MANUFACTURED HOMES INSTALLED ON A FOUNDATION SYSTEM AS AN IMPROVEMENT TO REAL PROPERTY
(HEALTH AND SAFETY CODE SECTION 18551(a))
FLOWCHART

**Manufacturer’s Responsibilities**
- Build Home
- Assign HUD Labels
- Manufacturer Certificate of Origin (MCO)
- Deliver home to Dealer’s lot
  - Or
  - Other specified location agreed to in the escrow instructions

**Transporter’s Responsibilities**
- Deliver home to Dealer’s lot
  - Or
  - Other specified location agreed to in the escrow instructions

**Dealer’s Responsibilities**
- (Home not subject to Registration with HCD no titling documents issued)
  - Sell home
  - Take order for home
  - Complete conditional sales contract or purchase order
  - Obtain building permit to install home from enforcement agency.
    - OR
    - Obtain deposit/down payment
      - OR
      - Open escrow pursuant to HSC §18035.2 or §18035.26
  - Install home
    - OR
    - Owner responsibility
  - Have home inspected by enforcement agency
    - OR
    - Owner responsibility
  - Issue building permit to install home to dealer/installer/owner
  - Conduct the inspection and reinspection(s), if necessary
  - Issue Certificate of Occupancy and record form HCD 433A with the county recorder where the home is located
  - Collect documents from the owner prior to issuing permit
  - Issue conditional sales contract or purchase order
  - Issue deposit/down payment
  - Open escrow pursuant to HSC §18035.2 or §18035.26
  - Obtain building permit to install home from enforcement agency.
    - OR
    - Owner responsibility
  - Have home inspected by enforcement agency
    - OR
    - Owner responsibility
  - Issue Certificate of Occupancy and record form HCD 433A with the county recorder where the home is located
  - Collect documents from the owner prior to issuing permit
  - Issue conditional sales contract or purchase order
  - Issue deposit/down payment
  - Open escrow pursuant to HSC §18035.2 or §18035.26

**Local Enforcement Agency Responsibilities**
- Collect documents from the owner prior to issuing permit
- Issue building permit to install home to dealer/installer/owner
- Conduct the inspection and reinspection(s), if necessary
- Issue Certificate of Occupancy and record form HCD 433A with the county recorder where the home is located
- Forward copy of the recorded HCD 433A, the $11 per section fee, and the titling document to HCD Registration & Titling

**DISTRIBUTION OF MCO**
- Pink Copy (Original) = Inventory Creditor. If none, to Dealer.
- White copy = HCD
- Yellow copy = Transporter
- Goldenrod = Manufacturer

**Date of Sale** is the date escrow closes or the home is delivered.

**Owner installed units need to submit DRS prior to the home’s installation.**

**Written Evidence:**
- The registered owner owns, is purchasing, or has a transferable lease for the real property where the home is to be installed;
- The registered owner owns the home free of any liens or encumbrances or that any lien holders agree to the attachment of the home on the real property. (As evidenced by the submission of the MCO to the enforcement agency for new homes or for used home that any title or registration card for the home be surrendered to the enforcement agency).
- Plans and specifications required by HCD regulations or an approved alternate for the homes foundation system.
- The manufacturer’s installation instructions, or plans and specifications signed by a California licensed architect or engineer covering the installation of the home when the manufacturer’s installation instructions cannot be provided
- Applicable permit fees.
- An $11 per section fee payable to HCD.
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**Local Enforcement Agency’s Responsibilities**

- Open escrow
- Submit
- Review

**County Recorder’s Responsibilities**

- Index the HCD 433A to the named homeowner
- Forward copy of the recorded HCD 433A, the $11 per section fee, and the titling document to HCD

**Dealer’s Responsibilities**

- Complete Dealer’s Report of Sale and submit to HCD with all required documents and fees within 10 days of the date of sale

**HCD’s Responsibilities**

- Review and process application submitted by dealer to report the sale of the manufactured home onto the 18551(a) foundation system.
- HCD’s permanent title record is cancelled and the record status is changed to “Permanent Foundation 18551.” Fees are no longer collected by the department.