

## **Summary of Manufactured Housing Working Group Recommendations**

### **Manufactured home retailers who do not originate loans:**

- Add a new provision to Maryland law providing that, short of brokering, lending, and/or originating a loan, should the manufactured home retailer provide information regarding financing for the purchase of the home:
  - (i) they must do so in a fair and honest manner so as to not provide misinformation or, deceptive information;
  - (ii) they may not otherwise steer consumers to products offering less favorable terms in order to increase their compensation; and
  - (iii) they must provide a statement, in plain English, describing any financial relationship and/or affiliation between the retailer and the lender about whose products the retailer provides information.

### **Manufactured home brokers, lenders and retailers who originate loans:**

- Amend the definition of dwelling under (FI 11-501) to ensure that manufactured home brokers, lenders, and originators are permanently subject to the mortgage lending laws in Maryland.
- Clarify that only appropriate provisions under the Maryland Mortgage Lender Law apply to manufactured home lending products.

### **Consumer Protections:**

- Require manufactured home retailers who provide information to consumers regarding financing options to provide a disclosure to consumers, on a form prescribed by the Commissioner, that will provide information regarding borrower rights and the procedure for filing a complaint with the Commissioner should a borrower feel harmed or steered to an inappropriate product.
- Allow the disclosure requirement to be met by either providing the consumer with the disclosure at the time the information is provided, through a posting in a prominent location, and/or on the retailer's website.
- Require the new requirement to provide that failure to provide the disclosure either in writing, by posting or on the retailer's website does not give rise to a private right of action or impact the validity of otherwise valid loan transactions but will subject the retailer to the Commissioner's enforcement provisions.
- Authorize the Commissioner to accept and investigate/process complaints.
- Subject manufactured home retailers to the investigatory and enforcement authority of the Commissioner for non-compliance with these new consumer protection standards and provisions.

### **Foreclosure/Repossession by Credit Grantor of Tangible Personal Property:**

- Increase the 10-day notice period to consumer borrowers for applicable provisions under the credit laws in the case of the repossession or action to repossess manufactured homes (home-only actions) by a credit grantor, to 30 days' written notice with exemptions for vacancies and surrender (similar to provisions provided for under federal law).