an affixed manufactured home from real property (re-titling it as personal property).	Home is physically removed or detached from land; re-classified back to personal property.	VA Code § 46.2-653.1 (C). DMV VSA 17B title rules; confirmation of severance by Commissioner of Revenue.	<p>1. Owner files affidavit in Circuit Court certifying severance, VIN, land description, lien status.</p> <p>2. Obtain local Commissioner of Revenue confirmation that home is severed.</p> <p>3. Submit affidavit, VSA 17B, fees to DMV.</p> <p>4. DMV issues NEW title. 5. Home can now be sold as real property.</p>	Private parties. • Real estate agents cannot sell the home unless licensed as manufactured-home dealers/brokers.

### Issues Impacting Manufactured Home Residents

The study group identified several systematic and recurring problems affecting the title and ownership of manufactured homes in communities. These issues include: community owners selling or offering rent-to-own agreements for homes they do not legally own; individuals paying real or personal property taxes on manufactured homes without holding title—often under the mistaken belief that they are the rightful owners; unresolved, pre-existing liens that block the transfer of title to new owners; the absence

of a reliable mechanism to confirm legitimate ownership transfers due to unrecorded conveyances; and the exploitation of the DMV's Abandoned Vehicle Process (AVP) by community owners to claim title where no title was present at the completion of a rent to own contract.

### **Title and Ownership Irregularities**

The study group identified repeated instances in which manufactured home community owners sold or offered rent-to-own agreements for manufactured homes they did not legally own. In several cases, individuals who were paying real or personal property taxes on these homes mistakenly believed they were the legal owners, despite lacking a title. These individuals also made rent or installment payments under the assumption that they would eventually obtain ownership—ownership that the community owner who was receiving these payments had no legal authority to convey.

In these situations, many manufactured home sales were completed using only a bill of sale, without a recorded title transfer with DMV. When buyers fail to apply for a new title through the DMV, there is no official record of the ownership change. As a result, these untitled transfers often go untaxed, leading to a loss of personal property tax revenue for local governments. The study group found that such transactions often occur without verifying ownership and are frequently conducted by individuals who lack the legal authority to transfer title. Tenants in manufactured home communities are disproportionately affected by these informal and often deceptive arrangements compared to those outside such communities.

Currently, sellers and lessors are not legally required to provide proof of title before entering into sale or lease agreements for manufactured homes previously affixed to and classified as real property. This legal gap directly contributes to disputes and confusion over ownership at the time of occupancy. It also creates long-term obstacles to maintaining a clear chain of title, which may take years to resolve.

The study group also noted that, while DMV is responsible for administering motor vehicle laws and issuing certificates of title for manufactured homes classified as vehicles, certain circumstances hinder its ability to enforce these laws. DMV's authority is limited when it comes to addressing fraudulent transactions between unrelated parties. DMV's oversight is further limited by the reluctance of many manufactured home lot tenants to involve law enforcement in ownership disputes. In some cases, individuals in possession of a title deliberately avoid DMV to evade titling taxes. Instead of applying for a new title in their own name, they keep the paper title signed over by the previous owner—an illegal but common practice. Finally, DMV has no authority to intervene once the manufactured home has been converted to real property.

To address these issues, the study group discussed two potential statutory approaches that would require sellers and rent-to-own lessors to provide proof of title to prospective buyers or lessees:



*1. Community Owner Title Verification Requirement*

This approach would require community owners to possess a copy of the home's title before completing a transaction. This could be either the original title showing the community owner as the legal owner or a photocopy of the tenant's title to confirm their right of possession or ownership. This requirement would help verify legal ownership at the time of lot lease execution and assist community owners in identifying the true owner—especially in cases of unpaid lot rent. The representative from DHCD noted that the MHLRA currently assigns title verification responsibilities to both lot tenants and community owners. While regulations require title documentation to be available, complications often arise in informal sales of used manufactured homes, particularly when buyers are unaware of the home's legal status. Requiring community owners to retain a copy of the currently effective title would reduce these risks. Existing lot leases could be grandfathered under any new requirement.

*2. Seller/Lessee Title Disclosure Requirement*

The second approach would require any party offering a manufactured home—classified as personal property—for sale or under a rent-to-own agreement to provide a copy of the home's title to the prospective buyer or lessee prior to finalizing the agreement. Implementing this requirement would involve amending Title 55.1 of the *Code of Virginia*, which governs real estate landlord-tenant and buyer-seller relationships. Because of the nature of the transactions that would be involved, specific legislative changes that would be needed fall outside the expertise and purview of DMV and rather, would more aptly fall under the purview of DHCD.

The study group also explored the AVP as a potential solution for community owners seeking to obtain title to manufactured homes classified as personal property. Under this process, and subject to Va. Code § 46.2-1202, if a lot tenant is evicted under Va. Code § 55.1-1316 and fails to act within 90 days, the landlord or community owner may report the manufactured home as abandoned and seek a title to the manufactured home—if the home has been severed from the land as noted in Va. Code § 46.2-653.1. DMV then issues notices to the last recorded owner and any lienholders. If no response is received within a 120-day reclamation period, DMV deems the home abandoned and issues a new title to the applicant.

DMV's Vehicle Services Administration clarified that for manufactured homes classified as personal property without titles, applicants must prove ownership by submitting a bill of sale, personal property tax receipts, a court judgment, and, if available, the Vehicle Identification Number (VIN). DMV then reviews its records to verify ownership based on the submitted documentation. It is noted that if the manufactured home is attached to and has been classified as real property, DMV has no authority to issue a title pursuant to the AVP.

**Pre-1976 Manufactured Homes and Missing VINs**

The study group identified specific challenges associated with manufactured homes built before 1976. These homes often have missing or deteriorated VINs, primarily due to corrosion or rust. In many cases, the VIN was removed when the home was affixed to real property, as the



VIN was typically located on the “tongue”, which was cut off during the conversion process.<sup>6</sup> This loss of identifying information complicates or prevents the issuance and verification of titles. Through investigations conducted by DMV law enforcement, the group learned that many of these older homes lack any identifiable VINs, rendering them ineligible for titling through DMV.

The study group explored the possibility of recovering VINs for pre-1976 homes through the U.S. Department of Housing and Urban Development (HUD). However, research confirmed that manufactured homes constructed prior to the 1976 HUD Code are not subject to its regulatory oversight and may not conform to current standards for safety, durability, or design. Therefore, HUD cannot issue VINs for pre-1976 homes.<sup>7</sup> As an alternative, the group considered whether existing VINs might be located through local government records. In some cases, personal property tax records maintained by the locality where the home is located may contain VIN information. However, commissioners of the revenue noted that many older homes—particularly those built before VIN standardization in 1981—may never have had a VIN assigned.

DMV’s Vehicle Services Administration confirmed that the agency may issue new VINs for manufactured homes, but only under specific conditions. A new VIN may be issued when a home that was previously converted to real estate is severed from the land and reclassified as personal property. In such cases, the owner must mail proof of ownership and supporting documentation—such as a bill of sale, property tax receipts, or a court judgment—to the address listed on the application. DMV law enforcement will then verify that the home qualifies as personal property. Following this verification, DMV will review internal records and, when appropriate, issue a new VIN. DMV will not issue a new VIN for a manufactured home that does not have a VIN or title, as this would open DMV to liability in the future.

### Unlicensed Sale of Manufactured Homes

The study group reviewed the legal requirement that anyone selling three or more homes in any 12-month period is presumed by law to be a manufactured home dealer and, thus, is required to be licensed as such.<sup>8</sup> The group noted concerns raised about individuals using social media to sell three or more manufactured homes without proper licensing. However, this issue is outside of the scope of this study. Moreover, oversight of this issue falls under DHCD, not DMV. DHCD representative confirmed that violations are handled by the Virginia Manufactured Housing Board and each violation incurs a \$2,500 penalty. Enforcement is primarily driven by complaints that are received by DHCD.

### Conclusion

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<sup>6</sup> The “tongue” is the metal beam at the front of the frame of the manufactured home that enables it to be transported by connecting it to the hitch of a tow vehicle.

<sup>7</sup> See *Manufactured Home Construction and Safety Standards*, 24 C.F.R. pt. 3280.


<sup>8</sup> Va. Code §§ 36-85.16, 36-85.19.

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To address the title problems in person-to-person transfers of manufactured homes, the study group recommends legislation that requires community owners to obtain copies of titles for homes before leasing lots and mandates that putative sellers or rent-to-own lessors provide copies of their titles to prospective buyers or rent-to-own lessees before finalizing transactions. The representative from the Virginia Poverty Law Center agreed to prepare the suggested legislation for your consideration. The group also recommends enhanced educational outreach for community owners and homeowners to ensure a clear understanding of their rights and responsibilities under the MHLRA. This enhanced educational outreach should also include what remedies are available through DMV's AVP and the specific circumstances under which those remedies may be pursued.

DMV welcomes discussing any of the study group's recommendations with the Committee.

Sincerely,



Gerald F. Lackey, Ph.D.  
Commissioner

cc: The Honorable Lamont Bagby  
Chair, Senate Committee on Transportation

## **Appendix A: DMV Study Work Group Members**

Gerald F. Lackey, Ph.D.	Commissioner
Carla Jackson, Esq.	Assistant Commissioner for Legal & Legislative Affairs
Brandon Bailey, Esq.	Former Director of Legislative Services
Nick Megibow	Director, Legislative Services
Sharon Brown	Assistant Commissioner, Driver and Vehicle Services Administration
Melanie Lester	Director, Vehicle Services Administration
Alacia Moore	Deputy Director, Vehicle Services Administration
Sam Davenport	Deputy Director, Vehicle Services Administration
Andrew Owens, Esq.	Legal Services Analyst, Legal & Legislative Affairs
Idriss Ndoleh	Senior Policy Analyst, Legal & Legislative Affairs
Kristen Gilbertson	Program Manager, Vehicle Services Administration
Kellie Powell, Captain	DMV Law Enforcement
Daniel Rezai, Esq.	Virginia Poverty Law Center
Randy Grumbine	Virginia Manufactured Mobile Home Association
Charles Evelyn	Treasurer, New Kent County
Andrew Malloy	Senior Policy Analyst, Department of Housing and Community Development and Virginia Manufactured Housing Board
Mitchell Nuckles	Commissioner of Revenue, Lynchburg
Eric Maybach	Commissioner of Revenue, Fauquier County
Lori Stevens	Commissioner of Revenue, Dinwiddie County
Leigh Henderson	Treasurer, Virginia Beach

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Henry C. Eickelberg	Treasurer, Loudoun County
Tanya Wilcox	Treasurer, Fauquier County
Bill Orndoff	Treasurer, Frederick County
Spencer Rygas	Clerk of Circuit Court, Pulaski County
Katie Patton	Clerk of Circuit Court, Russell County
Micah McGhee	Clayton Homes
Selena Morales	Clayton Homes