Dear ________________________.

The Department has been notified that your mobilehome or commercial coach has been destroyed.

Information which outlines the steps that must be taken to declare the destroyed unit as "salvage" with this department is given on the reverse side of this letter.

Questions regarding the application for salvage may be asked by calling 1-800-952-8356 or 916-323-9224 or by writing to the address given above.

Registration and Titling Section
Initials: ______
INFORMATION REGARDING SALVAGE UNITS

Section 18025 of the Health and Safety Code states that it is unlawful to sell, offer for sale, rent, or lease a manufactured home, mobilehome, or commercial coach unless its construction, heating, plumbing, and electrical equipment meets requirements.

In many cases when a unit has been damaged by fire, flood, or other calamity, the damage to one or more of these components is such that the cost of repair would be greater than the value of the unit after repair. When this occurs, the only way the unit can be legally disposed of is to declare it "salvage". The salvage can then be sold with the salvage receipt that will be issued by HCD and a bill of sale provided to the buyer.

If the unit is a total loss payoff and the "salvage" is retained by the insurance company it is the insurance company's responsibility to make the application to HCD to declare the unit "salvage". This is the only way they may legally dispose of the "salvage" to a third party. If the unit is either uninsured at the time the damage occurred or the insurance company provides a settlement to the registered owner and the owner retains the "salvage", the registered owner is responsible for making the application to HCD to declare the unit "salvage".

In order for a damage unit to be declared "salvage", the following documents and indicia must be submitted to the Department by the responsible party:

1. The HCD Certificate of Title or DMV Ownership Certificate or if lost an application for duplicate, properly released and endorsed.

2. The last issued Registered Owner's Registration Card or if lost an application for duplicate.

3. HUD Labels or HCD Insignia. If unavailable due to destruction or they have been taken off by an HCD representative, please complete a Statement of Facts form giving the disposition.

4. Decals or license plates. If unavailable due to destruction please complete a Statement of Facts form giving the disposition.

5. Statement of Facts form explaining how and when the unit(s) was destroyed.

6. If the unit is subject to annual renewal, any fees that become due prior to the date the unit became damaged must be paid. Any fees paid prior to the application for salvage will not be subject to refund.

7. If the unit was subject to local property taxation, the county assessor in the county where the unit was located at the time the damage occurred must be notified that the unit has been declared salvage. Failure to do so may result in a tax liability being assessed against the registered owner.

Upon receipt of the documents and items listed above, HCD will issue a salvage receipt. The unit will no longer be subject to registration as long as it fails to meet the heating, plumbing, or electrical requirements.

If the unit is subsequently repaired, reconstructed, or otherwise brought back into compliance with Health and Safety Code requirements as verified through an inspection by an HCD representative, registration with this department will be required.