To: Judiciary A

By: Representative Yancey

HOUSE BILL NO. 1533

AN ACT TO ESTABLISH A PROCEDURE FOR THE DISPOSITION OF ABANDONED MANUFACTURED OR MOBILE HOMES AND ASSOCIATED PERSONAL PROPERTY; TO PROVIDE DEFINITIONS; TO PROVIDE FOR A COMPLAINT FOR DISPOSITION OF ABANDONED MANUFACTURED OR MOBILE HOMES; TO PROVIDE FOR THE ENTRY OF AN ORDER BY THE COURT NAMING A COMMISSIONER TO HANDLE THE DISPOSITION AND SETTING THE DATE AND TIME OF THE SALE; TO PROVIDE FOR ADVERTISEMENT AND PROCEDURES FOR THE SALE; TO PROVIDE FOR PAYMENT OF DEBT AND EXERCISE OF POSSESSION; TO PROVIDE FOR DISBURSEMENT OF BID AMOUNT BY THE COMMISSIONER; TO PROVIDE FOR ENTRY OF A FINAL ORDER AND SUBMISSION OF THE BILL OF SALE TO THE MISSISSIPPI DEPARTMENT OF REVENUE; TO PROVIDE THAT THIS PROCEEDING IS A GOOD FAITH DEFENSE OF THE OWNER OF REAL PROPERTY TO CLAIMS OF WRONGFUL SALE; TO AMEND SECTION 19-3-85, MISSISSIPPI CODE OF 1972, IN CONFORMITY; AND FOR RELATED PURPOSES.

- 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 16 SECTION 1. Definitions. As used in this act, unless the 17 context clearly indicates otherwise:
- (a) "Abandoned" means that no person is occupying the 18
- 19 manufactured home or mobile home at the present, nor has any
- person occupied it for the past sixty (60) days, nor has the owner 20
- or any representative of the owner informed the community owner of 21
- 22 a reason that the manufactured home or mobile home is not
- 23 occupied.

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24	(b) "Abandoned manufactured or mobile home" means a
25	manufactured home or mobile home that has been abandoned for a
26	least sixty (60) consecutive days, located on property owned b
27	another community owner.

- 28 (c) "Associated personal property" means any personal 29 property excluding motor vehicles located within or adjacent to 30 the abandoned manufactured or mobile home.
- 31 "Commissioner" shall mean a resident of the county 32 where the abandoned manufactured or mobile home is located, who, 33 by a sale order issued by a court in a proceeding, shall act 34 pursuant to the sale order, including, but not limited to, advertising the sale, receiving funds paid at any sale ordered by 35 36 the court of the abandoned manufactured or mobile home and 37 associated personal property, and making all disbursements arising 38 out of the sale with the sale being conducted by the sheriff. 39 commissioner need not be a disinterested third party and may be 40 counsel or a representative of the community owner and shall not be disqualified nor shall the acts of such person be invalid 41 42 because of the relationship of such person to the community owner.
 - (e) "Community" means a contiguous residential real estate development operated by a community owner as one (1) development consisting of six (6) or more lots for lease to the public where at least one (1) of such lots is vacant and may be subject to a lease, lease-purchase or other agreement with the

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- owner of a manufactured or mobile home who may locate such owner's manufactured or mobile home on the lot.
- (f) "Community owner" means a person other than the
 owner of the manufactured or mobile home who owns fee simple or
 ground leasehold interest in residential real property developed
 and operated as a community on which an abandoned manufactured or
 mobile home and any associated personal property is located
- (g) "Complaint" means the pleading filed by the
 community owner in the proceeding seeking a judicial sale of an
 abandoned manufactured or mobile home and associated personal
 property.

pursuant to a lease, lease-purchase or other agreement.

- (h) "Date of abandonment" means the date on which the community owner determines that the manufactured or mobile home and associated personal property may in fact have been vacated by the owner in a manner that may lead to an abandonment.
- (i) "Final order" means the final order entered by a

 court in a proceeding adjudicating the disposition of an abandoned

 manufactured or mobile home and associated personal property, that

 confirms the sale of the abandoned manufactured or mobile home and

 associated personal property or makes other adjudications as

 deemed appropriate by the court.
- 70 (j) "Inventory" means an itemized list of associated 71 personal property with an estimate of value for the sum and not 72 individual component parts of all associated personal property

- 73 located within or adjacent to a manufactured or mobile home by a
- 74 disinterested third party with items of like kind being grouped
- 75 together for inventory purposes.
- 76 (k) "Last known address" shall mean the last known
- 77 address of the owner of an abandoned manufactured or mobile home
- 78 or any forwarding address or emergency contact address known to
- 79 the community owner.
- 80 (1) "Lien" means an interest, other than a lien for the
- 81 payment of taxes, on or against an abandoned manufactured home or
- 82 mobile home or associated personal property imposed by law or by
- 83 written instrument providing for an indebtedness or obligation of
- 84 a person secured in a manner that in the event of a default
- 85 provides the lienholder a right to recover the manufactured home
- 86 or mobile home or associated personal property or title thereto
- 87 using lawful means.
- 88 (m) "Lienholder" means any person holding a lien on an
- 89 abandoned manufactured home or mobile home or associated personal
- 90 property.
- 91 (n) "Manufactured home" shall have the meaning set
- 92 forth in Section 75-49-3(a), Mississippi Code of 1972.
- 93 (o) "Mobile home" shall have the meaning set forth in
- 94 Section 75-49-3(b), Mississippi Code of 1972.
- 95 (p) "Necessary party" shall mean the owner, any
- 96 lienholder, or any other person known to have a lien or claim upon
- 97 the abandoned manufactured or mobile home or associated personal

- 98 property except the following who are not to be a party to the
- 99 proceeding to dispose of the abandoned manufactured or mobile home
- 100 or associated personal property: any commissioner appointed by
- 101 the court, County Tax Assessor, County Tax Collector, County Board
- 102 of Supervisors, County Sheriff or any Deputy Sheriff and the
- 103 Department of Revenue of the State of Mississippi.
- 104 (q) "Notice of abandonment" shall mean a written notice
- 105 by the community owner to the owner notifying the owner at least
- 106 thirty (30) days after the date of abandonment that the
- 107 manufactured or mobile home and any associated personal property
- 108 in or adjacent to the abandoned manufactured home or mobile home
- 109 should be immediately removed or be subject to a judicial finding
- 110 of abandonment which may lead to a sale of the abandoned
- 111 manufactured or mobile home and all associated personal property.
- 112 (r) "Notice of sale" shall mean the notice advertising
- 113 the sale of the abandoned manufactured or mobile home.
- 114 (s) "Owner" of a manufactured home or mobile home means
- 115 the person holding legal title to the manufactured home or mobile
- 116 home.
- 117 (t) "Person" means any individual, firm, corporation,
- 118 partnership, association or other type of business entity.
- 119 (u) "Proceeding" shall mean the civil action filed or
- 120 to be filed in a court of competent jurisdiction depending upon
- 121 the amount in controversy being the Justice Court, County Court or
- 122 Chancery Court of the State of Mississippi in the county where the

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123	manufactured	or	mobile	nome	lS	located	seeking	rellei	including

- 124 the disposition of the abandoned manufactured or mobile home and
- 125 associated personal property.
- 126 (v) "Purchaser" shall mean the successful bidder at the
- 127 sale of the abandoned manufactured or mobile home and associated
- 128 personal property who purchases the same.
- 129 (w) "Sale order" means an interim order in the
- 130 proceeding authorizing the sale of the abandoned manufactured or
- 131 mobile home and associated personal property and addressing other
- 132 matters in the discretion of the court.
- 133 (x) "Sheriff" means the sheriff (or any deputy sheriff
- 134 appointed by the sheriff) of the county where the abandoned
- 135 manufactured or mobile home and any associated personal property
- 136 is located.
- 137 (y) "Title" means the writing evidencing ownership by
- 138 the owner of a manufactured home or mobile home.
- 139 (z) "Uninhabitable" means an abandoned manufactured or
- 140 mobile home where, in the opinion of an independent third party
- 141 who is an appraiser, contractor or other person familiar with cost
- 142 of repair of manufactured or mobile homes, the cost to repair the
- 143 home to a condition where it is habitable for human occupation as
- 144 a residence considering the health, safety and general welfare of
- 145 the occupant, is more than the cost of demolition and removal of
- 146 the abandoned manufactured or mobile home.



147	(aa) "Value" in the case of an abandoned manufactured
148	or mobile home shall mean the estimated fair market value of the
149	abandoned manufactured home or mobile home from an independent
150	third party based upon: (i) a written statement from an appraiser
151	or other person familiar with such values; or (ii) a recognized
152	national publisher of values of manufactured homes or mobile
153	homes; provided, however, that if the abandoned manufactured or
154	mobile home is uninhabitable the value shall be based upon a
155	written estimate from a third party of demolition and removal of
156	the abandoned manufactured or mobile home. "Value" in the case of
157	an inventory of personal property means the estimate of the fair
158	market value of the personal property of the owner within or
159	adjacent to an abandoned manufactured home or mobile home based
160	upon similar values that an individual might use in claiming a
161	deduction for United States Income Tax purposes for a charitable
162	contribution of used personal property to a qualified charitable
163	organization for charitable purposes including estimated
164	consignment or thrift shop values for the lot.

SECTION 2. Complaint for disposition of abandoned manufactured or mobile homes. Any community owner, his agent or attorney, may initiate a proceeding by filing a complaint under oath for the disposition of an abandoned manufactured or mobile home and associated personal property, setting forth:

170 (a) A statement that the abandoned manufactured home or 171 mobile home is abandoned, including the address and county where

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- (b) A description of the abandoned manufactured home or mobile home, including all reasonably available information as to the year, make, model number and serial number.
- (c) A copy of the notice of abandonment sent by the
 community owner to the owner at the owner's last known address, on
 a date at least thirty (30) days after the date of abandonment and
 at least thirty (30) days before the commencement of the
 proceeding, and any response thereto.
- 182 (d) The value of the abandoned manufactured home or 183 mobile home.
- (e) A statement as to whether or not the abandoned
 manufactured home or mobile home is believed to be uninhabitable
 and, if so, the statement of the person making such determination
 and the bid of the person establishing the cost of demolition and
 removal, which may be one and the same person.
- (f) An inventory of any personal property within or adjacent to the abandoned manufactured home or mobile home and a statement of value.
- 192 (g) A statement as to the current, delinquent or other 193 status of the personal property taxes on the home.
- 194 (h) A statement as to known or presumed owner of the
 195 abandoned manufactured or mobile home and the last known address
 196 of the owner.

197	(i)	A statement	as to the	known or presur	med liens and
198	lienholders of	the abandone	ed manufact	tured or mobile	home and
199	associated per	sonal propert	ty and the	amount of such	liens.

- 200 (j) A statement as to whether the property owner has
 201 knowledge of any other person having or asserting a lien or claim
 202 upon the abandoned manufactured or mobile home.
- (k) A statement that in addition to the manufactured or mobile home being abandoned, the owner is in breach of a lease, lease-purchase or agreement with the community owner of the lot on which the manufactured or mobile home is situated and setting out the damages incurred by the community owner, including any credit for a security or other deposit by the owner.
- 209 (1) A statement requesting that a commissioner be
 210 appointed for the public sale of the abandoned manufactured or
 211 mobile home and designating the proposed commissioner by name,
 212 address and phone number.
- 213 (m) A statement identifying all necessary parties who 214 shall be made defendants and served with process in the time and 215 manner required by law.
- 216 (n) Such other statements as may be appropriate under 217 the circumstances.
- 218 <u>SECTION 3.</u> Filing of complaint constitutes consent by the 219 community owner to a temporary easement for removal of the 220 manufactured or mobile home and associated personal property. The 221 filing of a complaint by the community owner shall constitute

222	consent by the community owner to the purchaser receiving a bill
223	of sale from the sheriff exercising an implied temporary easement
224	to remove the manufactured or mobile home and associated personal
225	property in a reasonable manner and for a reasonable time
226	following the entry of the final order. Such purchaser shall
227	repair any damage to the real property caused by such removal
228	leaving the real property in an unreasonable condition and such
229	purchaser shall be liable to the community owner for unreasonable
230	damage to the real property.

setting the date and time of the sale. Upon finding that the manufactured or mobile home and associated personal property that are the subject of the complaint are in fact abandoned and have not been claimed and the indebtedness of the community owner has not been paid in full, the court shall enter an order adjudicating whether or not the manufactured or mobile home is uninhabitable, approving the inventory, approving the sale by the sheriff of the abandoned manufactured or mobile home and the associated personal property as reflected on the inventory and setting a date, time and place for the sale, with the advertisement, determination of liens and financial responsibility for the sale to be the responsibility of the commissioner appointed by the court.

<u>SECTION 5.</u> Oath of commissioner. Before the commissioner enters upon the discharge of the commissioner's duties, the commissioner shall take and subscribe an oath before some

competent officer, and shall file a copy of the same in the
proceeding, that the commissioner will honestly, faithfully and
impartially advertise the sale, receive the highest bid, disburse
the same and file a report as to such disbursement required by
law, and perform the duties required of a commissioner to the best
of the commissioner's skill, knowledge and judgment.

SECTION 6. Advertisement for the sale. The commissioner shall advertise a notice of sale by publication and posting. The notice of sale shall be published one (1) time at least a week prior to the sale in a newspaper published in the county where the manufactured or mobile home is located, or, if none such paper is so published in said county, in some paper having a general circulation therein. The notice of sale shall be posted by the commissioner at the courthouse of the county where the abandoned manufactured or mobile home is located. The notice of sale shall contain a detailed description of the abandoned manufactured or mobile home and a general description of the associated personal property to be sold and the date, time and place of the sale. Upon request, the commissioner shall provide the inventory to any interested person. The commissioner shall mail a copy of the notice of sale by United States mail postage prepaid to the last known address of the owner as shown in the complaint if the owner has not appeared as a party to the proceeding.

270 <u>SECTION 7.</u> Procedure for the sale. The sale shall be made 271 at the place, on the date and during the time set by the court.

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272	The sheriff shall conduct the sale. The abandoned manufactured or
273	mobile home and associated personal property shall be sold for
274	cash to the highest bidder. The community owner may purchase at
275	any sale and any such sale shall not be invalid because of the
276	relationship of such purchaser to the community owner or any
277	lienholder. The community owner and any lienholder may credit bid
278	by deducting the amount due to such bidder from the bidder's bid.
279	The highest bid accepted by the sheriff at the sale shall be paid
280	to the commissioner. The sheriff, promptly upon completion of the
281	sale, shall deliver to the commissioner a report of the sale,
282	including a copy of the notice of sale authorizing the sale of the
283	abandoned manufactured or mobile home and a list of the associated
284	personal property sold along with the same, the total amount paid,
285	the name of the commissioner to whom it was paid, the name of the
286	sheriff conducting the sale and the name of the person to whom the
287	sale was made. The sheriff shall execute and deliver a bill of
288	sale to the purchaser who shall be the highest bidder with the
289	commissioner to witness the bill of sale. The signature by the
290	sheriff and the commissioner to the bill of sale is a
291	certification by them that the sale was conducted pursuant to the
292	sale order and to the highest bidder for cash. The bill of sale
293	may be conditioned upon the entry by the court of the final order.
294	If there is no bidder at the sale, the sheriff's fees shall be
295	paid by the community owner with such costs to be assessed as
296	costs of court, upon filing of proof of payment of the same in the

proceeding. If there is no bid, the community owner may seek a new sale order providing for another sale of the manufactured or mobile home and associated personal property.

SECTION 8. Payment of debt and exercise of possession. Any interested party may, at any time before a sale is made under the terms and provisions of the sale order, stop a threatened sale of a manufactured or mobile home by paying the amount due to the community owner on the amount actually past due rather than any amount accelerated, along with all accrued costs, attorneys' fees, commissioners' fees, sheriffs' fees, such taxes due and not paid, with proper interest and penalties thereon. Any such payment or payments shall reinstate, according to the terms of the agreement with the community owner, the amount so accelerated, the same as if such amount had not been accelerated or put in default.

SECTION 9. Disbursement of bid amount by commissioner. The commissioner shall disburse the bid proceeds as follows: first, to the sheriff for the sheriff's fee; second, to the tax collector for any past due taxes, liens and assessments; third, to the lien creditors in their order of priority; fourth, to the community owner for the indebtedness, interest and attorney's fees owed thereto and all costs of court and commissioner's fees; and fifth, to the owner, or if the abandoned manufactured or mobile home was adjudicated by the sale order as uninhabitable, then to the community owner in the amount of the estimate of demolition and removal. If the owner has appeared in the proceeding or was

322	served with process other than by publication, any amount to be
323	paid to the owner and not paid directly to the owner may be paid
324	by interpleading the same with the clerk of court where the
325	proceeding is pending for the benefit of the owner. If the owner
326	has not appeared in the proceeding and service of process was
327	obtained by publication, then the commissioner shall pay the same
328	to the Treasurer of the State of Mississippi as unclaimed funds on
329	such forms as may be prescribed by the Treasurer. The
330	commissioner shall have the right to delay disbursement of the bid
331	amount until the court has entered a final order.
332	SECTION 10. Entry of a final order. Upon the commissioner
333	filing a report with the court attaching a copy of the sheriff's
334	report of the sale and a list of the actual or proposed
335	disbursements from the accepted bid, the court may enter a final
336	order approving the sale and the disbursement of the proceeds from
337	the accepted bid and include such other provisions as deemed
338	appropriate by the court. The court may enter any other order
339	finally disposing of the proceeding, including an order of
340	dismissal.
341	SECTION 11. Submission to the Department of Revenue. The
342	purchaser shall submit a copy of the bill of sale and the final
343	order to the Department of Revenue along with such forms as may be
344	prescribed by it for the issuance of a new title to the purchaser.

claims of wrongful sale of a manufactured or mobile home and

SECTION 12. Good faith defense of owner of real property to

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associated personal property. A community owner who believes in good faith that the manufactured or mobile home and associated personal property that was the subject of a proceeding to dispose of the same was in fact abandoned shall not be liable for any damages whatsoever to the owner or a lienholder or other interested person arising from the proceedings provided the owner served process by publication to all unknown persons having an interest in the manufactured or mobile home and associated personal property.

SECTION 13. Section 19-3-85, Mississippi Code of 1972, is amended as follows:

19-3-85. The board of supervisors of any county, upon the receipt or recovery of any lost, stolen, abandoned or misplaced personal property by the sheriff or other law enforcement officers of the county, shall cause to be posted, in three (3) public places in the county, notice that such property has been received or recovered. Such notice shall contain an accurate and detailed description of such property and, if the board of supervisors is advised as to who owns the property, a copy of the notice shall be mailed to such person or persons in addition to being posted as required in this section. The owner may recover the property by filing a claim with the board of supervisors and establishing his right to the property. The board may require bond of the person claiming the property before delivering it to him. Parties having adverse claims to the property may proceed according to law.

372	If no person claims the property within one hundred twenty
373	(120) days from the date the notice is given, the board of
374	supervisors shall cause the property to be sold at public auction
375	to the highest bidder for cash after first posting notice of the
376	sale in three (3) public places in the county at least ten (10)
377	days before the date of the sale. The notice shall contain a
378	detailed and accurate description of the property to be sold and
379	shall be addressed to the unknown owners or other persons
380	interested in the property to be sold. The notice shall also set
381	forth the date, time and place the sale is to be conducted and
382	shall designate the sheriff to make the sale.

However, lost, stolen, abandoned or misplaced motor vehicles and bicycles may be sold in the manner provided in the preceding paragraph after the expiration of ninety (90) days from their receipt or recovery by law enforcement officers of the county.

The sheriff, promptly upon completion of the sale, shall deliver to the chancery clerk a copy of the notice authorizing the sale, a list of the property sold, the amount paid for each item, the person to whom each item was sold, and all monies received from such sale. The clerk then shall deposit the monies into the county treasury and the proceeds of the sale shall be first applied to the necessary costs and expenses of the sale, with the remainder to be credited to the special supplemental budget of the sheriff to be expended by the sheriff for any law enforcement purpose upon approval of the board of supervisors. The chancery

397	clerk shall file the information concerning the sale among the
398	other records of his office. If, within ninety (90) days after
399	the date of the sale, any person claims to be the owner of the
400	property sold, the board, upon satisfactory proof of ownership,
401	shall pay to such person the amount for which the property was
402	sold, and the board may require of such person a bond in such
403	cases as the board deems advisable. No action shall be maintained
404	against the county or any of its officers or employees or the
405	purchaser at the sale for any property sold or the proceeds
406	therefrom after the expiration of ninety (90) days from the date
407	of the sales as authorized in this section.
408	The provisions of Sections 1 through 12 of this act relating
409	to the disposition of abandoned manufactured or mobile homes and
410	associated personal property shall be in addition to, and shall
411	supersede, the provisions of this section.

SECTION 14.

and after July 1, 2020.

This act shall take effect and be in force from