



Texas Department of Housing and Community Affairs
Manufactured Housing Board Meeting
August 22, 2008

Michael H. Bray, Chair

Devora D. Mitchell, Member

Pablo Schneider, Member

Kimberly A. Shambley, Member

**Texas Department of Housing and Community Affairs
Manufactured Housing Board Meeting**

August 22, 2008

ROLL CALL

	<u>Present</u>	<u>Absent</u>
Michael H. Bray, Chair	_____	_____
Devora D. Mitchell, Member	_____	_____
Pablo Schneider, Member	_____	_____
Kimberly A. Shambley, Member	_____	_____
Number Present	_____	
Number Absent		_____

_____, Presiding Officer

MANUFACTURED HOUSING BOARD MEETING
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
State Insurance Annex, 221 E. 11th Street, Room 116
Austin, Texas 78701
August 22, 2008 10:00 a.m.

AGENDA

CALL TO ORDER, ROLL CALL Chair

CERTIFICATION OF QUORUM Chair

The Board of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs (TDHCA) will meet to consider and possibly act upon:

ACTION ITEMS

- Item 1. Consideration and possible action to approve the minutes of the board meeting of June 18, 2008. Chair
- Item 2. Consideration and possible action to approve Pablo Schneider as the Committee Chair of the Finance and Audit Committee. Chair
- Item 3. Presentation, discussion and action concerning the State Office of Administrative Hearings (SOAH) Proposal for Decision: In the Matter of the Complaint of TDHCA vs. Bay Area Mobile Homes, LLC, Docket Number: 332-08-1981. Jim Hicks
- Item 4. Consideration and possible action to approve proposed amendments to 10 TAC, Chapter 80, §§80.23, 80.30, and 80.100 for publication in the Texas Register for public comment. Joe Garcia

REPORT ITEMS

- 1. Executive Director's Report Joe Garcia

PUBLIC COMMENT Chair

EXECUTIVE SESSION Chair

Note: The Board may go into executive session (close its meeting to the public) on any agenda item if appropriate and authorized by the Open Meetings Act, Texas Government Code, Chapter 551.

- (a) If necessary, the Board will go into executive session to discuss Personnel Matters relating to the executive director's compensation review pursuant to Sec. 551.074, Texas Government Code.
- (b) If necessary, the Board will go into executive session for Consultation with Attorney pursuant to Sec. 551.071, Texas Government Code.

RECONVENE Chair

Reconvene in public session and take action on any matters coming out of Executive Session.

ADJOURN Chair

To access this agenda or request information, please visit our website at www.tdhca.state.tx.us or contact Sharon Choate, TDHCA, 221 E. 11th Street, Austin, Texas 78701, 512-475-2206, sharon.choate@tdhca.state.tx.us.

Individuals who require auxiliary aids, services or translators for this meeting should contact Gina Esteves, ADA Responsible Employee, at 512-475-3943 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that appropriate arrangements can be made.

Agenda Action Item No. 1

**MINUTES OF THE REGULAR MEETING OF THE
MANUFACTURED HOUSING BOARD**

On Wednesday, June 18, 2008, at 2:00 p.m., there was a regular meeting of the Manufactured Housing Board (the "Board") in Room 116 of the State Insurance Annex Building, 221 East 11th Street, Austin, Texas. Michael Bray presided. Carlos Amaral, Pablo Schneider and Kimberly Shambley, constituting a quorum, were in attendance. The following Manufactured Housing Division (the "MHD") staff were present: Joe Garcia, Kassu Asfaw, Rubie Gamble, Armand Ramirez, and Sharon Choate. Amanda Ellis was present from the Office of Attorney General.

Michael Bray called the roll, confirmed the presence of a quorum, and asked for a motion to approve the minutes from the board meeting on March 26, 2008. Upon motion of Carlos Amaral, duly seconded by Pablo Schneider, the minutes of the previous meeting were unanimously approved.

Carlos Amaral presented and made a motion for the Board to approve the FY 2009 Operating Budget. It was duly seconded by Kimberly Shambley and unanimously approved.

Carlos Amaral presented and made a motion to approve the execution of amendment to the Administrative Services Agreement for FY 2009 between the Manufactured Housing Division and TDHCA. It was duly seconded by Pablo Schneider and unanimously approved.

Carlos Amaral presented the FY 2010 - 2011 Legislative Appropriations Request (LAR). After discussion, the Board recommended an increase in the travel budget from \$200,000 to \$300,000 each year. Upon motion of Carlos Amaral, duly seconded by Pablo Schneider, the FY 2010 – 2011 LAR was unanimously approved with the amendment to increase the travel budget.

Joe Garcia presented a recommendation to withdraw the Statement from Tax Assessor-Collector form proposed in §80.100(b)(39) to revise with substantive changes and re-propose later. Upon motion of Pablo Schneider, duly seconded by Carlos Amaral, the Board approved withdrawing the form for re-proposing.

Joe Garcia presented and discussed the approval of the proposed amendments to 10 TAC, Chapter 80, §§80.3, 80.90, 80.93, and 80.100 for publication as adopted in the Texas Register. Upon motion of Carlos Amaral, duly seconded by Kimberly Shambley, the Board approved adoption of the proposed rules with amendments.

No action was taken on the agenda item regarding approving proposed amendments to 10 TAC, Chapter 80, §80.100 for publication in the Texas Register for public comment. The issue will be readdressed at the next board meeting.

Amanda Ellis, Assistant Attorney General, presented and recommended accepting the State Office of Administrative Hearings Proposal for Decision and the Division's final order in the matter of the complaint of TDHCA vs. Shawn Fuller d/b/a Mobile Home Center, Docket Number: 332-08-1444. Upon motion of Pablo Schneider, duly seconded by Carlos Amaral, the motion was unanimously approved.

Joe Garcia delivered the Executive Director's Report.

At 2:45 p.m., the Board went into Executive Session to discuss personnel matters relating to the employment of the General Counsel and Director of Licensing and Enforcement position pursuant to Sec. 551.074, Texas Government Code.

At 3:05 p.m., the board reconvened in open session with additional items to take up or discuss.

During the public comment session, Mr. Michael Gerber, Executive Director of Texas Department of Housing and Community Affairs discussed the disaster recovery mission in Southeast Texas and the need to call upon the homebuilder community, the manufactured housing provider community, as well as the general contracting community to assist the Department in the rebuilding effort. Requests for proposals are out now for assistance in rebuilding manufactured homes.

Mr. Gerber stated he wanted to make sure that all of the industry knows that there is a need for all manufactured housing providers who may be interested in this opportunity to come forward and participate in this program. Additional help from the manufactured housing community, the homebuilder community, and the general contracting community to do the rehabilitation work is greatly needed.

The next board meeting was tentatively set for Friday, August 22, 2008.

There being no further business to come before the board, the meeting was adjourned at 3:17 p.m.

Sharon Choate, Secretary

Approved:

Michael Bray, Presiding Chair

Agenda Action Item No. 2

There is no documentation for the action item to discuss and approve Pablo Schneider as the Committee Chair of the Finance and Audit Committee.

Agenda Action Item No. 3



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
MANUFACTURED HOUSING DIVISION

Rick Perry
GOVERNOR

Joe A. Garcia
EXECUTIVE DIRECTOR

Board Members
Presiding Officer, Michael H. Bray
Devora Denice Mitchell
Pablo Schneider
Kimberly A. Shambley

TO: Governing Board of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs

FROM: Jim R. Hicks, Consumer Protection Manager

THROUGH: Joe A. Garcia, Executive Director

SUBJECT: Summary of Proposal for Decision

Bay Area Mobile Homes, LLC, ("Respondent")

License type/number: RBI-35734. Effective dates December 15, 2004 through December 14, 2008.

Docket Number: 332-08-1981

Complaint Number: MHD2007000348-LRV

Background

It was found and determined by the staff of the Manufactured Housing Division that Respondent had committed the following violations of the Act and the Rules:

MHD2007000348-LRV

On or about September 14, 2005, Respondent sold a used manufactured home, identified by HUD Label Number PFS0488722 to Jean Phillips, a consumer under the Act. At the time of sale, there were delinquent tax liens on the home. Therefore, Respondent failed to give good and marketable title as required by Section 1201.451 of the Texas Manufactured Housing Standards Act ("Act").

Hearing before the State Office of Administrative Hearings

After proper notice, an administrative hearing was held on April 29, 2008. An Administrative Law Judge (ALJ) at the State Office of Administrative Hearings (SOAH) issued the attached Proposal for Decision (PFD) as a result of that meeting. The PFD upholds the findings and determinations of the staff.

Proposal for Decision

The Proposal for Decision dated August 23, 2007, recommends that Respondent be assessed an administrative penalty of Two Hundred Fifty Dollars (\$250.00).

Recommendation

It is recommended that the Board approve the following administrative action with respect to the Respondent, as supported by the record and the PFD.

Respondent be assessed an administrative penalty of Two Hundred Fifty Dollars (\$250.00).

DOCKET NO. 332-08-1981
COMPLAINT NO. MHD2007000348-LRV

THE MANUFACTURED HOUSING	§	BEFORE THE
	§	
DIVISION OF THE TEXAS	§	GOVERNING BOARD OF THE
	§	
DEPARTMENT OF HOUSING AND	§	MANUFACTURED HOUSING DIVISION
	§	
COMMUNITY AFFAIRS	§	OF THE TEXAS DEPARTMENT OF
	§	
VS. BAY AREA MOBILE HOMES, LLC	§	HOUSING AND COMMUNITY AFFAIRS

Respondent

FINAL ORDER

I. PREAMBLE

CAME ON TO BE CONSIDERED, the matter of the enforcement action identified as MHD2007000348-LRV, *In the Matter of the Complaint of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs vs. Bay Area Mobile Homes, LLC, (Respondent)*, pursuant to the Texas Manufactured Housing Standards ACT, TEX. OCC. CODE Chapter 1201, Chapter 2306 of the TEX. GOVT. CODE ANN. ch. 2306 (“Ch. 2306”); and the Administrative Procedures Act, TEX. GOVT. CODE ANN. ch. 2001 (“ch. 2001”). The Governing Board issues this Final Order based on the Findings of Fact and Conclusions of Law set forth in the Proposal for Decision of the Administrative Law Judge in this case which is hereby adopted in its entirety (a copy of which is attached). The Board’s vote in this case(s) was ____ for ____ against, and ____ abstention(s).

II. ORDER

NOW, THEREFORE, IT IS ORDERED BY THE GOVERNING BOARD OF THE MANUFACTURED HOUSING DIVISION OF THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS THAT:

1. Respondent be assessed an administrative penalty of two hundred and fifty Dollars (\$250.00) for violations of the Act and Rules as detailed in the Proposal for Decision;

2. Respondent shall pay the penalty to the Texas Department of Housing and Community Affairs within thirty (30) days of the date of this FINAL ORDER. The penalty payment shall be mailed to Texas Department of Housing and Community Affairs, PO Box 12489, Austin, TX 78711-2489;
3. **In the event the final decision is appealed by the Respondent, the full cost of the preparation of the transcript and all administrative costs authorized by Ch. 2001, are hereby assessed against the Respondent; and**
4. The determination of the Texas Department of Housing and Community Affairs in the above-captioned matter is approved. The Respondent **SHALL CEASE AND DESIST** from violating the Act and Rules of the Texas Department of Housing and Community Affairs.

SIGNED AND ENTERED this 22nd day of August, 2008.

Michael Bray, Presiding Officer
Governing Board of the Manufactured Housing Division
Texas Department of Housing and Community Affairs

CERTIFICATION

I certify that a true and correct copy of the forgoing has been sent by U.S. certified mail (tracking # 7006 2760 0005 0935 5900), return receipt requested, to Bay Area Mobile Homes, 5404 FM 2004, Galveston, TX 77563 on this the 22nd day of August, 2008.

Lynn Brandstetter, Investigator

State Office of Administrative Hearings



Shelia Bailey Taylor
Chief Administrative Law Judge

June 18, 2008

Joe A. Garcia
Executive Director
Texas Department of Housing
and Community Affairs, Manufactured Housing Division
221 East 11th Street, 1st Floor
Austin, Texas 78701

VIA INTER-AGENCY

RE: Docket No. 33208-1981; Manufactured Housing Division of the Texas Department of Housing and Community Affairs v. Steven Lockhardt d/b/a Bay Area Mobile Homes, L.L.C.

Dear Mr. Irvine:

Please find enclosed a Proposal for Decision in this case. It contains my recommendation and underlying rationale.

Exceptions and replies may be filed by any party in accordance with 1 TEX. ADMIN. CODE § 155.59(c), a SOAH rule which may be found at www.soah.state.tx.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary W. Elkins".

Gary W. Elkins
Administrative Law Judge

GWE/Ls
Enclosure

xc: Amanda Ellis, Assistant Attorney General, Administrative Law Division, Office of the Attorney General, 300 W. 15th Street, 12th Fl., Austin, TX 78701 – **VIA INTER-AGENCY**
Jim Hicks, Texas Department of Housing and Community Affairs, Manufactured Housing Division, 221 East 11th Street, 1st Floor, Austin, TX 78701 (with 1 hearing tape; TDHCA Exhibit 1 - **VIA INTER-AGENCY**)
Steven Lockhardt, d/b/a Bay Area Mobile Homes, L.L.C., P.O. Box 903, League City, TX 77574 - **VIA REGULAR MAIL**

SOAH DOCKET NO. 332-08-1981

MANUFACTURED HOUSING DIVISION	§	BEFORE THE STATE OFFICE
OF THE TEXAS DEPARTMENT OF	§	
HOUSING AND COMMUNITY AFFAIRS,	§	
Petitioner	§	
	§	
V.	§	OF
	§	
STEVEN LOCKHARDT D/B/A	§	
BAY AREA MOBILE HOMES, LLC,	§	
Respondent	§	ADMINISTRATIVE HEARINGS

PROPOSAL FOR DECISION

The Manufactured Housing Division (Staff) of the Texas Department of Housing and Community Affairs (Department) brought this proceeding against Steven Lockhardt d/b/a Bay Area Mobile Homes, L.L.C. (Respondent) seeking to impose an administrative penalty of \$250 against Respondent for violating the Texas Occupations Code. Despite being notified of the hearing, Respondent did not appear. Based on Respondent's failure to appear, Staff's allegations were deemed admitted, establishing the violation. The Administrative Law Judge (ALJ) agrees with Staff's recommendation that Respondent be assessed an administrative penalty of \$250.00.

I. PROCEDURAL HISTORY

The hearing convened and closed on April 29, 2008, before ALJ Gary W. Elkins of the State Office of Administrative Hearings in the William P. Clements Building, 300 West 15th Street, Fourth Floor, Austin, Texas. Staff was represented by Amanda Ellis, Assistant Attorney General, who moved for a default based on Respondent's failure to appear. Staff offered competent evidence establishing that appropriate notice of the hearing was provided to Respondent. Those matters are set forth in the Findings of Fact and Conclusions of Law.

II. FINDINGS OF FACT

1. On April 14, 2008, the Manufactured Housing Division (Staff) of the Texas Department of Housing and Community Affairs (Department) mailed its notice of alleged

violations and notice of administrative hearing to Steven Lockhardt d/b/a Bay Area Mobile Homes, L.L.C. (Respondent).

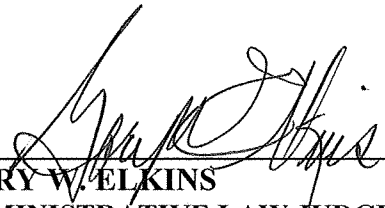
2. The notice was mailed to Respondent's address of record at P.O. Box 903, League City, Texas 77574, by both U.S. regular mail and certified mail, return receipt requested.
3. The notice of hearing contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing would be held; a reference to the particular sections of the statutes and rules involved; and a short, plain, statement of the matters asserted.
4. The notice of hearing advised Respondent in 12-point, bold-faced type that failure to appear at the hearing could result in the factual allegations within the notice being deemed admitted and the relief sought by the Department in the notice being granted by default.
5. The hearing was convened before Administrative Law Judge Gary W. Elkins at the State Office of Administrative Hearings on April 29, 2008, in the William P. Clements Building, 300 West 15th Street, Fourth Floor, Austin, Texas.
6. The Department appeared at the hearing and was represented by Amanda Ellis, Assistant Attorney General. Respondent did not appear.
7. Respondent was licensed as a Manufactured Housing Retailer and Broker on December 14, 2005, under license number RBI-35734 issued by the Department.
8. On September 14, 2005, Respondent sold a manufactured home, HUD Label Number PFS0488722, to a consumer without the appropriate, timely transfer of good and marketable title.

III. CONCLUSIONS OF LAW

1. The Texas Department of Housing and Community Affairs (Department) has jurisdiction over this matter pursuant to the Texas Manufactured Housing Standards Act (the Act), TEX. OCC. CODE ANN. ch. 1201.
2. The State Office of Administrative Hearings has jurisdiction over matters related to the hearing in this proceeding, including the authority to issue a proposal for decision with findings of fact and conclusions of law, pursuant to TEX. GOV'T CODE ANN. ch. 2003.
3. Steven Lockhardt (Respondent) was afforded proper notice of the hearing as required by TEX. GOV'T CODE ANN. §§ 2001.051-2001.052.

4. The allegation stated in Finding of Fact No. 8 is deemed admitted pursuant to 1 TEX. ADMIN. CODE §155.55.
5. Based on Finding of Fact No. 8, Respondent violated TEX. OCC. CODE ANN. § 1201.451.
6. Based on the foregoing Findings of Fact and Conclusions of Law, an administrative penalty in the amount of \$250.00 should be assessed against Respondent, pursuant to TEX. OCC. CODE ANN. § 1201.605 and TEX. GOV'T CODE ANN. § 2306.6023(a).

SIGNED June 18, 2008.



GARY W. ELKINS
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS

Agenda Action Item No. 4

Preamble for Proposed Manufactured Housing Rules
Administrative Rules of the Texas Department of Housing and Community Affairs
10 Texas Administrative Code, Chapter 80

The Manufactured Housing Division of the Texas Department of Housing and Community Affairs (the “Department”) proposes to amend 10 TAC, Chapter 80, §§80.23, 80.30, and 80.100 relating to the regulation of the manufactured housing program. The rules and Application for Statement of Ownership and Location form are revised for clarification and a new form is proposed to assist the tax assessor-collectors in complying with requirements to provide a tax statement pursuant to §1201.206(g) of the Occupations Code.

Section 80.23(j) – Reworded subsection for clarification.

Section 80.30(i) - Reworded subsection for clarification.

Section 80.100(a) –Added new form number (44) to the list of forms.

Figure: 10 TAC §80.100(b)(8) – Revised the disclosure form by removing the notice that the form is also available in Spanish.

Figure: 10 TAC §80.100(b)(19) – Revised Blocks 4(d) and 8 in the Application for Statement of Ownership and Location by asking if there are any liens against the home.

Figure: 10 TAC §80.100(b)(44) - New Statement from Tax Assessor-Collector form to meet requirements of §1201.206(g) of the Standards Act.

Joe A. Garcia, Executive Director of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs, has determined that for the first five-year period that the proposed rules are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering these sections. There will be no effect on small or micro-businesses because of the proposed amendments. There are no anticipated economic costs to persons who are required to comply with the proposed rules.

Mr. Garcia also has determined that for each year of the first five years that the proposed rules are in effect the public benefit as a result of enforcing the amendments will be to provide clarification of procedures and compliance with the Standards Act.

Mr. Garcia has also determined that for each year of the first five years the proposed rules are in effect there should be no adverse effect on a local economy, and therefore no local employment impact statement is required under Administrative Procedure Act (APA), Texas Government Code §2001.022.

If requested, the Department will conduct a public hearing on this rulemaking, pursuant to the Administrative Procedure Act, Texas Government Code §2001.029. The request for a public hearing must be received by the Department within 15 days after publication.

Comments may be submitted to Mr. Joe A. Garcia, Executive Director of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs, P. O. Box 12489,

Austin, Texas 78711-2489 or by e-mail at the following address joe.garcia@tdhca.state.tx.us. The deadline for comments is no later than 30 days from the date that these proposed rules are published in the *Texas Register*.

The amended sections are proposed under the Texas Manufactured Housing Standards Act, Occupations Code, Chapter 1201, §1201.052, which provides the Department with authority to amend, add, and repeal rules governing the Manufactured Housing Division of the Department and under Texas Government Code, Chapter 2306, §§2306.6014 and 2306.6020, which authorizes the board to adopt rules as necessary and the director to administer and enforce the manufactured housing program through the Manufactured Housing Division.

The agency hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

No other statutes, codes, or articles are affected by the proposed rules.

§80.23. *Generic Standards for Footers and Piers.*

(a) – (i) No change.

(j) Temporary support is required to insure the structural continuity of homes placed at the retail location. Thirty (30) days after the arrival of multi-section and sixty (60) days after the arrival of single-section manufactured dwellings to the retail location, homes must be temporarily lot set. If the manufacturer has instructions for temporary blocking, home should be blocked according to the manufacturer specifications. In absence of any manufacturer instructions, State Generic requirement, either paragraph (1) or (2) of this subsection, shall be used: [For temporary blocking at a retail location. If manufacturer has instructions for temporary blocking, home should be blocked according to the manufacturer specifications. In absence of any manufacturer instructions, the State Generic should be use. Manufactured dwellings supported on their wheels and at the draw bar (hitch) shall be adequately supported under the perimeter of each floor section at 10 feet on center and under the marriage line at each column support post locations. Marriage line support post locations will be clearly marked by the manufacturer. Piers shall not be located under any window or door opening, except under jambs for openings 4 feet or greater.]

(1) Manufacturer dwellings supported by its running gear (left on their wheels and draw bar/hitch) shall be adequately supported under the main beam (I-beam) of within 5 feet of each end of the beam, within 5 feet of a supporting wheel and 10 feet on-center of each floor section. Any required marriage line and perimeter pier locations that are clearly marked by the manufacturer are also to be installed. Sidewall openings less than 4 feet in length do not have to be supported. Multi-section homes shall be sealed at the centerline and at all other openings to prevent exposure to the elements. [Manufactured dwellings not supported on their wheels and at the draw bar shall be adequately supported under each main frame (I-beam) and under the marriage line at each column support post location. Mainframe support post shall start not more than 5 feet from the end of the home and shall not be

~~located under any window or door opening, except under jambs for openings 4 feet or greater.]~~

- (2) Manufactured dwellings not supported on their running gear shall be adequately supported under each main frame (I-beam) within 5 feet of each end of the home and 10 feet on-center along the length of the main beam. Any required marriage line and perimeter pier locations that are clearly marked by the manufacturer are also to be installed. Sidewall openings less than 4 feet in length do not have to be supported. Multi-section homes shall be sealed at the centerline and at all other openings to prevent exposure to the elements. [~~Manufactured dwellings shall be sealed at the centerlines and at all other openings to prevent exposure to the elements.~~]

§80.30. All Licensees' Responsibilities.

- (a) – (h) No change.
- (i) Any licensee's website shall provide a conspicuously placed link ~~[on the website's home page]~~ to the Department's website.

§80.100. List of Forms.

- (a) The following list is in numerical order with the forms located in subsection (b) of this section.
- (1) Application for Manufacturer's License.
 - (2) Application for Retailer, Broker, Installer and/or Rebuilder's License.
 - (3) Application for Retailer with Branch Locations License.
 - (4) Application for Salesperson's License.
 - (5) Licensing Surety Bond.
 - (6) Licensing Security Agreement.
 - (7) Manufacturer's Certificate of Origin (MCO).
 - (8) Consumer Disclosure Statement.
 - (9) Warranty and Disclosure for a Used Manufactured Home.
 - (10) Retail Monitoring Checklist.
 - (11) Consumer Notice of Licensed and Bonded Location.
 - (12) Notice and Informed Consent to Installation on an Improperly Prepared Site.
 - (13) Formaldehyde Notice.
 - (14) Texas Inventory Finance Security Form.
 - (15) Broker Disclosure Form.
 - (16) Notice of Installation (Form T).
 - (17) Installation Checklist.
 - (18) Estimate for Reassigned Warranty Work.
 - (19) Application for Statement of Ownership and Location.
 - (20) Affidavit of Fact for Real Property.
 - (21) Affidavit of Fact.
 - (22) Affidavit of Error.
 - (23) Affidavit of Fact for Right of Survivorship.
 - (24) Addendum to Application for SOL.

- (25) Release or Foreclosure of Lien (Form B).
- (26) Statement of Inheritance (Form C).
- (27) Taxing Entity Application for Texas Seal (Form S).
- (28) Multiple Application Log (Form M).
- (29) Instructions to Third Party Closer.
- (30) Notice of Lien for Tax Lien/Release Form.
- (31) Notice of Lien to Perfect a Lien (Other than Tax Lien) Form.
- (32) Notification of filing status as a Central Tax Collector.
- (33) Site Preparation Notice Form.
- (34) Sample of Statement of Ownership and Location.
- (35) Application for License Renewal (other than a salesperson).
- (36) Right of Rescission Waiver Form.
- (37) List of Unlicensed Installers Form.
- (38) Probationary Notice of Installation (Form T).
- (39) Notice of Intent to Acquire Ownership of an Abandoned Home.
- (40) Affidavit of Fact for Abandonment.
- (41) Disclosure to Consumer (Possible Need to Vacate Home if Financing does not Close).
- (42) Application for Salesperson's License Renewal.
- (43) Application for License Instruction Provider.
- (44) Statement from Tax Assessor-Collector.**

(b) Forms.

Forms (1) – (7) (No change.)

- (8) Consumer Disclosure Statement.

Texas Department of Housing and Community Affairs
MANUFACTURED HOUSING DIVISION
P. O. BOX 12489 Austin, Texas 78711-2489
(800) 500-7074, (512) 475-2200 FAX (512) 475-1109
Internet Address: www.tdhca.state.tx.us/mh/index.htm

MAKING AN INFORMED DECISION ABOUT BUYING A MANUFACTURED HOME

**[*Esta forma está disponible en Español a petición del vendedor
o al llamar al 1-800-500-7074*](#)**

IF YOU HAVE QUESTIONS CALL 1-800-500-7074

WWW.TDHCA.STATE.TX.US/MH

Ownership of ANY home brings many responsibilities. Buying a manufactured home involves many important and unique considerations. This disclosure is to assist you in recognizing and understanding many of those factors. Please read it carefully.

CHOOSING A MANUFACTURED HOME AS YOUR HOME: Manufactured homes come in a variety of sizes, styles, design features, amenities, and price ranges. All manufactured homes are built to federal standards established by the federal Department of Housing and Urban Development (HUD). Also, the federal government and the state of Texas requires manufacturers, retailers and installers to give certain warranties on manufactured homes. The type of warranties you receive will depend on whether you are purchasing a new or used manufactured home. You have the right to see the manufacturer's warranty and the retailer's warranty before entering into a binding agreement to purchase a manufactured home.

initials

CHOOSING A MANUFACTURED HOME RETAILER: The State of Texas licenses and oversees manufacturers, retailers, brokers, salespersons, rebuilders, and installers of manufactured homes. The agency responsible for this licensing and oversight is the Texas Department of Housing and Community Affairs, Manufactured Housing Division (the "Department"). Your properly licensed manufactured home retailer should display, or be willing to show you, its license in its sales office. **Dealing with licensed parties can provide important consumer protections.**

initials

DEPOSITS: You may be required by a manufactured home retailer to place a deposit on a home, regardless of whether the home is on the retailer's sales lot, is being sold at another location, or will be ordered from a factory. The amount of the deposit is determined between you and your retailer. The deposit becomes a down payment upon execution of a binding written purchase agreement. You have the right to demand a refund of the deposit or down payment, and receive that refund within 15 days thereafter, if you timely and properly rescind the purchase agreement.

initials

FINANCING OPTIONS: A manufactured home in Texas has tremendous flexibility when it comes to financing because it can be financed as personal property (typically a consumer loan secured by the home only) or, if you own the land the home is on (or have a qualifying long term lease on the land) as real property (typically a mortgage loan secured by the home and the land). You should talk to possible lenders about the terms they can offer. If you think one lender is offering too high a rate, talk to another lender.

Consumer lenders must generally be registered with the Office of the Consumer Credit Commissioner. Mortgage loans are usually originated by mortgage brokers (licensed with the Savings and Mortgage Lending Department), mortgage bankers (registered with the Savings and Mortgage Lending Department), or financial institutions (regulated by state and/or federal regulators, depending on the type of financial institution).

**WHEN YOU MAKE A DECISION ABOUT BUYING A
MANUFACTURED HOME, PLAN FOR FLEXIBILITY AND CHANGE.**

YOUR LOAN WILL BE A **MAJOR** FACTOR IN DETERMINING YOUR PAYMENTS, BUT THERE ARE OTHER IMPORTANT FACTORS YOU SHOULD ALSO THINK ABOUT, SUCH AS:

- Adjustable rate loans – If rates go up, your loan payments will go up.
- Property taxes – Changes in property valuation and changes in tax rate can result in changes in your payments.
- Insurance – If premiums increase, your payments will go up.
- Lot rent – If you are renting the lot your home is on, your rent may be subject to increase.

initials

LOCAL RESTRICTIONS AND REQUIREMENTS (ZONING): Depending on where a home is to be located it may be subject to special local requirements, including zoning and deed restrictions. These local requirements may affect where the home can be placed and may also involve other related requirements (and expenses) such as size requirements, construction requirements, Contact the local municipality, county, and subdivision manager to find out what, if

any, requirements of this sort may apply to any site where you are going to place a manufactured home.

initials

SITE PREPARATION: A consumer is responsible for proper preparation of the site. If you do not think you can prepare your site properly, consider hiring someone else with the right experience and equipment to do it for you. Proper site preparation includes a site for placement of the home that has good drainage so that water will not collect or run under or around the home; and firm compacted soil with no stumps, debris, or other matter. The site that is selected and prepared also needs to meet any setback or other placement requirements and have access to any required water, septic system, and utilities.

PROPER SITE PREPARATION IS ESSENTIAL!

initials

INSTALLATION: If you are purchasing a NEW manufactured home. Installation must be included. If you are purchasing a USED manufactured home, installation may or may not be included. If installation is not included and you arrange for it yourself, remember, ONLY A LICENSED INSTALLER may install a manufactured home. The installer who actually installs the home must also provide a warranty.

**PROPER INSTALLATION BY A LICENSED INSTALLER IS
REQUIRED BY LAW IN ORDER FOR A HOME TO BE OCCUPIED.**

If you are buying a home that has already been installed, you should ask the selling retailer if they will check the leveling, check for the presence (if required) and condition of any vapor retarder, check anything else regarding the foundation/stabilization system, or provide any other installation-related services.

If you acquire a used manufactured home that is already installed in a Wind Zone II county but the home is a Wind Zone I home, which means that home was not designed or constructed to withstand a hurricane force wind occurring in a Wind Zone II or III area, the home cannot be installed in a Wind Zone II area unless it was constructed before September 1, 1997.

initials

UPKEEP AND MAINTENANCE: ANY home requires regular upkeep and maintenance – things like periodic checking of and repairs to the roof, keeping vents and filters clear, maintaining septic systems and wells in safe and sanitary working order, caulking to prevent leaks, and periodic

painting. Also, depending on the foundation system you choose, a manufactured home may require periodic checking to be sure that it is still level and that the anchors and straps are secure.

initials

FOUNDATION MAINTENANCE: You must accept all responsibility for maintenance of the site upon closing. These responsibilities include: maintaining good drainage around the home, preventing soil erosion, periodic inspections of foundation supports and anchorage, and any leveling or adjustment that may be required unless contractually agreed otherwise. Homes located in areas that have soils with high clay content that expands and contracts must maintain consistent moisture levels. This may include watering around the foundation during dry summer months and managing the size and proximity of the vegetation near the foundation.

initials

LOT RENT: If you rent the lot your home is on, in addition to the possibility of rent increases, it is possible that the property owner could decide to change the use of the land and not renew your lease. Although you would be given advance notice, this would mean that you would have to move your home and have it installed somewhere else.

initials

WATER AND UTILITIES: Be sure that your lot has access to water. If you must drill a well, consider contacting several drillers for bids. If water is available through a municipality, utility district, water district, or cooperative, you should inquire about the rates you will have to pay and the costs necessary to join the water system. Be sure that any utilities you will need are available at your site and, if they are not, find out what will be involved in getting them delivered and connected.

initials

SEWER CONNECTIONS OR SEPTIC SYSTEMS: If your lot is not serviced by a municipal sewer system or utility district, you will have to install an on-site sewer facility (commonly known as a septic system). There are a number of concerns or restrictions that will determine if your lot is adequate to support a septic system. Check with the local county or a licensed private installer to determine the requirements that apply to your lot and the cost to install such a system.

initials

HOMEOWNERS ASSOCIATIONS AND FEES: Many subdivisions have mandatory assessments and fees that lot owners must pay. Check with the manager of the subdivision in which your lot is located to determine if any fees apply to your lot.

initials

PROPERTY TAXES: Manufactured homes are appraised and subject to property taxes. Depending on the type of loan you have, your lender may escrow for these taxes, and this will increase your monthly payments. Whether you select personal property or real property status for your home may impact any homestead exemption that you may obtain to reduce your tax liability. Talk with the county tax office if you have any questions. Failing to pay your taxes or make arrangements with the tax assessor-collector may place you at risk of having tax liens recorded on your home and, possibly, having the home foreclosed for non-payment of taxes. If you do not have a lender that escrows for the taxes, the tax assessor-collector will work out an escrow arrangement with you if requested.

initials

INSURANCE: Your lender will almost certainly require you to obtain insurance. You should request quotes from the agent of your choice to obtain the insurance. Even if you do not have a lender, it is a good idea to obtain insurance to protect your home and yourself.

initials

THE TEXAS MANUFACTURED HOMEOWNERS' RECOVERY TRUST FUND (the "FUND"): The Fund is established by law to protect consumers who incur certain actual damages arising from specified violations of law involving acts or omissions of licensees. To learn more about the Fund you can check the Department's website at: www.tdhca.state.tx.us/mh or call the Department for a printed description of the Fund and how it works. Claims on the Fund must be verified and must be made within two years from the date of the act or omission or when it was discovered or reasonably should have been discovered.

initials

RIGHT OF RESCISSION: Once you enter into a contract with a selling retailer to acquire a manufactured home, you have a right to rescind the contract. You may, not later than the third day after the applicable contract is signed, rescind the contract without penalty or charge. The right to rescind may be modified or waived only if you have a *bona fide* emergency. The Department has rules about the detailed

requirements for waivers and modifications. If you grant someone other than the retailer a lien on the home you are buying, the right of rescission automatically goes away when the lien is recorded with the TDHCA.

initials

This **Six Page Disclosure** was provided to me/us by the retailer and/or lender shown below on this date. It was provided to me/us before I/we completed a credit application (if a financed transaction), or before I/we signed a contract to purchase, exchange, or lease-purchase a manufactured home.

DATE

RETAILER or LENDER

LICENSE NUMBER (if a retailer)

CUSTOMER signature

CUSTOMER signature

Customer printed name

Customer printed name

Date: _____

Date: _____

(9) - (18) (No change.)

(19) Application for Statement of Ownership and Location.

Texas Department of Housing and Community Affairs

MANUFACTURED HOUSING DIVISION

P. O. BOX 12489 Austin, Texas 78711-2489
 (800) 500-7074, (512) 475-2200 FAX (512) 475-1109
 Internet Address: www.tdhca.state.tx.us/mh/index.htm

APPLICATION FOR STATEMENT OF OWNERSHIP AND LOCATION

The filing of an application for the issuance of a Statement of Ownership and Location, later than sixty (60) days after the date of a sale to a consumer for residential use, may result in a fee of up to one hundred dollars (\$100). Any such application that is submitted late may be delayed until the fee is paid in full.

BLOCK 1: Transaction Identification

This application is for: <input type="checkbox"/> New home application <input type="checkbox"/> Used home application <input type="checkbox"/> Other _____	(For Department Use Only) Coding: Lien on file: Y / N Lienholder Code County Code: Right of Surv.: Y / N Retailer #: Manufacturer #:
--	--

BLOCK 2(a): Home Information (required)

Manufacturer Name:		Model:	
Address:		Date of Manufacture:	
City, State, Zip:		Total Square Feet:	
License Number:		Wind Zone:	

	Label/Seal Number	Complete Serial Number	Weight	Size*	
Section 1:				X	*NOTE: Size must be reported as the outside dimensions (length and width) of the home as measured to the nearest 1/2 foot at the base of the home, exclusive of the tongue or other towing device.
Section 2:				X	
Section 3:				X	
Section 4:				X	

2(b) Is home being sold? No Yes
 If yes, and **if there is/are no HUD Label(s) or Texas Seal(s)** on your home, a Texas Seal will be need to be purchased and will be issued to each section of your home at an **additional cost** of \$35.00 per section.
Single - \$35 Double - \$70 Triple - \$105

BLOCK 3: Home Location (required)

Physical Location of Home: <i>(or 911 address)</i>	<i>Physical Address (cannot be a Rt. or P. O. Box)</i>	<i>City</i>	<i>State</i>	<i>ZIP</i>	<i>County</i>
Was home moved for this sale? <input type="checkbox"/> No <input type="checkbox"/> Yes					
Was Home Installed for this sale? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, provide installer information below, if known					
Installer Name, address and phone: _____					

BLOCK 4: Ownership Information (required)

4(a) Seller(s) or Transferor(s)	4(b) Purchaser(s), Transferee(s), or Owner(s)
Name	Name
License # if Retailer:	License # if Retailer:
Name	Name
Mailing Address	Mailing Address
City/State/Zip	City/State/Zip
Daytime Phone Number () -	Daytime Phone Number () -

4(c) Date of sale, transfer or ownership change: _____

4(d) Did the buyer trade-in a home to purchase this home? No Yes If yes, **the application transferring the ownership to the Retailer must be attached to this application. Provide provide** the following **information on the home traded in:**
 HUD Label _____, Serial No. _____

HUD Label #:	Serial #:	GF# (for title co.):
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BLOCK 5: Right of Survivorship (if no box is checked, joint owners will NOT have right of survivorship)

If joint owners desire right of survivorship, check the applicable box below:

Husband and wife will be the only owners and agree that the ownership of the above described manufactured home shall, from this day forward, be held jointly and in the event of death, shall pass to the surviving owner.

Joint owners are other than husband and wife, desire right of survivorship, **and** have attached a completed Affidavit of Fact for Right of Survivorship or other affidavits as necessary to meet the requirements of §1201.213 of the Standards Act.

BLOCK 6: Personal/Real Property Election - Purchaser(s)/Transferee(s)/Owner(s) check one election type:

Personal Property – Applicant elects to treat this home as personal property. All documents affecting title to the home will be filed in the records of the Department.

Real Property – I (we) elect to treat this home as real property and certify that I am (we are) entitled to make this election in accordance with Section 1201.2055 of the Occupations Code because (**one box must** be checked):

I (we) own the real property that the home is attached to. I (we) have a qualifying long-term lease for the land that the home is attached to.

I (We) understand that the home will not be considered to be real property until a certified copy of the SOL has been filed in the real property records of the county in which the home is located AND a copy stamped "Filed" has been submitted to the Department.

Legal description must be provided for real property: _____

If a title company, list your file or GF #: _____

Inventory – (*FOR RETAILER USE ONLY*) Retailer number must be provided in Block 4b if this election is checked.

BLOCK 7: Designated Use - to be designated by purchaser(s), transferee(s), or owner(s)

Residential Use (as a dwelling) OR

Non-Residential - Check **one** of the following: *Business Use* *Salvage*

BLOCK 8: Liens – Will there be any liens on the home? No Yes If yes, the Notice of Lien form MUST be completed and attached. To specify any liens on the SOL the NOTICE OF LIEN FORM must be completed and submitted with the application.

To prevent an SOL from being issued without a lien, in the event the Notice of Lien is detached, indicate name and phone number of lienholder's contact person and phone number.

Lienholder's Representative: _____ **Phone:** _____

BLOCK 9: Special Mailing Instructions.

IF a copy of an SOL is to be mailed to anyone other than the owner or lienholder of record (such as a closing agent), please provide that mailing address here and enclose the additional fee.	Name:	
	Company:	
	Street Address:	
	City, State, Zip:	
	Area Code/Phone	

BLOCK 10: Certification and Notarization - The statements set forth herein are made under oath and are true and correct.

Seller certifies that any required habitability warranty has been delivered (consumer to consumer sales are exempt).

Seller certifies that the purchaser has been given a written disclosure on a form prescribed by the Department describing the condition of the home and of any appliances that are included in the home.

10(a) Notarized signature of each seller/transferor	10(b) Notarized signature of each purchaser/transferee or owner
<div style="text-align: center; margin-bottom: 10px;"> _____ <i>Signature of owner or authorized seller</i> </div> <div style="text-align: center; margin-bottom: 10px;"> Sworn and subscribed before me this ____ day of _____, 20__ </div> <div style="text-align: center; margin-bottom: 10px;"> _____ <i>Signature of Notary</i> </div> <div style="text-align: center;"> SEAL </div>	<div style="text-align: center; margin-bottom: 10px;"> _____ <i>Signature of purchaser/transferee or owner</i> </div> <div style="text-align: center; margin-bottom: 10px;"> Sworn and subscribed before me this ____ day of _____, 20__ </div> <div style="text-align: center; margin-bottom: 10px;"> _____ <i>Signature of Notary</i> </div> <div style="text-align: center;"> SEAL </div>
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(20) - (43) (No change.)

(44) Statement from Tax Assessor-Collector.

Texas Department of Housing and Community Affairs

MANUFACTURED HOUSING DIVISION

P. O. BOX 12489 Austin, Texas 78711-2489
(800) 500-7074, (512) 475-2200 FAX (512) 475-1109
Internet Address: www.tdhca.state.tx.us/mh/index.htm

STATEMENT FROM TAX ASSESSOR-COLLECTOR
To meet the requirements of Texas Occupations Code 1201.206(g)

BLOCK 1: Home Information

Manufacturer: Model:
Serial Number: Label # and/or Seal #:
Tax Roll Physical Address:
Account No.:

BLOCK 2: Statement of Facts

Used to confirm that taxes have been paid and/or escrowed enabling the transfer of ownership of a used manufactured home (providing all other requirements are met).

Check either A, B, or C: Date of Sale: / /

- A. Not on the tax roll
This home is not on the tax roll for this county.
B. The present tax year has been billed:
The present and previous year's taxes have been billed and paid. There are NO PERSONAL PROPERTY TAXES DUE.
C. The present tax year has NOT BEEN billed:
The previous tax year has been billed and paid in full. No taxes are due.
The current tax year has not been billed (levied), but taxes have been estimated, paid and placed in escrow and any difference owed will be due when taxes are billed.

BLOCK 3: Signature (Notarization is optional)

(Signature of tax assessor-collector's authorized representative)

(Name of County making this statement)

(Printed name and title of authorized representative)

Before me personally appeared the person (s) whose signature (s) appear above, who by being sworn, upon oath, say that the statements set forth hereinabove are true and correct. Subscribed and sworn before me this ___ day of _____ 20__.

(Name of Notary)

(Notary Public)

(Commission Expires)

SEAL

Notary Public State of Texas