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September 7, 2001

JAMES E. SPEED  
Executive Director

TO INTERESTED PARTIES:

ASSESSORS' HANDBOOK SECTION 511,  
ASSESSMENT OF MANUFACTURED HOMES AND PARKS

Letter To Assessors 2000/042 announced a Board project to develop Assessors' Handbook Section 511, *Assessment of Manufactured Homes and Parks*. This new handbook section revises and combines two former handbook sections: AH 511, *Assessment of Manufactured Homes*, and AH 512, *Assessment of Manufactured Home Parks*. A subsequent letter, dated May 31, 2001, transmitted staff's draft of the proposed handbook section to interested parties. Interested parties were asked to provide changes, in the form of alternative text, to the draft handbook section.

Enclosed is a matrix compiled from suggestions and comments received in response to our May 31, 2001 letter inviting input on the draft of AH 511. The matrix contains all proposed changes, originating from both interested parties and staff, together with staff's position in regard to each proposed change. This information is provided to you in advance of the interested parties meeting since these suggestions will form the primary discussion topics at the meeting.

On September 21, 2001 staff will hold a meeting with interested parties to discuss proposed changes identified on the matrix. The purpose of the meeting is to reach agreement on handbook language. The meeting is scheduled to start at 9:30 a.m. in Room 122, Board of Equalization, 450 N Street, Sacramento. After the meeting, the project will proceed as follows:

- Staff will submit an issue paper and other required material for the Property Tax Committee meeting by November 14, 2001.
- The Board's Property Tax Committee will hear discussion of any unresolved issues at its November 28, 2001 meeting.

All documents relating to this project are available on the Board's Web site ([www.boe.ca.gov](http://www.boe.ca.gov)) and can be accessed by way of the following links: (1) Property Taxes, (2) Property Tax Committee Work Plans, (3) Property Tax Committee Work Plans 2001.

If you plan to attend the interested parties meeting, please advise Ms. Sherrie Kinkle at (916) 322-2921; e-mail [sherrie.kinkle@boe.ca.gov](mailto:sherrie.kinkle@boe.ca.gov); fax number (916) 323-8765. Thank you for your continued interest in this project.

Sincerely,

/s/ Richard C. Johnson

Richard C. Johnson  
Deputy Director  
Property Taxes Department

RCJ:sk  
Enclosure

**ASSESSORS' HANDBOOK SECTION 511,  
ASSESSMENT OF MANUFACTURED HOMES AND PARKS**

**Comments on May 31, 2001 Draft**

No.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
1	ii	4	Shasta County Assessor (Bagula)	<p><b>Revise sentence:</b> . . . and it is intended to promote standardization of appraisal and assessment of manufactured homes and <del>mobilehome</del> <u>manufactured home</u> parks.</p> <p><b>SBE REWRITE:</b> . . . and it is intended to promote standardization of appraisal and assessment of manufactured homes and <del>mobilehome</del> parks. <sup>Footnote</sup></p> <p><sup>Footnote</sup> <u>A park is any manufactured housing community, mobilehome park, or special occupancy park.</u></p>	<p>The term <i>park</i> will be used throughout the handbook.</p> <p>See Rewrite</p>
2	iv	32	Shasta County Assessor (Bagula)	<p><b>Revise title:</b> CHAPTER 5: <del>MOBILEHOME</del> <u>MANUFACTURED HOME</u> PARKS</p>	See Item No. 1
3	1	8	Shasta County Assessor (Bagula)	<p><b>Revise sentence:</b> The subsequent chapters of this handbook section provide guidelines for the appraisal and assessment of manufactured homes and <del>mobilehome</del> <u>manufactured home</u> parks for property taxation purposes.</p>	See Item No. 1
4	1	17	SBE Staff	<p><b>Delete sentence and add footnote:</b> • A new manufactured home sold on or after July 1, 1980 for use as a residence is subject to use tax on 75 percent of the dealer's cost, regardless of whether or not the manufactured home is installed on a permanent foundation. <del>This represents a partial exemption, since the tax is normally applied to 100 percent of the purchase price of a taxable tangible property.</del> <sup>Footnote</sup></p> <p><sup>Footnote</sup> <u>The use tax is imposed upon the dealer as the consumer. The dealer, therefore, does not separately state to its customer any reimbursement for the use tax.</u></p>	SBE Rewrite
5	2	7	Fresno County Assessor (Shattuck)	<p><b>Revise paragraph:</b> The following guidelines are used when determining whether a manufactured home is subject to the property tax or the VLF.</p> <ul style="list-style-type: none"> <li>• <del>New manufactured homes sold prior to July 1, 1980 are subject to the VLF.</del></li> </ul> <ol style="list-style-type: none"> <li>1. New manufactured homes sold on or after July 1, 1980 are subject to local property taxation. If the home is placed on an approved permanent foundation, it is taxed in the same manner as conventional housing. All other manufactured</li> </ol>	Material will be rearranged as suggested.

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
5 Cont				<p>homes are classified as personal property, but special provisions in the statutes essentially treat them as real property.<sup>4</sup></p> <p>2. <u>New manufactured homes sold prior to July 1, 1980 are subject to the VLF with the following exceptions:</u></p> <ul style="list-style-type: none"> <li>• <del>Used manufactured homes that are sold are taxed under the tax system that applied to the home before the sale.</del></li> <li>• Owners of pre-July 1, 1980 manufactured homes subject to the VLF continue to be taxed that way, or the owner may voluntarily choose to transfer the manufactured home to the property tax roll. <u>This is accomplished through owner application with HCD, which then notifies the local assessor. This process typically occurs at the time of sale of an older manufactured home. By transferring to property tax during the process of sale, the buyer can avoid paying sales tax. Once transferred to the property tax roll, the manufactured house cannot go back to VLF.</u></li> <li>• Owners of pre-July 1, 1980 manufactured homes subject to the VLF that are located in a manufactured home park converted or proposed to be converted to a resident-owned subdivision, cooperative, condominium, or nonprofit corporation may choose to transfer the manufactured home to the property tax roll by applying for voluntary conversion of the manufactured home from the VLF.</li> <li>• Manufactured homes subject to the VLF on which the registration lapsed for 120 days or more between July 1, 1980 and October 1, 1984, and on which reinstatement to the VLF system was not applied for by December 31, 1986, were automatically placed on the property tax rolls.</li> </ul> <p>3. <u>Used manufactured homes that are sold are taxed under the tax system that applied to the home before the sale.</u></p>	<p>Not accepted. Text is listing exceptions to homes subject to the VLF. Added text does not contain an additional exception.</p>
6	3	11	Shasta County Assessor (Bagula)	<p><b>Comment:</b> My version of the R &amp; T Code Section 5801 dated 2000-1 does not have the words "a mobilehome" in it.</p>	<p>Quotation is accurate. The Property Tax Law Guide dated 2000-1 is in error.</p>

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
7	3	-	Fresno County Assessor (Shattuck)	<p><b>Comment:</b> Definitions – There is no mention of mobilehomes that went "DMV delinquent" between July 1, 1980 and October 1984. Some discussion of this category of mobilehome is necessary for clarity.</p>	Not accepted. This subject is discussed on page 2 of the handbook.
8	7	13	Fresno County Assessor (Shattuck)	<p><b>Add bulleted item:</b> • So requested by the owner. • <u>Once subject to VLF, whose registration lapsed between July 1, 1980 and October 1, 1984 and that were not reinstated to VLF status.</u></p> <p><b>SBE REWRITE:</b> Section 5801 provides that manufactured homes are taxable on the local property tax roll if: • Sold new on or after July 1, 1980; or • So requested by the owner.</p> <p><u>In addition, manufactured homes are subject to property tax if they were under the VLF system and the registration lapsed for 120 days or more between July 1, 1980 and October 1, 1984, and the owner did not apply for reinstatement to the VLF system prior to December 31, 1986.</u><sup>Footnote</sup></p> <p><sup>Footnote</sup> Former section 5812, subdivision (b); amended Stats. 1984, Ch. 1760.</p>	<p>Text cannot be added as an additional bulleted item since the original list contains only items referenced in section 5801.</p> <p>See Rewrite</p>
9	8	5	SBE Staff	<p><b>Revise sentence:</b> If a manufactured home located on an Indian reservation is sold to a <del>non-Indian</del> <u>non-tribal member</u>, or if an Indian-owned manufactured home is removed from the reservation, the home becomes subject to taxation.<sup>22</sup></p>	SBE Rewrite

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
10	11	11	SBE Staff	<p><b>Revise section and add new section:</b> BANKS AND FINANCIAL CORPORATIONS. A manufactured home may be owned on the lien date by a bank or financial corporation, usually as a result of repossession. Manufactured homes classified as personal property (not placed on a permanent foundation) owned by banks and financial corporations are exempt from property taxation by the in-lieu tax provisions. These businesses pay an in-lieu "franchise tax on net income" in lieu of all other taxes except taxes upon real property <u>and vehicle registration and license fees.</u><sup>24</sup> A listing of qualified banks and financial corporations is distributed to assessors annually by the State Board of Equalization. <del>However, the in-lieu exemption does not apply to banks and financial corporations whose principal activity consists of leasing tangible personal property.</del><sup>25</sup></p> <p><u>The lessee of tangible personal property owned by a bank or financial corporation is conclusively presumed to be the owner of that property for purposes of property taxation.</u><sup>25</sup> Therefore, a manufactured home owned by a bank or financial corporation (classified as personal property) is assessable to the lessee, regardless of whether the lessee is acquiring an equity interest in it.</p> <p><u>LEASING CORPORATIONS</u></p> <p><u>The in-lieu tax provisions applicable to banks and financial corporations do not apply to corporations whose principal activity consists of leasing tangible personal property, including wholly owned subsidiaries of banks or bank holding companies.</u><sup>26</sup></p> <p>If a manufactured home owned by a <del>bank or financial</del> leasing corporation is classified as personal property (not placed on a permanent foundation) and leased to a person or taxable entity, the assessor must determine whether the lessee is acquiring an equitable interest in the manufactured home. If the lease constitutes a purchase contract, then the manufactured home should be assessed to the lessee. <del>Moreover, the lessee of tangible personal property owned by a bank or financial corporation is conclusively presumed to be the owner that property.</del><sup>26</sup></p>	SBE Rewrite

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
11	23	6	Santa Cruz County Assessor (Petersen)	<p><b>Comment:</b> The subject of Prop 60's application to resident owned parks is too narrow. This example focuses on one form of ownership and is silent on all other ownership forms. The sentence beginning on line 9 may not conform to the pending opinion from your [BOE] attorneys which in its current form indicates that all parks, regardless of the form of ownership, are subject to reappraisal upon a change of ownership. If this letter is issued, it is my understanding that the park owner/residents have an ownership interest in the real property, are eligible for homeowner exemptions and it should follow that they are eligible for a Prop 60.</p>	<p>The section 69.5 benefits can only be transferred to land owned by the claimant.</p> <p>See Item No. 13</p>
12	23	6	Santa Cruz County Assessor (Hazelton)	<p><b>Comment:</b> Why wouldn't an owner in a resident owned park be eligible for a Prop 60 transfer when the transfer into the park is subject to reappraisal and eligible for a homeowner's exemption?</p>	<p>The section 69.5 benefits can only be transferred to land owned by the claimant.</p> <p>See Item No. 13</p>
13	23	6	SBE Staff	<p><b>Revise paragraph:</b> Example 3. Taxpayer Z purchases a manufactured home subject to local property taxation and a space in a resident-owned, <del>limited liability</del> <u>manufactured home entity</u> park <sup>Footnote</sup> as a replacement for a single-family residence. Since the purchase of a share in a <del>limited liability manufactured home</del> <u>resident-owned entity</u> park does not constitute a purchase of real property, only the manufactured home may receive the benefits of section 69.5. Transfer of the original property base year value should be made up to but not exceeding the market value of the replacement manufactured home. However, it may be that, even though the taxpayer is found to be a qualified applicant, he or she may not benefit from the section 69.5 provisions in this instance because the value of the manufactured home may be lower than the base year value of the original property.</p> <p><sup>Footnote</sup> <u>Does not include a park that is organized where each tenant has a separate parcel number and receives a separate assessment from the assessor, e.g., a condominium park.</u></p>	<p>SBE Rewrite</p>

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
14	23	28	Shasta County Assessor (Bagula)	<b>Revise sentence:</b> <del>A</del> <u>Owners of manufactured homes on permanent foundation systems owner</u> must apply to the assessor to claim property tax relief under section 63.1	Not accepted. NOTE: Senate Bill 1181 (currently in the Legislature) would extend the section 63.1 benefits to homes that are not on permanent foundations.
15	25	5	Los Angeles County Assessor (Bosscher)	<b>Revise sentence:</b> <del>Once a</del> <u>On the same day that the</u> certificate of occupancy is issued, the issuing local enforcement agency . . .	Accepted
16	25	5	Fresno County Assessor (Shattuck)	<b>Add sentence:</b> Once a certificate of occupancy is issued, the issuing local enforcement agency shall record with the county recorder a document that provides a statement that the manufactured home has been installed on a foundation system that meets the specifications in section 18511 of the Health and Safety Code and that identifies the owner of the real property. <u>This form is HCD form #433A, a copy of which is included in the appendix.</u>	Not accepted. HCD form 433A is issued at the local level, and the form layout may vary from county to county.
17	25	Fn	Shasta County Assessor (Bagula)	<b>Revise footnote:</b> <sup>48</sup> Sections <del>1600</del> <u>1601</u> et seq.; Property Tax Rules 301 through 326.	Accepted
18	27	Fn	Fresno County Assessor (Shattuck)	<b>Comment:</b> Move footnote #54 to the body of this page following line 15 to avoid confusion regarding the issue of supplemental assessment.	Not accepted. Text is more appropriate as a footnote.
19	27	16	Santa Cruz County Assessor (Hazelton)	<b>Comment:</b> How do you address substantial new construction of a coach subject to HCD/VLF fees?	A manufactured home subject to the VLF is not subject to property tax. Therefore, any new construction of a home subject to the VLF is not under the jurisdiction of the assessor.

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
20	27	23	Fresno County Assessor (Shattuck)	<b>Add paragraph:</b> <u>A manufactured home that is voluntarily transferred from VLF to local property tax without a change in ownership, establishes a "base year value" as of the next lien date. There is no ownership change to the manufactured home but a base year value is established by this process, and the base date is the ensuing lien date.</u>	See Item No. 21
21	27	23	SBE Staff	<b>Add new paragraph:</b> <u>Section 5802, subdivision (c), provides:</u>  <u>The base year value of a manufactured home converted pursuant to Section 18119 of the Health and Safety Code . . . to taxation under this part shall be its full cash value on the lien date for the fiscal year in which that manufactured home is first enrolled.</u>	SBE Rewrite
22	32	10	Shasta County Assessor (Bagula)	<b>Comment:</b> "Realtors" should not be capitalized.	Not accepted. The term <i>Realtor</i> is a federally registered collective membership mark owned by the National Association of Realtors and properly used only in reference to members of the association.
23	34	19	SBE Staff	<b>Revise sentence:</b> The cost factors in AH 531.35 <u>do not include sales tax but do include the use tax imposed upon the dealer</u> since the costs are based on sales and costs of new manufactured homes. Therefore, when using the cost factors in AH 531.35 to determine the value of a used manufactured home that is subject to property taxes, <u>it is not necessary to make an adjustment deduct a component</u> for sales tax <del>must be deducted</del> from the computed replacement cost <u>because the manufactured home is not subject to sales tax.</u>	SBE Rewrite  Exhibit 4-1 on page 47 has been changed to reflect this revision.

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
24	34	33	SBE Staff	<p><b>Revise sentence:</b> Therefore, when using the cost factors in the Kelley Blue Book to determine the value of <del>a new manufactured home</del> or a used manufactured home subject to the VLF, a component for sales tax must be added to the computed replacement cost.<sup>Footnote</sup></p> <p><sup>Footnote</sup> See State Board of Equalization Publication No. 47, <i>Mobilehomes and Factory-Built Housing Sales and Use Taxes</i> (www.boe.ca.gov).</p>	SBE Rewrite
25	35	13	SBE Staff	<p><b>Revise sentence:</b> Therefore, when using the cost factors in the N.A.D.A. guide to determine the value of <del>a new manufactured home</del> or a used manufactured home subject to the VLF, a computation for sales tax must be added to the computed replacement cost.<sup>Footnote</sup></p> <p><sup>Footnote</sup> See State Board of Equalization Publication No. 47, <i>Mobilehomes and Factory-Built Housing Sales and Use Taxes</i> (www.boe.ca.gov).</p>	SBE Rewrite
26	36	3	Santa Cruz County Assessor (Hazelton)	<p><b>Comment:</b> How do you address substantial new construction of a coach subject to HCD/VLF fees?</p>	A manufactured home subject to the VLF is not subject to property tax. Therefore, any new construction of a home subject to the VLF is not under the jurisdiction of the assessor.
27	38	7	Siskiyou County Assessor (Mallory)	<p><b>Comment:</b> Include a discussion of computer based programs to aid in the annual review of manufactured home assessments</p>	See Item No. 28

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
28	38	7	SBE Staff	<p><b>Add sentences:</b> An assessor's responsibility is to prepare an assessment roll which appropriately reflects both constitutional and statutory provisions. Along with the responsibility to reassess property when a change in ownership or new construction occurs, the assessor has a responsibility to discover properties where assessments are in excess of their current value. Assessors are not required to annually appraise every assessable property. However, they should be proactive in seeking particular property types, such as manufactured homes, that may require adjustment for declining values.</p> <p><u>Regression analysis and other multivariable methods are commonly used to discover properties where assessments are in excess of their current value. Some county assessors have developed computer programs that extract data from sales to aid in the annual review of manufactured homes for potential overassessments.</u></p>	SBE Rewrite
29	39	-	Fresno County Assessor (Shattuck)	<p><b>Comment:</b> Include a discussion of Commercial Coaches. How are they taxed? If placed on a permanent foundation as defined on page 25, is it still a Commercial Coach or is it real property? Can a mobilehome become a Commercial Coach by use, or vice-versa?</p>	See Item No. 30

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
30	39	32	SBE Staff	<p><b>Add new section:</b> <u>COMMERCIAL COACH. A commercial coach is defined in section 18001.8 of the Health and Safety Code and is designed for industrial, professional, or commercial purposes. Like a manufactured home, a commercial coach may be classified as personal property or real property if affixed to land on a permanent foundation system that meets the specifications in section 18511 of the Health and Safety Code. Unlike a manufactured home, however, a commercial coach is not designed to be used as a dwelling and is not subject to the special taxation provisions of The Manufactured Home Property Tax Law. A commercial coach classified as personal property is subject to the in-lieu tax fee (VLF) and a commercial coach classified as real property is subject to property taxation pursuant to article XIII A.</u></p> <p><u>It is possible to convert a commercial coach to a manufactured home and vice versa. However, owners seldom attempt a conversion because of the differing federal, state, and local laws and regulations.</u><sup>Footnote</sup> <u>The classification as commercial coach/personal property, commercial coach/real property, manufactured home/personal property, or manufactured home/real property will determine the method of assessment.</u></p> <p><u>In summary: (1) a commercial coach classified as personal property is subject to the VLF; (2) a manufactured home classified as personal property subject to property tax is assessed pursuant to The Manufactured Home Property Tax Law; (3) a manufactured home classified as personal property not subject to property tax is subject to the VLF; and (4) property classified as real property (commercial coach or manufactured home) is assessed pursuant to article XIII A.</u></p> <p><sup>Footnote</sup> <u>Specific details regarding compliance should be confirmed by contacting the local HCD, Manufactured Housing Program, Quality Assurance Inspector. Local office addresses and telephone numbers are available on the HCD Web site at <a href="http://www.hcd.ca.gov">www.hcd.ca.gov</a>.</u></p>	SBE Rewrite

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
31	41	14	Fresno County Assessor (Shattuck)	<p><b>Add new section:</b> <u>SUPPLEMENTAL ASSESSMENT FOLLOWING AFFIXATION TO PERMANENT FOUNDATION. A manufactured home that is placed on a permanent foundation in accordance with Health and Safety Code section 18551 is not subject to supplemental assessment per se. However, the new foundation system that is added to the property is considered new construction and is subject to supplemental assessment as of the date of completion.</u></p> <p><u>The mobilehome itself has not changed ownership or undergone new construction and that assessment is not subject to supplemental assessment. However, the mobilehome, after being affixed to the permanent foundation, changes from personal property to real property. It is appropriate to assess the "real property mobilehome" at its original base year value plus inflation factor (CPI) as of the ensuing lien date.</u></p>	See Item No. 32
32	41	14	SBE Staff	<p><b>Add section:</b> <u>SUPPLEMENTAL ASSESSMENT FOLLOWING AFFIXATION TO PERMANENT FOUNDATION. If a manufactured home is subject to the VLF at the time of affixation to a permanent foundation in accordance with Health and Safety Code section 18551, the assessor must establish a base year value for the home, the foundation system, and any other new construction as of the date of completion. The foundation system and other new construction are subject to supplemental assessment as of the date of completion. A manufactured home voluntarily transferred from the VLF to the local property tax roll is not subject to supplemental assessment.</u></p> <p><u>If the manufactured home is subject to property taxation at the time of affixation to a permanent foundation, the assessor must establish a base year value for the foundation system and any other new construction as of the date of completion. The base year value of the manufactured home does not change due to the mere affixation to a permanent foundation. The foundation system and any other new construction are subject to supplemental assessment as of the date of completion.</u></p>	SBE Rewrite
33	43	-	Fresno County Assessor (Shattuck)	<p><b>Comment:</b> Include a discussion of HCD's responsibilities for mobilehomes, including Tax Clearance Certificates, transferring title, etc.</p>	See Item No. 35
34	43	-	Madera County Assessor (Brough)	<p><b>Comment:</b> It might be useful if there was a section explaining in greater detail the functions of the Department of Housing and Community Development, e.g., titling and registration, inspections, reports and forms, dealers, etc. I would also add that the interactions between HCD and the assessors' offices, and how to access information from their Web site.</p>	See Item No. 35

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
35	43	24	SBE Staff	<p><b>Add section: DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.</b> <u>The Department of Housing and Community Development (HCD) administers numerous housing and community development programs. The programs administered by HCD include the Occupational Licensing Program, Manufactured Housing Program, Mobilehome Parks Program, and Registration and Titling Program. A brief discussion of each program is presented below. More detailed information regarding these and other programs administered by HCD can be obtained from the HCD Web site at <a href="http://www.hcd.ca.gov">www.hcd.ca.gov</a>.</u></p> <p><u>The Occupational Licensing Program enforces laws and regulations governing the sale or lease of manufactured homes, mobilehomes, and/or commercial coaches, including the licensing of manufacturers, distributors, dealers, and salespersons. The program also investigates and resolves consumer complaints pertaining to manufactured housing on behalf of the Mobilehome Ombudsman.</u></p> <p><u>The Manufactured Housing Program assists with the development and enforcement of preemptive federal and state regulations establishing minimum design and construction standards for manufactured homes; multi-unit manufactured housing; commercial coaches and special purpose commercial coaches sold, offered for sale, rented, or leased within the state. Inspections are conducted and, upon compliance with standards and regulations, the HCD Insignias of Approval are issued to indicate compliance.</u></p> <p><u>The Mobilehome Parks Program promulgates preemptive statewide regulations for the construction, use, maintenance and occupancy of all privately owned mobilehome and special occupancy parks in the state, as well as the installation of manufactured homes and mobilehomes both in and outside of parks. The program also inspects and issues permits for park operation directly or through local governments.</u></p> <p><u>The Registration and Titling Program maintains title and registration records and collects fees and taxes on manufactured homes, mobilehomes, commercial coaches, floating homes, and truck campers. The program offers online registration renewal, online title search/escrow notice, and other online transactions, which can be accessed on HCD's Web site at <a href="http://www.hcd.ca.gov">www.hcd.ca.gov</a>.</u></p> <p><u>HCD Information</u></p> <p><u>Of interest to assessors and their staffs is information available from HCD in hard copy and by way of the online title search/escrow notice function. On a monthly basis, HCD sends each assessor a list of transfers, voluntary conversions, and situs</u></p>	SBE Rewrite

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35 Cont				<p><u>changes of manufactured homes subject to the VLF and subject to property taxation within the respective county. Specifically, the HCD report contains the following data: (1) the activity (transfer, voluntary conversion, or situs change); (2) decal number; (3) serial number; (4) length and width; (5) manufacturer name; (6) trade name; (7) dealer name; (8) date manufactured; (9) date first sold; (10) latest purchase date; (11) original purchase price; (12) latest purchase price; (13) current situs address; (14) previous situs address; and (15) the registered owner's name and address.</u></p> <p><u>Available to assessors and tax collectors at no cost is HCD's online title search/escrow notice, which can be accessed by way of HCD's Web site at <a href="http://www.hcd.ca.gov">www.hcd.ca.gov</a>. To access the online title search/escrow notice, a Requestor Account must be activated by HCD. To conduct a search for information, the requestor must have a (1) decal/license number, (2) HUD insignia number, or (3) serial number. The data available through this resource are: • Decal/license number • Serial number • HUD insignia number • Date of manufacture • Manufacturer • Trade name • Model name/number • Location • Name of registered owner • Date manufactured • Date first sold • HCD use code • Original HCD price code • Tax type • Length and width • Sale/transfer information.</u></p>	
36	49	Ex	Madera County Assessor (Brough)	<b>Comment:</b> Exhibit 4-2 is inconsistent with the Kelley Blue Book methodology; additional equipment should be added in prior to retail conversion.	Accepted. The Exhibit and the following tables in the text have been corrected.
37	52	13	Shasta County Assessor (Bagula)	<b>Comment:</b> "Realtors" should not be capitalized.	Not accepted. The term <i>Realtor</i> is a federally registered collective membership mark owned by the National Association of Realtors and properly used only in reference to members of the association.
38	54	1	Los Angeles County Assessor (Bosscher)	<b>Comment:</b> It is recommended that the term "mobilehome park" used throughout chapter 5 of the AH 511 be changed to "manufactured home park."	See Item No. 1

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
39	54	1	Shasta County Assessor (Bagula)	<b>Comment:</b> The term "mobilehomes" has been upgraded to manufactured homes, why isn't the term "mobilehome parks" upgraded to "manufactured home parks"?	See Item No. 1
40	57	17	Santa Cruz County Assessor (Petersen)	<b>Comment:</b> How does this statement conform with page 58, lines 1-3?	The transfer provisions of sections 62.1(a) and 62.1(b) are different.  See Item No. 41
41	57	17	SBE Staff	<b>Revise paragraph:</b> Additionally, during the one-year period, transfers <u>of ownership interests</u> from the resident-owned entity to the individual space owners are excluded from reappraisal. However, any transfers <u>of ownership interests</u> from the resident-owned entity to individual space owners after the one-year period are not excluded from change in ownership, even if the transfer is to an individual who was renting a space in the park prior to the transfer of the park to the resident-owned entity. <u>Such transfers are subject to a change in ownership of a pro rata portion of the real property of the park.</u>	SBE Rewrite
42	58	20	Shasta County Assessor (Bagula)	<b>Revise sentence:</b> If all the requirements of section 62.2 are not met, the assessor is required to reappraise the park, as of the date of the transfer, and levy escape assessments <u>and/or</u> supplemental assessments.	Not accepted. Text is consistent with section 62.2(d).
43	59	7	Santa Cruz County Assessor (Petersen)	<b>Comment:</b> Is the reference to (b) correct?	Yes, the reference is correct.
44	59	31	Santa Cruz County Assessor (Petersen)	<b>Comment:</b> ". . . conveys to its holder in substance": perhaps it's my understanding of substance, but the share certainly does not convey title to a HCD licensed coach and I doubt it serves as a proxy for a LPT coach.  <b>SBE REWRITE:</b> <del>While each share in the corporation may afford its holder the right to participate in the governing of the corporation and management of the park, such rights are incidental to that which the share conveys to its holder in substance: (1) the ownership of a particular manufactured home, and (2) the exclusive right to occupy a particular space within the park.</del>	See Rewrite

NO.	PAGE/LINE REFERENCE		SOURCE	PROPOSED LANGUAGE	STAFF POSITION/COMMENTS
45	78	-	Shasta County Assessor (Bagula)	<b>Comment:</b> The last sentence for the definition of "Alteration" states: "The value added by the physical alteration is assessable, but the value attributable to the change in use is not assessable." Section 5825(a)(2) states that "new construction" is "Any alteration of the manufactured home which constitutes a major rehabilitation thereof or which converts the property to a different use." Why isn't "the value attributable to the change in use" assessable?	See Property Tax Rule 463. A <i>change in use</i> is not a reassessable event. Any new construction associated with altering a property to a new use may, however, be assessable.
46	81	-	Shasta County Assessor (Bagula)	<b>Comment:</b> Change definition from "mobilehome park" to "manufactured home park."	Not accepted. Definition is a quote of section 18214 of the Health and Safety Code.
47	-	-	Madera County Assessor (Brough)	<b>Comment:</b> Could SBE create a checklist for classification of manufactured homes and accessories?	Not accepted. AH 531.35 contains information for classification of manufactured homes and valuation of accessories (see page 34 of the handbook).
48	-	-	Los Angeles County Assessor (Bosscher)	<b>Comment:</b> Once a manufactured home is installed on an approved foundation pursuant to Health and Safety Code Section 18551, can the Department of Housing and Community Development notify the county assessor's office of the document recording?	Section 18551 requires the local enforcement agency (agency that issues building permits) to record with the county recorder a document stating the home has been affixed to a permanent foundation system.