

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2015**

**S**

**D**

**SENATE BILL 491**  
**PROPOSED COMMITTEE SUBSTITUTE S491-CSRN-14 [v.5]**

4/20/2015 2:34:08 PM

Short Title:   Manufactured Home Purchase Agreement Change.

(Public)

Sponsors:

Referred to:

March 26, 2015

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE REQUIREMENTS RELATED TO MANUFACTURED HOME  
PURCHASE AGREEMENTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143-143.21A reads as rewritten:

**"§ 143-143.21A. Purchase agreements; buyer cancellations.**

(a) A purchase agreement for a manufactured home shall include all of the following:

(1) A description of the manufactured home and all accessories included in the purchase.

(2) The purchase price for the home and all accessories.

(3) The amount of initial deposit ~~or other payment~~ toward ~~or payment of~~ the purchase price of the manufactured home and accessories that is made by the buyer.

(4) The date the retail purchase agreement is signed.

~~(5) The estimated terms of financing the purchase, if any, including the estimated interest rate, number of years financed, and monthly payment.~~

(6) The buyer's signature.

(7) The dealer's signature.

(b) The purchase agreement shall contain, in immediate proximity to the space reserved for the signature of the buyer and in at least ten point, all upper-case Gothic type, the following statement:

"I UNDERSTAND THAT I HAVE THE RIGHT TO CANCEL THIS PURCHASE BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE THAT I HAVE SIGNED THIS AGREEMENT. I UNDERSTAND THAT THIS CANCELLATION MUST BE IN WRITING. IF I CANCEL THE PURCHASE AFTER THE THREE-DAY PERIOD, I UNDERSTAND THAT THE DEALER MAY NOT HAVE ANY OBLIGATION TO GIVE ME BACK ALL OF THE MONEY THAT I PAID THE DEALER. I UNDERSTAND ANY CHANGE TO THE TERMS OF THE PURCHASE AGREEMENT BY THE DEALER WILL CANCEL THIS AGREEMENT."

(c) At the time the initial deposit ~~or other payment~~ toward ~~or payment for~~ the purchase price is received by the dealer, the dealer shall give the buyer a copy of the purchase agreement and a completed form in duplicate, captioned "Notice of Cancellation," which shall be attached to the purchase agreement, be easily detachable, and explain the buyer's right to cancel the purchase and how that right can be exercised.

(d) The dealer shall return the initial deposit ~~or other payment~~ toward ~~or payment for~~ the purchase price to the buyer if the buyer cancels the purchase before midnight of the third



\* S 4 9 1 - C S R N - 1 4 - V - 5 \*

business day after the date the buyer signed the purchase agreement ~~or if any of the material terms of the purchase agreement are changed by the dealer~~. To make the cancellation effective, the buyer shall give the dealer written notice of the buyer's cancellation of the purchase. The dealer shall return the initial deposit ~~or other payment~~ toward ~~or payment for~~ the purchase price to the buyer within seven business days, or 15 business days when payment is by personal check, after receipt of the notice of cancellation ~~or within three business days of any change by the dealer of the purchase agreement~~. For purposes of this section, "business day" means any day except Sunday and legal holidays. ~~Each time the dealer gives the buyer a new set of financing terms, unless the financing terms are more favorable to the buyer, the buyer shall be given another three-day cancellation period.~~ The dealer shall not commence setup procedures until after the final three-day cancellation period has expired.

(e) If the buyer cancels the purchase after the three-day cancellation period, but before the sale is completed, and if:

- (1) The manufactured home is in the dealer's inventory, the dealer may retain from any deposit ~~or other payment~~ received from the buyer actual damages up to a maximum of ten percent (10%) of the purchase price; or
- (2) The manufactured home is specially ordered from the manufacturer for the buyer, the dealer may retain actual damages up to the full amount of the buyer's initial deposits ~~deposit or other payment~~ received from the buyer.

(f) Repealed by Session Laws 2005-451, s. 5, effective April 1, 2006."

**SECTION 2.** This act becomes effective October 1, 2015, and applies to purchase agreements entered into on or after that date.