Outlook

RE: Mitchell 53 Elk Trail River Ridge

From Robert E. Hawthorne, Jr. <robert@hawthorne.law>
Date Fri 8/7/2026 12:58 PM
To Sidney Smyth <sid.smyth@outlook.com>
Cc Zayra N. North <zayra@hawthorne.law>; lee.smyth <lee.smyth@outlook.com>; Jeremy D. Worley <jdw@hawthorne.law>

Here you go, Sid:

Subject: ALTA 7.0 vs. ALTA 7.1 and 7.2 Manufactured Housing Endorsements

For purposes of the upcoming auction, the issue is not whether the double-wide is being treated locally as real estate, but whether a title insurer is willing to insure it as part of the insured land. The ALTA 7 series endorsements are manufactured housing endorsements that provide affirmative title insurance coverage that a manufactured home has become part of the real estate and is included within the policy's definition of the insured "Land." Generally, title insurers require evidence that the home is permanently affixed to the property and that any DMV certificate of title has been properly surrendered or retired so that the home is no longer treated as personal property.

The distinction between the forms is primarily who is being insured. ALTA 7.0 (the older form) can be issued for either an owner's or lender's policy and generally confirms that the manufactured home is insured as part of the real estate. ALTA 7.1 is the current lender's version of the endorsement, while ALTA 7.2 is the current owner's version. In practical terms, the coverage concept is substantially the same: the title insurer is affirmatively insuring that the manufactured home is part of the real property being insured.

In this particular situation, the fact that the Commissioner of the Revenue recognizes the double-wide as a permanent real estate improvement is helpful, but the unsurrendered DMV title may prevent some title insurers from issuing an ALTA 7.1 or 7.2 endorsement until the title issue is resolved. Accordingly, prospective purchasers and their lenders should be advised early in the process that the manufactured home appears to be treated as real estate by the locality, but that additional curative work with DMV may be required if a purchaser or lender expects a manufactured housing endorsement from the title insurer which covers the risk that the certificate of title has not been properly surrendered.

This legwork to track down and surrender title can be done, but it will add an additional expense. It is better for a buyer at auction to make the decision whether or not to take these extra steps for that extra bit of insurance coverage. Most will opt not to do it since the double-wide under a normal, traditional ALTA 7 is insured as part of the real property.

From: Sidney Smyth <sid.smyth@outlook.com>
Sent: Friday, August 7, 2026 11:43 AM
To: Robert E. Hawthorne, Jr. <robert@hawthorne.law>
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