

CHAPTER 55. FINANCING SALES OF MOBILE HOMES

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Source

The provisions of this Chapter 55 adopted November 17, 1978, effective November 18, 1978, 8 Pa.B. 3201, unless otherwise noted.

§ 55.1. Definitions.

(a) The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Act—The Motor Vehicle Sales Finance Act (69 P. S. §§ 601—637).

Administrator—The Department.

Holder—A person, including a seller, who is currently entitled to the rights of a seller under an installment sales contract executed under the provisions of the act.

Installment buyer—A person who buys or leases a mobile home under an installment sales contract.

Installment sales contract—A contract for the retail sale of a mobile home executed under the provisions of the act.

(b) The definitions contained in subsection (a) may not be construed to restrict or limit the definitions of the same terms contained in the act.

(c) Words and terms not defined in subsection (a) have the meanings specified in the act.

§ 55.2. Disclosures to installment buyers.

(a) The disclosures required to be given by this chapter shall be made clearly, conspicuously and in meaningful sequence. At the option of the holder, additional information or explanations may be supplied with the disclosures required by this chapter; but none shall be stated, utilized or placed so as to mislead or confuse the installment buyer or to contradict, obscure or detract attention from the information required by this chapter to be disclosed.

(b) Not less than 30 days prior to taking an action to accelerate the maturity of an installment sales contract, to commence a legal action to recover under the obligation, or to take possession of a security of the installment buyer, the holder shall mail a written notice of intention to take the action, by registered or certified mail, to the address where the mobile home is located. The notice shall contain the following disclosures, made in a clear and concise manner:

(1) The particular obligation or security interest, including the date of the installment sale contract according to the records of the holder as well as a brief description of the mobile home.

(2) The nature of the default claimed, which may be stated in general terms—for example: “failure to make the required installment payments when due” or “failure to maintain property damage insurance.”

(3) The specific actions which the holder intends to take at the expiration of the 30-day notice period.

(4) The right of the installment buyer to cure the default and the exact manner in which he may do so, including the sum of money which shall be tendered, if any, in order to cure; the individual or office address to whom it must be tendered; and the form of acceptable payment in accordance with the provisions of the act.

(5) The fact that the default may be cured at any time before title to the mobile home is lawfully transferred by the holder, and that title may not be transferred until at least 45 days have passed following mailing of the notice to the installment buyer in accordance with the provisions of the act and this subsection.

(6) The methods by which the installment buyer’s ownership or possession of the mobile home may be terminated.

(7) Identification of the components of the sum claimed to be due in order to cure the default.

(c) The notice required by subsection (b) may not be required when the installment buyer has abandoned or voluntarily surrendered the property which is the subject of the mobile home installment sale; provided that the holder retains evidence thereof satisfactory to the administrator.

§ 55.3. Contractual provisions.

(a) Installment sales contracts executed on or after July 1, 1978 may be prepaid in full without a penalty or other charge at any time before the end of the period of the loan, and the buyer will be entitled to a refund of the unearned finance charge under section 22 of the act (69 P. S. § 622).

(b) No installment buyer under an installment sales contract executed on or after July 1, 1978 may be liable for nor may a holder of a contract receive attorneys fees which exceed those provided for under section 23G6 of the act (69 P. S. § 623G6).

(c) No oral or written waiver of any provision of the act shall be effective.

(d) A term or provision of an installment sales contract entered into on or after July 1, 1978 which term or provision is inconsistent with the provisions of the act or this chapter shall be invalid and unenforceable to the extent of the inconsistency.

Notes of Decisions

Although no prepayment penalty or charge may be imposed upon prepayment of a mobile home contract, the finance company may calculate the amount of unearned finance charge to be rebated by means of Rule 78's. *Pysh v. Security Pacific Housing Service*, 610 A.2d 973 (Pa. Super. 1992).

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