

# Manufactured Housing Rules

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*Administrative Rules of the Texas Department of Housing and Community Affairs  
10 Texas Administrative Code, Chapter 80*

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## **SUBCHAPTER A. CODES AND STANDARDS**

### ***§80.10. Texas Manufactured Housing Standards Code.***

The standards and requirements for the installation and construction of manufactured housing adopted by the director in accordance with §1201.251(a)(1) of the Texas Manufactured Housing Standards Act (Standards Act) are as follows:

- (1) The construction standards set out in Title VI of the Housing and Community Development Act of 1974, as the same may be amended from time to time, or under any official rule, official interpretation, or adopted standard issued or adopted by the Department of Housing and Urban Development under such law;
- (2) The installation standards set forth in this chapter; and
- (3) Applicable standards for installation components established by
  - (A) Chapter 43 of the latest edition of the International Residential Code;
  - (B) The stabilizing component destruction test failure criteria of the FMHCSS (24 CFR, Part 3280) and the latest edition of the International Residential Code, Appendix E; and
  - (C) The American Wood Preserver's Association and referenced by the latest edition of the International Residential Code Preservation for treated (PT) wood components.
- (4) Collectively, the foregoing, together with the Standards Act and these rules, are referred to as the Texas Manufactured Housing Standards Code (“the Code”).

## **SUBCHAPTER B. DEFINITIONS**

### ***§80.11. Definitions.***

Terms used herein that are defined in the Code and the Standards Act have the meanings ascribed to them therein. The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) APA - Administrative Procedure Act, Texas Government Code, Chapter 2001.
- (2) Business days - Includes every day on the calendar except Saturday, Sunday, and federal and state holidays.

- (3) Certificate of Attachment - A certificate issued by the Department to the person who surrenders the Manufacturer's Certificate of Origin or document of title when the home has been permanently attached to real estate. Certificates of Attachment are no longer issued after June 18, 2003.
- (4) Chattel Mortgage – Any loan that is not subject to the Real Estate Settlement Procedures Act (RESPA).
- (5) Coastline - The shoreline that forms the boundary between the land and the Gulf of Mexico or a bay or estuary connecting to the Gulf of Mexico that is more than five miles wide.
- (6) Credit document – Any executed written agreements between the consumer and creditor that describe or are required in connection with an actual credit transaction.
- (7) Creditor - A person involved in a credit transaction who:
  - (A) extends or arranges the extension of credit; or
  - (B) is a retailer or broker as defined in the Standards Act and participates in arranging for the extension of credit.
- (8) Custom designed stabilization system - An anchoring and support system that is not an approved method as prescribed by the state generic standards, manufacturer's installation instructions, or other systems pre-approved by the Department.
- (9) Dangerous conditions - Any condition which, if present, would constitute an imminent threat to health or safety.
- (10) DAPIA - The Design Approval Primary Inspection Agency.
- (11) Department or TDHCA - The Manufactured Housing Division of the Texas Department of Housing and Community Affairs (TDHCA).
- (12) Deposits - Money or other consideration given by a consumer to a retailer, salesperson, or agent of a retailer to hold a manufactured home in inventory for subsequent purchase or to confirm the agreed price on a home to be specially ordered.
- (13) Down Payment - An amount, including the value of any property used as a trade-in, paid to a retailer to be applied to the purchase price of a

manufactured home, including any goods or services that are a part of that transaction.

- (14) Dwelling unit –One or more habitable rooms which are designed to be occupied for living.
- (15) FMHCSS - Federal Manufactured Home Construction and Safety Standards that implement the National Manufactured Home Construction and Safety Standards Act of 1974, 42 USC 5401, et seq., as amended from time to time.
- (16) Independent testing laboratory - An agency or firm that tests products for conformance to standards and employs at least one engineer or architect licensed in at least one state.
- (17) Inventory Lender – A person that is involved in extending or arranging for credit in inventory financing secured by manufactured housing.
- (18) IPIA - The Production Inspection Primary Inspection Agency which evaluates the ability of manufactured home manufacturing plants to follow approved quality control procedures and/or provides ongoing surveillance of the manufacturing process.
- (19) Long-Term Lease – For the purpose of determining whether or not the owner of a manufactured home may elect to treat the home as real property, is a lease on land to which the manufactured home has been attached and which:
  - (A) has been approved by each lienholder for the manufactured home by placing on file with the Department written consent to have the home treated as real property; or
  - (B) is for at least five years if the home is not financed.
- (20) Loss - Actual financial loss or damage, not including exemplary, punitive, special, or consequential damages.
- (21) Main frame – A chassis or structure serving a similar purpose.
- (22) Manufactured home identification numbers - For the purpose of maintaining ownership and location records, including the perfection of liens, the numbers shall include the HUD label number(s) and the serial number(s) imprinted or stamped on the home in accordance with HUD departmental regulations. For homes manufactured prior to June 15, 1976, the Texas seal number, as issued by the Department, shall be used instead of the HUD label number. If a home manufactured prior to June 15, 1976, does not have a Texas seal, or if a home manufactured after June 15, 1976, does not have a HUD label, a Texas seal shall be purchased from the Department and

attached to the home in upper left corner on the end opposite the tongue end and used for identification in lieu of the HUD label number.

- (23) Manufactured home site - That area of a lot or tract of land on which a manufactured home is installed.
- (24) Permanent foundation – A foundation which meets the requirements of §80.54 of this title (relating to Requirements for the Installation of Manufactured Homes) and was constructed according to drawings, as required by that section, which state that the foundation is a permanent foundation for a manufactured home.
- (25) Promptly - Means within the time prescribed by the Standards Act, these Rules, and any administrative order (including any properly granted extension) or, in the case of a matter that constitutes an imminent threat to health or safety, as quickly as reasonably possible.
- (26) Stabilization system – A combination of the anchoring and support system. It includes, but is not limited to the following components:
  - (A) Anchoring components - Any component which is attached to the manufactured home and is designed to resist the horizontal and vertical forces imposed on the manufactured home as a result of wind loading. These components include, but are not limited to auger anchors, rock anchors, slab anchors, ground anchors, stabilizing devices, connection bolts, j-hooks, buckles, and split bolts.
  - (B) Anchoring equipment - Straps, cables, turnbuckles, tubes, and chains, including tensioning devices, which are used with ties to secure a manufactured home to anchoring components or other devices.
  - (C) Anchoring systems - Combination of ties, anchoring components, and anchoring equipment that will resist overturning and lateral movement of the manufactured home from wind forces.
  - (D) Diagonal tie - A tie intended to primarily resist horizontal forces, but which may also be used to resist vertical forces.
  - (E) Footing - That portion of the support system that transmits loads directly to the soil.
  - (F) Ground anchor - Any device at the manufactured home site designed to transfer manufactured home anchoring loads to the ground.
  - (G) Longitudinal ties - Designed to prevent lateral movement along the length of the home.

- (H) Shim - A wedge-shaped piece of hardwood or other registered component not to exceed one (1) inch vertical (actual) height.
  - (I) Stabilizing components - All components of the anchoring and support system such as piers, footings, ties, anchoring equipment, ground anchors and any other equipment, which supports the manufactured home and secures it to the ground.
  - (J) Support system - A combination of footings, piers, caps and shims that support the manufactured home.
  - (K) Vertical tie - A tie intended primarily to resist the uplifting and overturning forces.
- (27) Used home - Any manufactured home (or mobile home) which has been occupied for living or for which a Statement of Ownership and Location has been issued.

### **SUBCHAPTER C. FEE STRUCTURE**

#### **§80.20. Fees.**

- (a) Annual License Fees and Renewal Fees:
  - (1) \$425 for each manufacturer's plant license (valid for one year);
  - (2) \$275 for each retailer's sales license (valid for one year);
  - (3) \$275 for each rebuilder's license (valid for one year);
  - (4) \$175 for each broker's license (valid for one year);
  - (5) \$175 for each installer's license (valid for one year); and
  - (6) \$200 for each salesperson's license (valid for two years).
- (b) Installation Fees:
  - (1) There is a reporting fee of \$75 for the installation of a single section manufactured home and \$25 for each additional section.
  - (2) The reporting fee must be submitted to the Department with the completed Notice of Installation (Form T) no later than the 15<sup>th</sup> day of the month after which the installation is completed.

- (3) Fee distributions to local governmental entities performing inspection functions pursuant to contract with the Department shall be made in accordance with Department procedures and the provisions of the contract.
- (c) Seal Fee: There is a fee of \$35 for the issuance of Texas Seals. Any person who sells, exchanges, lease purchases, or offers for sale, exchange, or lease purchase a used HUD-Code manufactured home manufactured after June 15, 1976, that does not have a HUD label affixed, or a used mobile home manufactured prior to June 15, 1976, that does not have a Texas Seal affixed shall file an application to the Department for a Texas Seal. The application shall be accompanied by the seal fee of \$35 per section made payable to the Department.
- (d) Monitoring Fee: There is a fee, as required by HUD, to be paid by each manufacturer in this state for each HUD-Code manufactured home produced. The monitoring inspection fee is established by the secretary of HUD, (pursuant to 24 CFR §3282.307) who shall distribute the fees collected from all manufacturers among the approved and conditionally approved states based on the number of new homes whose first location after leaving the manufacturing plant is on the premises of distributor, retailer, or consumer in that state, and the extent of participation of the state in the joint monitoring program established under the National Manufactured Housing Construction and Safety Standards Act of 1974.
- (e) Homeowner's Temporary Installer's License: There is a fee of \$100 for the issuance of a homeowner's temporary installer's license, which shall also include the cost of the installation inspection. The fee shall be made payable to the Department.
- (f) Education Fee: Each attendee at the course of instruction in the law and consumer protection regulations for license applicants shall be assessed a fee of \$250. If a manufacturer requests the training be performed at his or her facility, the manufacturer shall reimburse the Department for the actual costs of the training session (educational fee plus actual cost of travel).
- (g) There is a fee of \$300 to process an application for a contract to prepare or administer a certification and continuing education program under §1201.113(c) of the Standards Act.
- (h) Habitability Inspection:
- (1) There is a fee of \$150 for the inspection of a manufactured home which is to be designated for residential use after having been previously designated for business-use or which is elected as personal property after having been designated as real property. The purpose of the inspection is to determine if the home is habitable as defined by §1201.453 of the Standards Act. The fee must accompany a written request for inspection and must be submitted either prior to or in connection with the submission of an Application for Statement of Ownership and Location.



- (2) There is a fee of \$200 for the plan review and inspection of a salvaged manufactured home which is to be rebuilt. The purpose of the inspection is to determine if the home is habitable so that it may be designated for residential use.
  - (A) The fee and required notification shall be submitted in accordance with §80.66 of this title (relating to Rebuilding or Repairing a “Salvaged” Manufactured Home).
  - (B) The rebuilder shall also be charged for mileage and per diem incurred by Department personnel traveling to and from the location of the home.
  - (C) The inspector shall advise the rebuilder of the charges incurred, and no Statement of Ownership and Location shall be issued until all fees have been paid.
- (i) Consumer Complaint Inspection:
  - (1) If a licensee requests an inspection in connection with a complaint, the licensee will be billed an inspection fee of \$150 if, as a result of the inspection, the licensee is found to have violated the Standards Act or these rules.
  - (2) There is a fee of \$150 for the reinspection of a consumer's home. The fee shall be paid by the party deemed primarily responsible by the Department.
- (j) Fees Relating to Statements of Ownership and Location. Each fee shall accompany the required documents forwarded to the Manufactured Housing Division of the Department at its principal office in Austin.
  - (1) A fee of \$55 will be required for the issuance of a Statement of Ownership and Location;
  - (2) A fee of \$1.50 will be required for certified copies requested other than one certified copy of a Statement of Ownership and Location sent to the owner and one that is sent to the lienholder;
  - (3) There shall be a fee of \$55 for Quick Processing Service in addition to the \$55 processing fee for each application for Statement of Ownership and Location.
    - (A) Quick Processing Service shall be defined as the processing of an Application for Statement of Ownership and Location within three (3) business days from the day the complete application is received in the

Manufactured Housing Division. The Department will refund the Quick Processing Service fee if the completed application is not processed within the required time.

- (B) If an applicant desires Quick Processing, the Quick Processing form provided in §80.260(a)(8) of this title (relating to Required and Optional Forms) must be completed and attached to the front of the application for the application to be deemed complete.
  - (C) If the Quick Processing form is missing or incomplete or if any other necessary documents or fees are deficient, any delays in processing caused by such will not entitle the payer to a refund of the Quick Processing fee or any other required processing fee.
  - (D) If Quick Processing is requested but the Quick Processing fee is not paid, the application will receive regular processing.
  - (E) All Quick Processing applications must be submitted by overnight service or delivered in-person.
  - (F) If Quick Processing is not completed within three (3) business days, as required, the Quick Processing portion of the fee only will be refunded.
  - (G) All Statements of Ownership and Location, including Quick Processing items, will be sent via regular mail unless a pre-paid overnight envelope is provided.
- (4) If a correction of a document is required as a result of a mistake by the Department, the issuance of a new document shall not require a fee. However, if the error was not made by the Department, a request for correction of the error must be made on a completed Application for Statement of Ownership and Location and submitted to the Department along with the required fee of \$55 and any necessary supporting documentation.
- (5) When multiple applications are submitted, the Form M provided in §80.260(a)(9) of this title (relating to Required and Optional Forms) must be completed and attached to the front of the applications to identify each application and reconcile the fee for each application with the total amount of the payment. Failure to provide this form, properly completed, will delay the application's being deemed complete for processing.
- (k) Method of Payment.
- (1) All checks shall be made payable to the Texas Department of Housing and Community Affairs or TDHCA.

- (2) All license renewals may also be paid by credit card or ACH, if submitted through Texas Online.
- (l) Loss of Check Writing Privileges. Any person who has more than one (1) time paid for anything requiring a fee under these rules with a check that is returned uncollectible, whether “NSF,” closed account, refer to maker, or for any similar reason, is required to make all future payments, if any, by means of money order or cashier’s check.

#### **SUBCHAPTER D. STANDARDS AND REQUIREMENTS**

##### **§80.50. *Wind Zone Regulations.***

- (a) Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Orange, Refugio, San Patricio, and Willacy counties are in Wind Zone II. All other counties are in Wind Zone I.
- (b) A manufactured home constructed on or after September 1, 1997 must meet the Wind Zone II standards adopted by HUD in order to be installed in a Wind Zone II county.
- (c) All manufactured homes constructed prior to September 1, 1997 may be installed in Wind Zone I or Wind Zone II without restriction.
- (d) A consumer purchasing a manufactured home constructed on or after September 1, 1997 to Wind Zone I standards must be given a written notice by the selling retailer that:
  - (1) The home was not designed nor constructed to withstand hurricane force winds which may occur in Wind Zone II or III areas; and
  - (2) The home is not permitted to be installed in Wind Zone II counties in Texas, and there may be restrictions in other states prohibiting installation in Wind Zone II or III areas.
- (e) The notice required by this section shall be given to the consumer prior to the execution of any mutually binding sales agreement or retail installment sales contract.
- (f) A manufactured home constructed on or after September 1, 1997 shall not be installed within 1,500 feet of the coastline in Wind Zone II, unless the home and its anchoring and support systems have been designed for the increased requirements specified for Exposure D in ANSI/ASCE 7-88.

**§80.51. *Manufactured Home Installation Requirements.***

- (a) The following tasks are the responsibility of the manufacturer:
  - (1) Manufacturers shall file with the department copies, in the number specified by the department, of installation instructions approved by the manufacturer's DAPIA. DAPIA approval stamps, engineer or architect approval stamps, and the installation manual effective date shall be on each page of the installation instructions or on the cover pages of bound installation manuals, unless an equivalent method of authentication is used for electronically filed documents.
  - (2) A manufacturer may file an appendix to the state's generic standards as a part of the manufacturer's installation instructions if the design of one or more of its homes requires a change in the generic standards to protect the structural integrity of the home. The appendix shall specify which provision of the generic standards is being changed and clearly set forth in detail the change that is necessary.
  - (3) At least thirty (30) calendar days prior to the effective date of any change, modification, or update to the manufacturer's installation instructions or any appendix, the manufacturer shall file such change, modification, or update with the department and mail a copy(s) to all the manufacturer's retailers.
- (b) Manufactured homes installed in Wind Zone I shall be installed in accordance with the manufacturer's installation instructions or the generic standards approved by the department for Wind Zone I.
- (c) Manufactured homes installed in Wind Zone II shall:
  - (1) if constructed before September 1, 1997, be installed in accordance with the manufacturer's installation instructions for Wind Zone II or the department's generic standards for Wind Zone II; or
  - (2) if constructed on or after September 1, 1997, have data plates indicating Wind Zone II construction and be installed in accordance with the manufacturer's installation instructions for Wind Zone II or the department's generic standards for Wind Zone II.
- (d) In lieu of the requirements of subsections (b) and (c) of this section a manufactured home or an identified class of manufactured homes may be installed at a particular area with similar soil properties according to county soil survey or other geotechnical reports in accordance with a custom designed stabilization system drawing that is stamped by a Texas licensed professional engineer or architect. A custom designed stabilization system may or may not meet the definition of a permanent foundation, but must meet the wind loading requirements of zone II in

order to be installed in wind zone II, and a copy of the stabilization system drawing must be forwarded to the department along with the installation report. It must be reported on the permanent foundation installation inspection report form and sent to the department at least ten (10) working days prior to the date of construction, along with the required fee, if the bottoms of the footings or piers are embedded more than 24 inches below the finished natural grade or engineered fill.

**§80.52. Permanent Foundation Criteria.**

- (a) The permanent foundation system shall be either:
  - (1) capable of transferring all design loads imposed by or upon the structure into soil or bedrock without failure;
  - (2) placed at an adequate depth below grade to prevent structural damage from frost heave;
  - (3) constructed of concrete, metal, treated lumber or wood, masonry, or other materials conforming to nationally recognized standards;
  - (4) designed so that all of the components of the foundation system cannot be easily removed from the site and used at any other location and the drawings state that the foundation is a permanent foundation for a manufactured home;
  - (5) designed so that the attached structure resists overturning due to wind pressure by the dead load resisting moment of the structure and foundation. The weight of earth superimposed over footings may be used to calculate the dead load resisting moment. The overturning moment shall not exceed the dead load resisting moment and the overturning moment, multiplied by a safety factor of 1.5, shall be less than or equal to the dead load stabilizing moment plus the stabilizing moment due to ground anchor reactions;
  - (6) designed to have the structure attached without the towing hitch, axles, brakes, wheels and other parts of the chassis that operate only during transportation; and
  - (7) designed in accordance with accepted engineering practice to resist damage due to decay, insects, and condensation. A Texas licensed engineer or architect shall stamp and sign each foundation drawing. If the foundation drawing is approved by the DAPIA, the engineer or architect may be licensed in another state; or
- (b) In the alternative for a home acquired and installed before January 1, 2002, a permanent foundation is a system which is certified by the consumer/mortgagor and the lender/mortgagee in a real estate loan transaction, or certified by the owner if there is no lien or the lien has been released, as having permanently affixed the

structure to the real estate. If the certification is by the owner only, the certification must show compliance with local ordinances if applicable.

**§80.53. *Manufacturer's Design Requirements.***

- (a) Each new manufactured home shall be designed and constructed as a completely integrated structure capable of sustaining the design load requirements of the FMHCSS and shall be capable of transmitting the loads to anchoring systems without causing an unsafe deformation or an abnormal internal movement of the structure or its structural parts.
- (b) Each new manufactured home shall have provisions for anchoring systems which, when properly designed and installed, will resist overturning and lateral movement of the manufactured home up to the respective design loads.
- (c) The provisions of this section shall be followed and the support and anchoring systems shall be designed by a licensed professional engineer or architect.
- (d) The manufacturer shall design homes to make provisions for the necessary support and anchoring systems, but is not required to provide the anchoring equipment. Printed installation instructions for support and anchoring systems for each model shall be filed with the department as required by the department. When the manufacturer's installation instructions provide for the main frame structure to be used as the point for connection to diagonal ties, no specific connecting devices need to be provided on the frame. Ties shall be designed and installed to prevent self disconnection when the ties are slack. For example, open end hooks shall have set screws or other mechanisms to prevent disconnection when there is slack in the strapping.
- (e) The manufacturer shall provide printed instructions with each new home specifying the location, orientation and required capacity of stabilizing components on which the design is based. The installer must use stabilizing components that have the required capacity and install them according to the anchor or stabilizing component manufacturer's current installation instructions. When soil auger anchor shafts are not installed in-line with the diagonal frame ties or the combined loads of two ties, approved stabilizer plates, or other approved methods, must be used in accordance with the installation instructions for the soil auger anchors and stabilizer plates. If a difficult soil, such as mixed soil and rock or caliche (heavily weathered limestone) that is not solid rock, exists at the homesite, the installer may install a home in accordance with the generic standards and §80.55(d)(4) of this title (relating to Anchoring Systems).
- (f) The minimum number of ties required per side shall be sufficient to resist the wind load stated in the FMHCSS §3280.305(c).

**§80.54. Standards for the Installation of Manufactured Homes.**

- (a) All manufactured homes shall be installed in accordance with one of the following:
  - (1) the home manufacturer's installation instructions;
  - (2) the state's generic standards set forth in this section, §80.55 of this title (relating to Anchoring Systems), §80.56 of this title (relating to Multi-Section Connection Standards), and modified by any appendix filed in accordance with §80.51(a)(2) of this title (relating to Manufactured Home Installation Requirements);
  - (3) a custom designed stabilization system;
  - (4) a stabilization system pre-approved by the department; or
  - (5) on a permanent foundation.
- (b) Site Preparation Responsibilities and Requirements:
  - (1) The purchaser of a manufactured home, new or used, is responsible for the proper preparation of the site where the manufactured home will be installed except as set forth in subsection (g) of this section:
    - (A) In the case of a manufactured home that is to be installed in a manufactured home rental community (as defined in Local Government Code §232.007), the purchaser may not have the ability to control the preparation of the site. Therefore, the purchaser should confirm with the person who owns, leases, or manages the rental community that the site has been properly prepared as required by Property Code, §94.151.
    - (B) When a manufactured home is sold already installed it is not possible for the purchaser to prepare the site. Therefore, it is the responsibility of the seller, if the seller is a licensed retailer, to ensure that the site has been properly prepared.
  - (2) Whenever a licensed retailer intends to sell a manufactured home, regardless of where it is located or is to be located, the retailer is required to give the proposed purchaser the Site Preparation Notice, for signature by the consumer, in the form set forth in subsection (g) of this section PRIOR to the execution of any binding sales agreement.
  - (3) Whenever a licensed installer proposes to move a used manufactured home, the installer is required to give the proposed purchaser the Site Preparation Notice, for signature by the consumer, in the form set forth in subsection (g) of this section PRIOR to entering into a binding agreement to move that home.

- (c) If the retailer or installer provides the materials for skirting or contracts for the installation of skirting, the retailer or installer is responsible for the following: The retailer or installer shall install any required moisture and ground vapor control measures in accordance with the home installation instructions, specifications of an approved stabilization system, or the generic standards and shall provide for the proper cross ventilation of the crawl space. If the purchaser or homeowner contracts with a person other than the retailer or installer for the skirting, the purchaser or homeowner is responsible for installing the moisture and ground vapor control measures and for providing for the proper cross ventilation of the crawl space.
- (d) Clearance: If the manufactured home is installed according to the state's generic standards, a minimum clearance of 18 inches between the ground and the bottom of the floor joists must be maintained. In addition, the installer shall be responsible for installing the home with sufficient clearance between the I-Beams and the ground so that after the crossover duct prescribed by the manufacturer is properly installed it will not be in contact with the ground. Refer to §80.56 of this title (relating to Multi-Section Connection Standards) for additional requirements for utility connections. It is strongly recommended that the installer not install the home unless all debris, sod, tree stumps and other organic materials are removed from all areas where footings are to be located.
- (e) Drainage: The purchaser is responsible for proper site drainage where the manufactured home (new or used) is to be installed unless the home is installed in a rental community. It is strongly recommended that the installer not install the home unless the exterior grade is sloped away from the home or another approved method to prohibit surface runoff from draining under the home is provided. Drainage prevents water build-up under the home. Water build-up may cause shifting or settling of the foundation, dampness in the home, damage to siding and bottom board, buckling of walls and floors, delamination of floor decking and problems with the operation of windows and doors.
- (f) Generic Moisture and Ground Vapor Controls:
  - (1) If the manufactured home is installed according to the state's generic standards and the space under the home is to be enclosed with skirting and/or other materials provided by the retailer and/or installer, an access opening not less than 18 inches in any dimension and not less than three square feet in area shall be provided by the installer. The access opening shall be located so that any water supply and sewer drain connections located under the home are accessible for inspections. If a clothes dryer exhaust duct, air conditioning condensation drain, or combustion air inlet is present, the installer must pass it through the skirting to the outside. In addition, crawl space ventilation must be provided at the rate of minimum 1 square foot of net free area, for every 150 square feet of floor area. At least six openings shall be provided, one at each end of the home and two



on each side of the home. The openings shall be screened or otherwise covered to prevent entrance of rodents (note: screening will reduce net free area). For example, a 16'x76' single section home has 1216 square feet of floor area. This 1216 square feet divided by 150 equals 8.1 square feet or 1166 square inches of net free area crawl space ventilation.

- (2) The retailer and/or installer must notify the purchaser that moisture and ground vapor control measures are required if the space under the home is to be enclosed. Water vapor build-up may cause dampness in the home, damage to siding and bottom board, buckling of walls and floors, delamination of floor decking and problems with the operation of windows and doors. The generic ground vapor control measure shall consist of a ground vapor retarder that is minimum 6 mil polyethylene sheeting or its equivalent, installed so that the area under the home is covered with sheeting and overlapped approximately 12 inches at all joints. Any tear larger than 18 inches long or wide must be taped using a material appropriate for the sheeting used. The laps should be weighted down to prevent movement. Any small tears and/or voids around construction (footings, anchor heads, etc.) are acceptable.

- (g) Notice: The site preparation notice to be given to the consumer shall be as follows:

## SITE PREPARATION NOTICE

**FAILURE TO PREPARE THE SITE PROPERLY BEFORE INSTALLING YOUR MANUFACTURED HOME MAY INVALIDATE YOUR WARRANTY AND MAY CAUSE PROBLEMS WITH YOUR HOME.**

**IF YOU ARE ACQUIRING LAND FOR A MANUFACTURED HOME AND WILL NOT HAVE THE ABILITY TO OVERSEE SITE PREPARATION YOURSELF, BE SURE THAT YOUR AGREEMENT WITH THE PARTY PROVIDING THE LAND COVERS THEIR RESPONSIBILITIES FOR SITE PREPARATION.**

If you are acquiring a manufactured home you need to be sure that the site is properly prepared **BEFORE the home is installed**. If you will be having your home installed in a rental community, you should first be sure that the community has prepared the site properly and assumed that responsibility. If you are acquiring a manufactured home that is already installed, you should satisfy yourself that the site was properly prepared first.

Site Preparation includes AT LEAST the following: (1) selecting a site where the home will not be affected by rising or running water, as in the case of heavy rains, (2) grading the site, as needed, so that the land slopes away from the home, (3) making sure that the site will not create puddles or moisture build-up under the home by filling any depressions and, as needed, providing for drainage, (4) clearing away any plants, stumps, or debris on the site where the home will be placed, and (5) installing any required vapor retarder barrier (and, if such a barrier is to be installed, trimming any grasses or other organic materials to a suitable height, not greater than 8”).

If your retailer is providing skirting, the retailer must also provide and install any required vapor retarder barrier and insure that there is adequate ventilation under the home. If the retailer is not providing these things, you should be sure that you have provided for any required vapor retarder barrier and that you have provided adequately for ventilation under the home.

**FAILURE TO PREPARE THE SITE PROPERLY AND/OR FAILURE TO TAKE APPROPRIATE MEASURES TO GUARD AGAINST MOISTURE BUILD-UP MAY CAUSE SERIOUS PROBLEMS WITH YOUR MANUFACTURED HOME INCLUDING, BUT NOT LIMITED TO, MOISTURE IN THE HOME, DE-LAMINATION OF FLOOR DECKING, BUCKLING OF WALLS AND FLOORS, WARPAGE THAT WILL MAKE DOORS AND WINDOWS NOT OPERATE PROPERLY, FAILURE OF ANCHORS TO HOLD THE HOME AS INTENDED, AND EVEN SERIOUS STRUCTURAL DAMAGE.**

\_\_\_\_\_  
purchaser/homeowner signature

\_\_\_\_\_  
purchaser/homeowner signature

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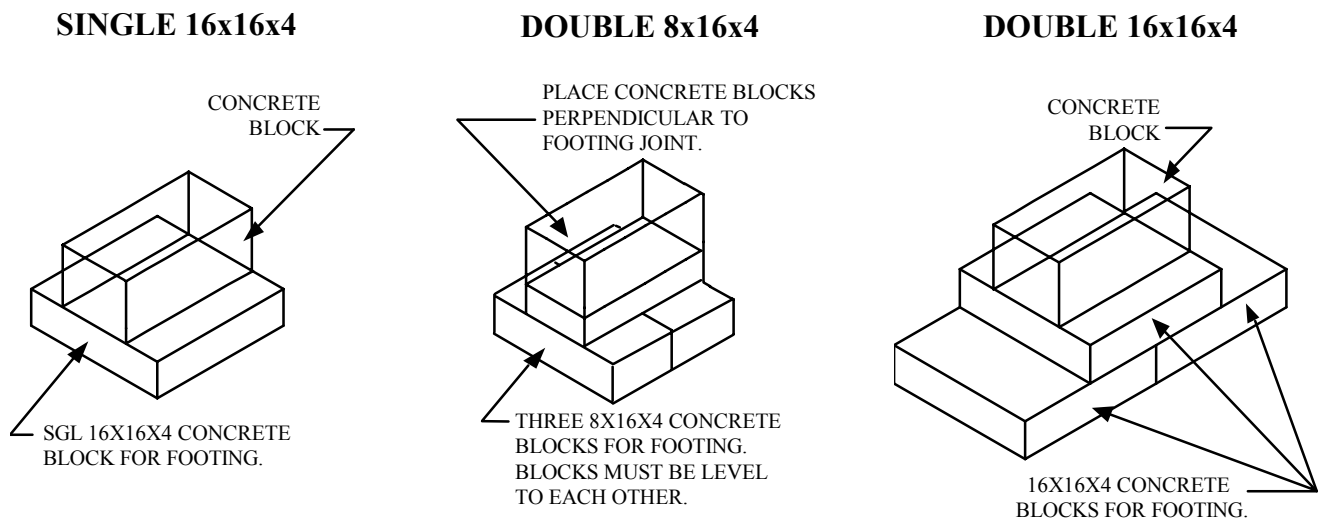
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(h) Footers and Piers:

- (1) Proper sizing of footings depends on the load carrying capacity of both the piers and the soil. To determine the load bearing capacity of the soil, the installer may use any of the following methods:
  - (A) Pocket penetrometer:
    - (i) Test a typical area adjacent to or within 10 feet of the perimeter of the unit;
    - (ii) Dig down to undisturbed soil. This should be a minimum of 1 square foot surface area; and
    - (iii) Using the pocket penetrometer take seven (7) readings, eliminate the highest and the lowest and average the remaining five (5).
  - (B) Soil surveys from the U.S. Department of Agriculture;
  - (C) Values from tables of allowable or presumptive bearing capacities given in local building codes. Such tables are commonly available from the local authority having jurisdiction; or
  - (D) Any other test data from soil analysis reports.
- (2) The footing must be placed on firm, undisturbed soil, or fill compacted to at least 90% of its maximum relative density. Installation on loose, noncompacted fill may invalidate the home's limited warranty.
- (3) Footer configurations:

**FOOTER CONFIGURATIONS**



- (4) Footer sizing and capacities: The following tables represent maximum loads and spacings based on footer size and soil bearing capacity. Other approved footers may be used if equal or greater in bearing area than those footer sizes tabulated.

**TABLE 3A: FOOTER CAPACITIES (LBS)**

-----Soil Bearing Capacity-----

Footer size	1000psf	1500psf	2000psf	2500psf	3000psf	3500psf	4000psf
16x16x4	1700	2700	3500	4400	5300	6100	7000
20x20x4	2700	4100	5500	6900	8300	9400	11000
16x32x4	3500	5200	6800	8600	10400	12000	14000
24x24x4	4000	6000	8000	10000	12000	14000	16000

**Notes:**

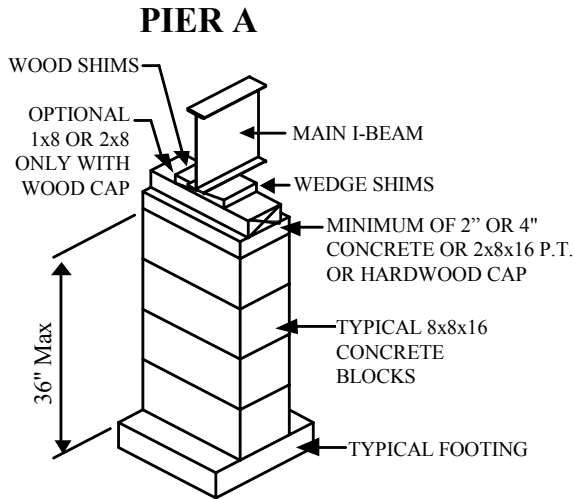
- 1) 8x16x4 footers may be used for perimeter and/or exterior door supports. Capacity is half that of the tabulated values for a 16x16x4 footer. For double 8x16x4 footers use the 16x16x4 row.
- 2) Footers of material other than concrete may be used if approved by the department and the listed capacity and area is equal to or greater than the footer it replaces. Concrete footers of sizes not listed may be used as long as their size is equal to or greater than the size listed.
- 3) Footers with loads greater than 10,000 lbs. require a double stacked pier.
- 4) All poured concrete is minimum 2500 psi at 28 days.
- 5) Actual footer dimensions may be 3/8 inch less than the nominal dimensions for solid concrete footers conforming to the specifications in ASTM C90-99a, Standard Specification for Loadbearing Concrete Masonry Units.

- (5) Piers and pier spacings: One of the most important parts of home installation is proper pier installation. Incorrect size, location or spacing of piers may cause serious structural damage to the home. Spacing and location of piers shall be in accordance with the tables listed in these standards (Table 3B, without perimeter piers; Table 3C, with perimeter piers).
- (A) Spacing shall be as even as practicable along each main I-Beam. Pier spacing may exceed tabulated values up to 30% so long as the total pier count remains the same. End piers are to be located within 24 inches of the end of the main frame.
  - (B) Piers shall extend at least 6 inches from the centerline of the I-Beam or be designed to prevent dislodgment due to horizontal movement of less than 4 inches.
  - (C) Load bearing supports or devices shall be listed by an independent testing laboratory, nationally recognized inspection agency, or other nationally recognized organization and approved by the department. Engineers or architects licensed in Texas may design load bearing supports or devices for a single installation. A copy of the design for this particular home and site shall be provided to the department before the home is installed, but department approval is not required.

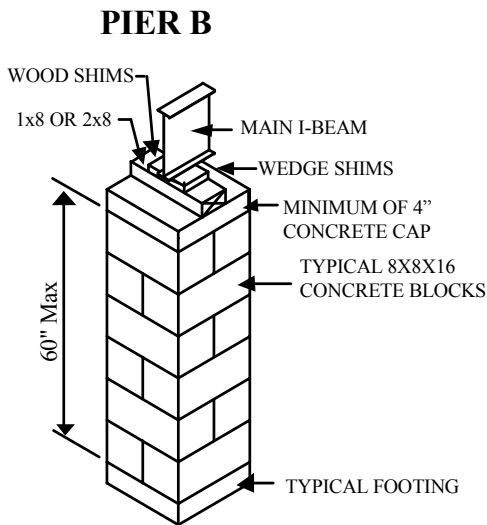
(D) Sidewall openings greater than 4 feet shall have perimeter piers located under each side of the opening, i.e. patio doors, recessed porches/entries, bay windows and porch posts. Perimeter piers for openings are not required for endwalls.

(6) Pier design: Piers shall be constructed per the following details:

**PIER DESIGN (SINGLE & MULTI-SECTION STACK)**



Pier A: Single stack of open cell, 8x8x16 concrete blocks. Maximum height is 36 inches as measured from the top of the footer to the top of the last concrete block. Concrete blocks are installed with their lengths perpendicular to the main I-Beam. Open cells must be vertical and in alignment.



Pier B: Interlocked double stack of open cell 8x8x16 concrete blocks. The maximum height is 60 inches as measured from the top of the footer to the top of the last concrete block. The pier is capped with a minimum 16x16x4 concrete cap. Open cells must be vertical and in alignment. Each course of open cell blocks must be perpendicular to the previous course.

**Note:**

- 1) Open cell and solid concrete blocks shall meet ASTM-C90-99a, Standard Specification for Loadbearing Concrete Masonry Units.
- 2) Support system components are to be undamaged and installed in a manner to accomplish the purpose intended.
- 3) Either wood caps or shims must be used between I-Beam and concrete.

- (A) Shimming (if needed): Hardwood shims are commonly used as a means for leveling the home and filling any voids left between the bottom flange of the I-Beam and the top of the pier cap. Wedge shaped shims must be installed from both sides of the I-Beam to provide a level bearing surface. The allowable height must not exceed 1 inch. Shims shall be a minimum of 3 inches wide and 6 inches long. Over shimming should be avoided.
- (B) Table 3B - Pier loads (pounds) at tabulated spacings WITHOUT perimeter supports:

**TABLE 3B: PIER LOADS (LBS) AT TABULATED SPACINGS  
(WITHOUT PERIMETER SUPPORTS)**

----- maximum pier spacing -----

Unit Width(ft)	4 ft o.c.	5 ft o.c.	6 ft o.c.	7 ft o.c.	8 ft o.c.
<b>12 Wide</b>	1725	2150	2600	3000	3400
<b>14 wide</b>	2000	2500	3000	3500	4000
<b>16 Wide</b>	2350	2900	3500	4100	4700
<b>Note:</b>	18 ft. wides require perimeter blocking per table 3C.				
<b>Example:</b>	Determine maximum pier spacing for a 16 ft. wide x 76 ft. long single section with a soil bearing capacity of 1500 psf. Footer size to be used is a single 16x16x4 precast concrete footer.				
<b>Step 1:</b>	In table 3A look up the maximum load for a single 16x16x4 pad set on 1500 psf soil. Answer = 2700 psf				
<b>Step 2:</b>	In table 3B in the column for 16 ft. wide, find the on-center spacing (o.c.) load equal to or less than the footer capacity of 2700 lbs found in table 3A. The 4ft column shows minimum capacity of 2350 lbs.				
<b>Answer:</b>	Therefore, for a 16 ft. wide and a soil bearing capacity of 1500 psf using 16x16x4 footers the maximum pier spacing is 4 ft. o.c.				

- (C) Table 3C - Pier loads (pounds) at tabulated spacings WITH perimeter supports:

**TABLE 3C: PIER LOADS (LBS) AT TABULATED SPACINGS  
(WITH PERIMETER SUPPORTS)**

----- maximum I-Beam pier spacing -----

Unit width (ft)	4 ft o.c.	6 ft o.c.	8 ft o.c.	10 ft o.c.	12 ft o.c.
<b>12 Wide</b>	750	1150	1500	1900	2300
<b>14 Wide</b>	1050	1600	2100	2600	3100
<b>16 Wide</b>	1200	1800	2400	3000	3600
<b>18 Wide</b>	1450	2150	2850	3600	4300
<b>Note:</b>	Maximum I-Beam pier spacing is 8 ft. o.c. for 8" I-Beam, 10 ft. o.c. for 10" I-Beam and 12 ft. o.c. for 12" I-Beam or the resultant maximum spacing based on soil bearing and footer size per Table 3A, whichever is less.				

----- maximum perimeter pier spacing -----

Unit width (ft)	4 ft o.c.	5 ft o.c.	6 ft o.c.	7 ft o.c.	8 ft o.c.
<b>12 Wide</b>	1000	1200	1500	1700	1900
<b>14 Wide</b>	1100	1400	1650	1900	2200
<b>16 Wide</b>	1300	1600	1900	2250	2500
<b>18 Wide</b>	1600	2000	2300	2700	3000

**Example:** Determine maximum I-Beam pier spacing for a 16 ft. wide with 12" I-Beam, perimeter blocking and 1500 psf soil bearing capacity.

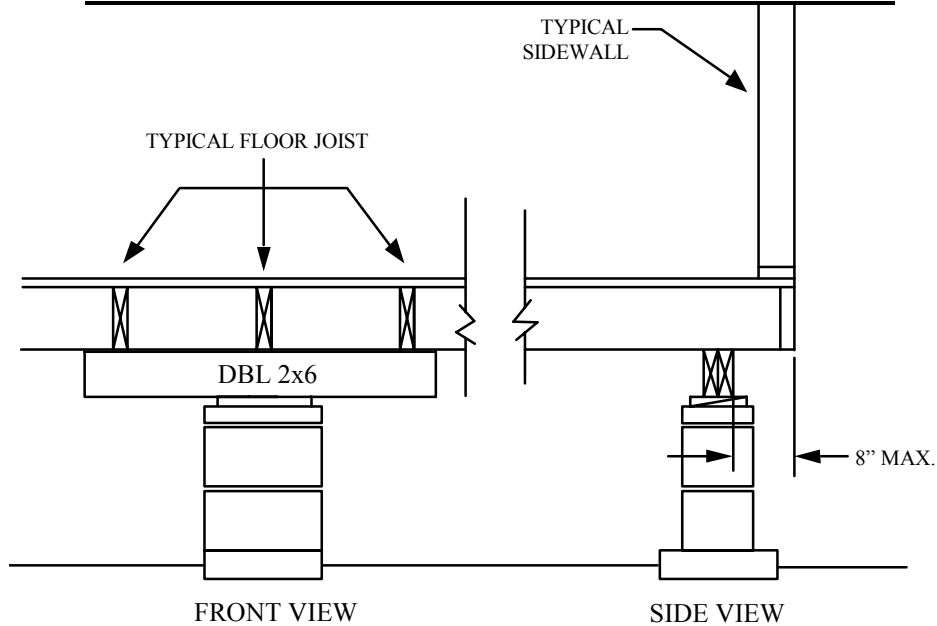
**Step 1:** From Table 3A, the maximum load for a 16x16x4 at 1500 psf soil is 2700 lbs.

**Step 2:** From Table 3C, the I-Beam pier load @ 10 ft. o.c. is 3000 lbs ==> no good  
the I-Beam pier load @ 8 ft. o.c. is 2400 lbs ==> ok

I-Beam pier spacing is at 8 ft. o.c.

**Step 3:** The perimeter pier load @ 8ft. o.c. is 2500 lbs ==> ok  
Perimeter pier spacing is at 8 ft. o.c.

**FIGURE 3C: PERIMETER PIER FRONT & SIDE VIEW**

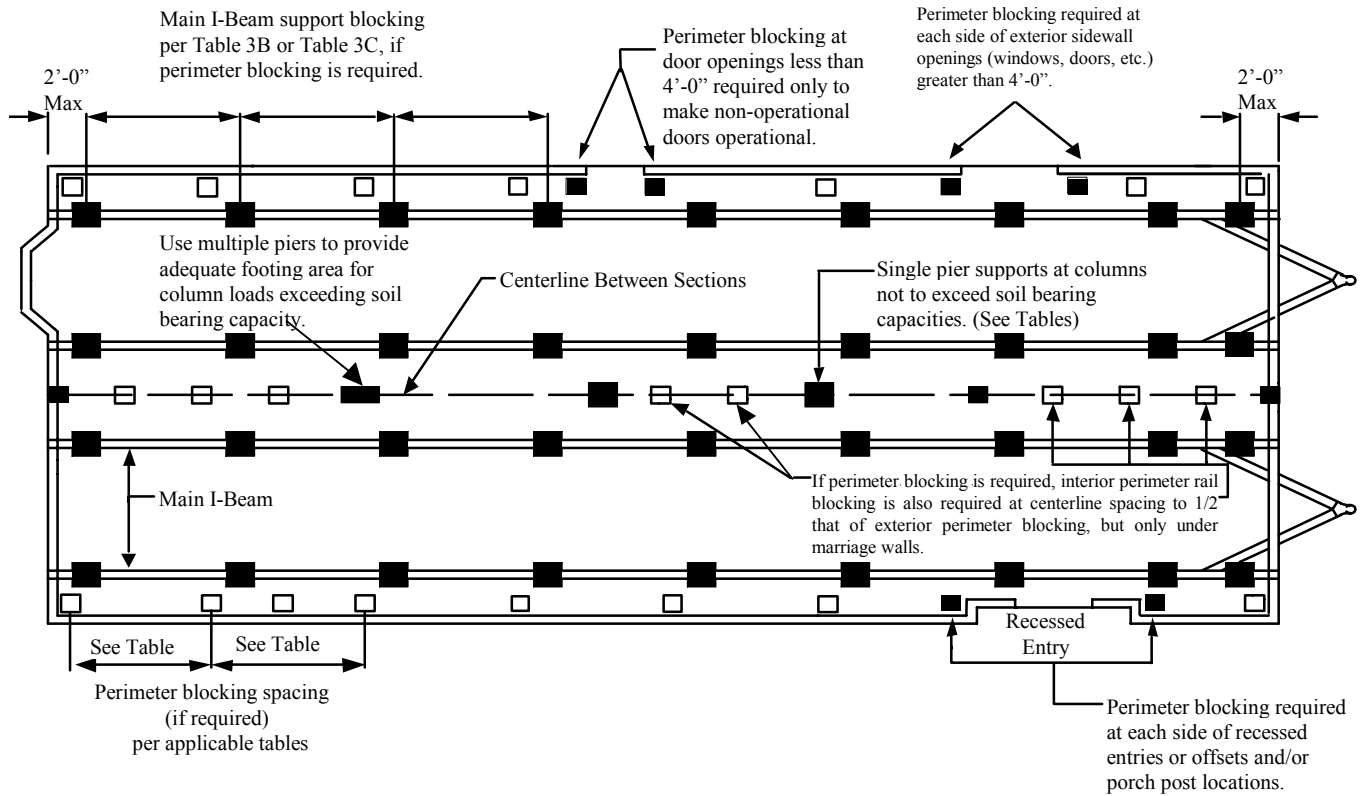


**Notes:**

- 1) Perimeter pier may be inset from edge of floor up to 8". The 2x6 brace may be omitted if the front face of a perimeter pier is flush with the perimeter joist and the perimeter pier supports the intersection of an interior joist and perimeter joist.
- 2) Dbl 2x6 are min. #3 Yellow Pine or pressure treated Spruce-Pine, nailed together with min. 16d nails 2-rows at maximum 8" o.c.
- 3) 2x6 brace must span at least two (2) but not more than three (3) floor joists.

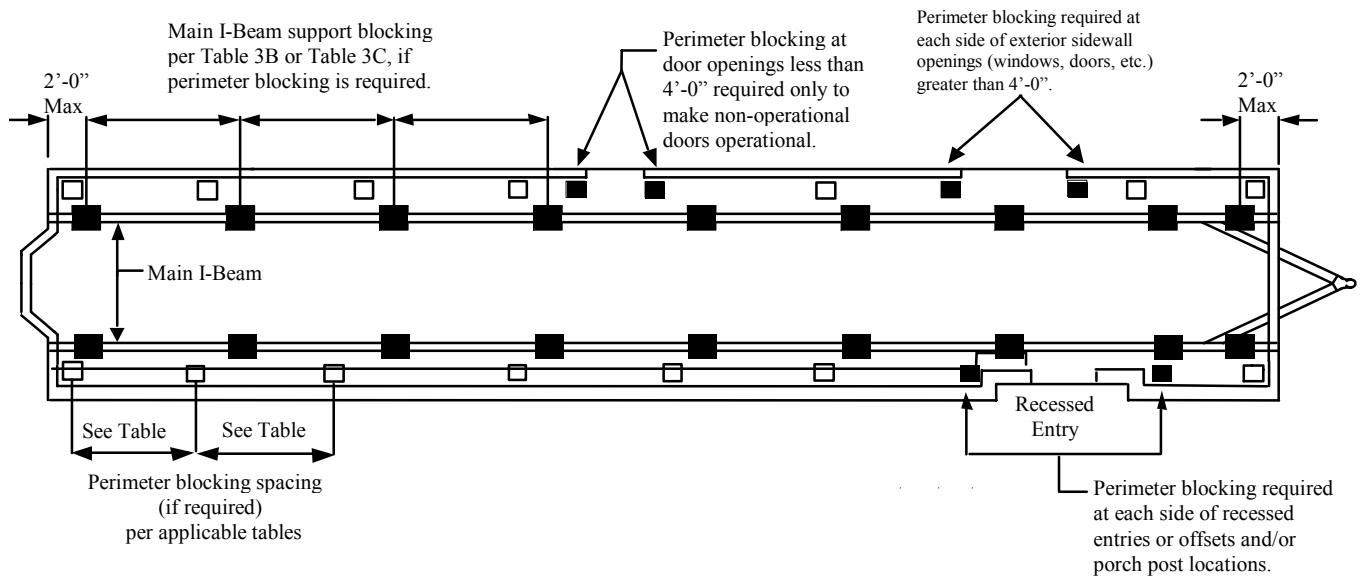
(7) Typical multi-section pier layout:

**TYPICAL MULTI-SECTION PIER LAYOUT**



(8) Typical single section pier layout:

**TYPICAL SINGLE SECTION PIER LAYOUT**





- (9) Multi-section units mating line column supports:
- (A) On multi-section units, openings larger than 4 feet must have piers installed at each end of the opening. To determine the pier loads, refer to Table 3D in subparagraph (D) of this paragraph.

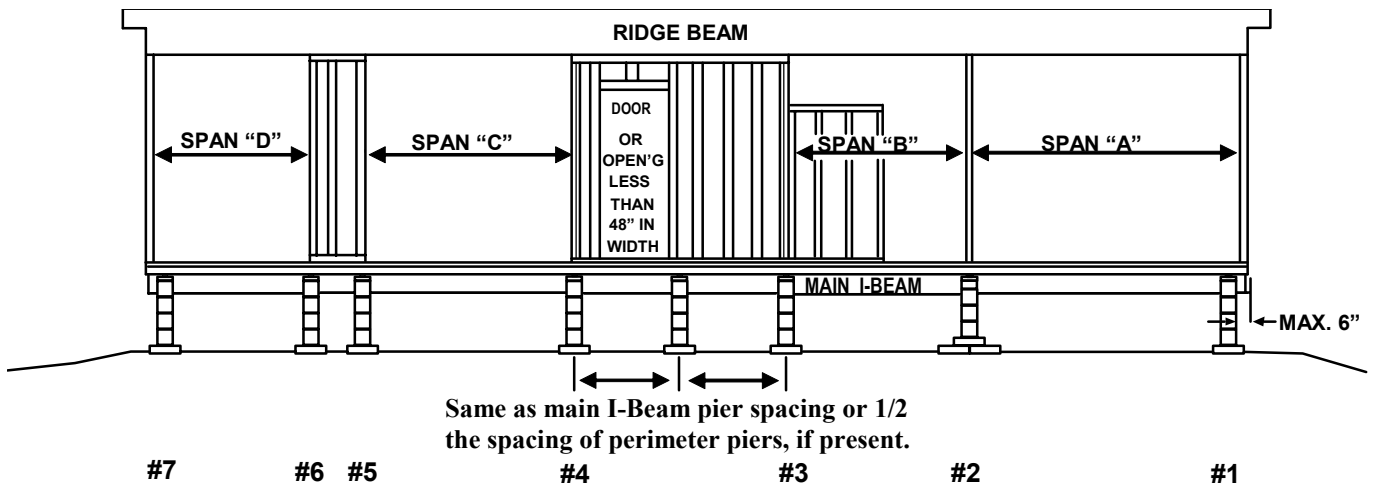
**DETERMINING COLUMN LOAD**

To determine the column load for Column #1 at the endwall look up Span “A” in Table 3D. To determine the column load for Column #2, look up the combined distance of both Span “A” and Span “B”.

To determine the column load for Column #3 look up Span “B” in the table.  
 (NOTE: Mating line walls not supporting the beam must be included in the span distance.)

To determine the loads for Columns #4 and #5 look up Span “C”. For Columns #6 and #7 look up load for span “D”.

**MARRIAGE LINE ELEVATION**



- (B) Column loads for each section may be combined when the columns are opposite each other. The footer must be sized for the combined loading.
- (C) Additional piers are required under marriage walls (see wall between column #3 and #4 in the Marriage Line Elevation drawing in subparagraph (A) of this paragraph). The maximum spacing is the same as the spacing at the main I-Beams, without perimeter piers, and one half the spacing of the perimeter piers, with perimeter piers installed.
- (D) Table 3D: Mating line column loads (pounds).

**TABLE 3D: MATING LINE COLUMN LOADS (LBS)**

-----Unit width in feet (nominal)-----

<b>Span in feet</b>	<b>12 Wide</b>	<b>14 Wide</b>	<b>16 Wide</b>
4	720	840	960
6	1080	1260	1440
8	1440	1680	1920
10	1800	2100	2400
12	2160	2520	2880
14	2520	2940	3360
16	2880	3360	3840
18	3240	3780	4320
20	3600	4200	4800
22	3960	4620	5280
24	4320	5040	5760
26	4680	5460	6240
28	5040	5880	6720
30	5400	6300	7200
32	5760	6720	7680
34	6120	7140	8160
36	6480	7560	8640

**Note:** If actual span is not shown use next higher tabulated span.

**§80.55. Anchoring Systems.**

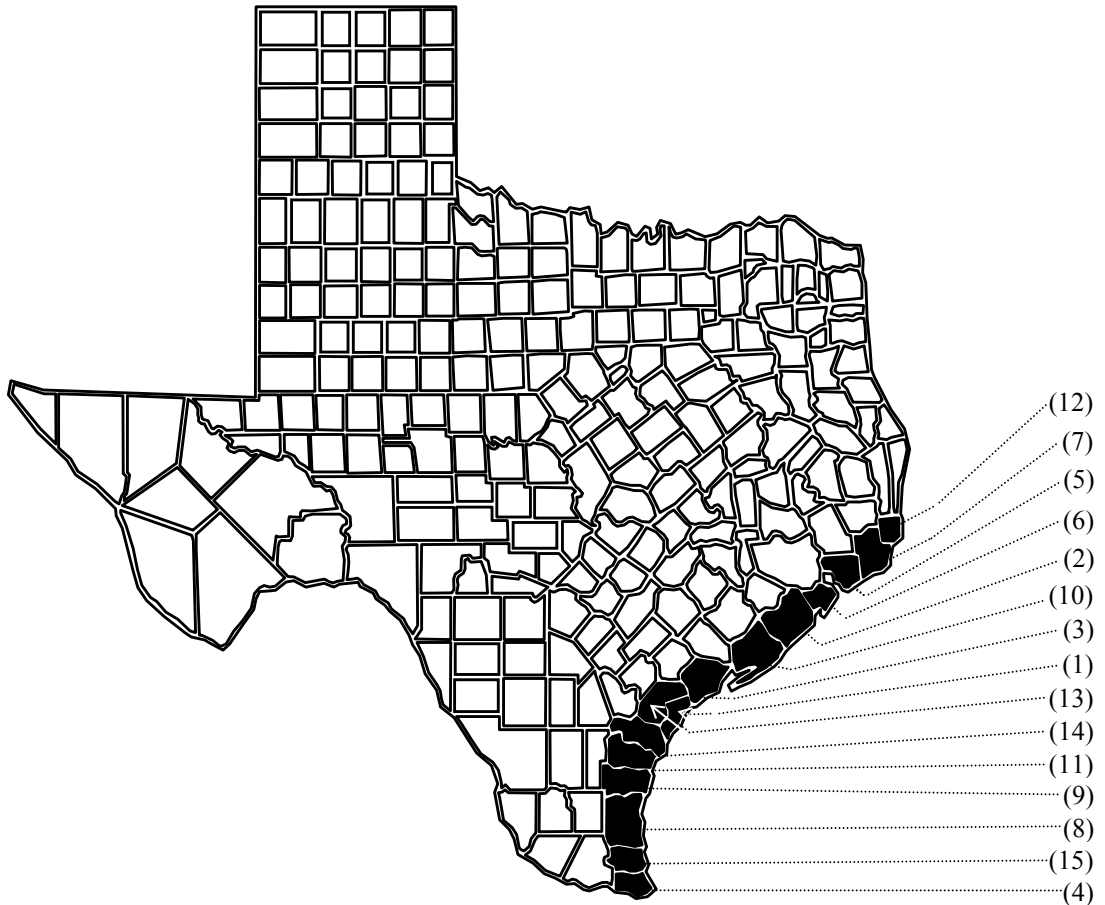
- (a) General Requirements: For units built on or after September 1, 1997, the installer must verify that the unit is designed for the Wind Zone in which it is to be installed. Note: A Wind Zone I unit, built on or after September 1, 1997, may not be installed in a Wind Zone II area. However, a Wind Zone II unit may be installed in a Wind Zone I area.

## Counties Located in Wind Zone II

The following counties in Texas are considered to be in Wind Zone II (100 mph):

- |               |                   |
|---------------|-------------------|
| (1) Aransas   | (9) Kleberg       |
| (2) Brazoria  | (10) Matagorda    |
| (3) Calhoun   | (11) Nueces       |
| (4) Cameron   | (12) Orange       |
| (5) Chambers  | (13) Refugio      |
| (6) Galveston | (14) San Patricio |
| (7) Jefferson | (15) Willacy      |
| (8) Kenedy    |                   |

All other counties are in Wind Zone I.



(b) Material Specifications:

- (1) Strapping shall be Type 1, Finish B, Grade 1 steel strapping, 1.25 inches wide and 0.035 inches in thickness, certified by a licensed professional engineer or architect as conforming with the American Society for Testing and Materials (ASTM) Standard Specification D3953 91, Standard Specification for Strapping, Flat Steel, and Seals. Tie materials shall be capable of resisting an allowable working load of 3,150 pounds with no more than 2% elongating and shall withstand a 50% overload (4,725 pounds total). Ties shall have a resistance to weather deterioration at least equivalent to that provided by coating of zinc on steel of not less than 0.30 ounces per square foot on each side of the surface coated (0.0005 inches thick), as determined by ASTM Standards Methods of Test for Weight of Coating on Zinc-coated (galvanized) Iron or Steel Articles (ASTM A 90-81). Slit or cut edges of zinc-coated steel strapping are not required to be zinc coated. Strapping shall be marked at least every five feet with the marking described by the certifying engineer or architect.
- (2) All anchoring components must be approved by the department. Installers shall only use approved anchoring components. An installer may obtain a list of approved anchoring components from the department, anchor manufacturer and/or supplier of anchoring components.

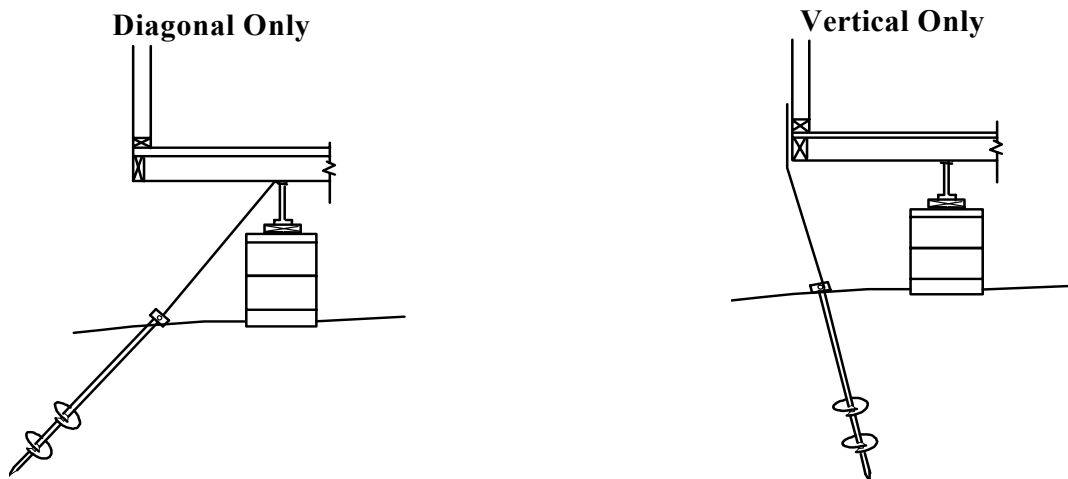
(c) Anchors shall be installed per the following details:

- (1) in direction of load,

**ANCHOR INSTALLATION**

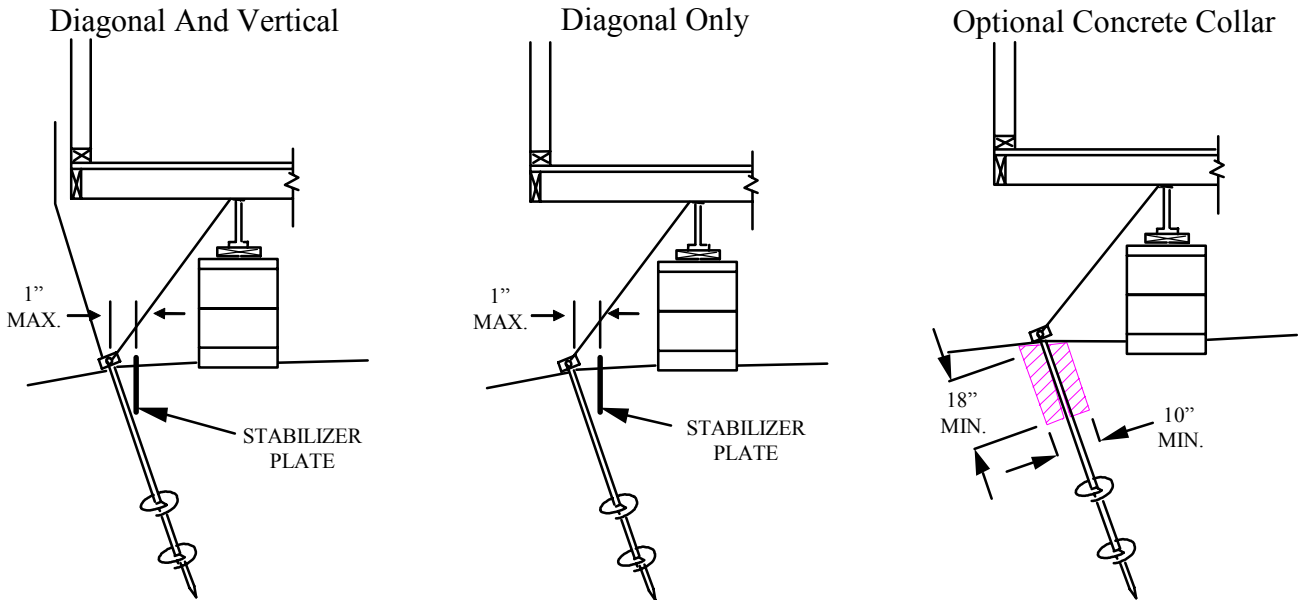
**Notes:**

- 1) Anchor head must be not more than 1 inch from the ground at insertion point.
- 2) Anchor head may be inset a maximum of 6 inches from the vertical outer edge of the floor framing to allow for skirting installation.



- (2) installed against direction of load (vertical and/or angled), a stabilizer plate must be installed.

### PLACEMENT OF STABILIZING PLATES



**Notes:**

- 1) Stabilizer plate may be replaced with concrete collar that is at least 18 inches deep and 10 inches in diameter.
- 2) Diagonal tie must depart from the top of the I-Beam as shown.
- 3) The top of the stabilizer plate must be within 1 inch of the anchor shaft.
- 4) Stabilizer plates must be installed in accordance with the plate manufacturer's instructions.

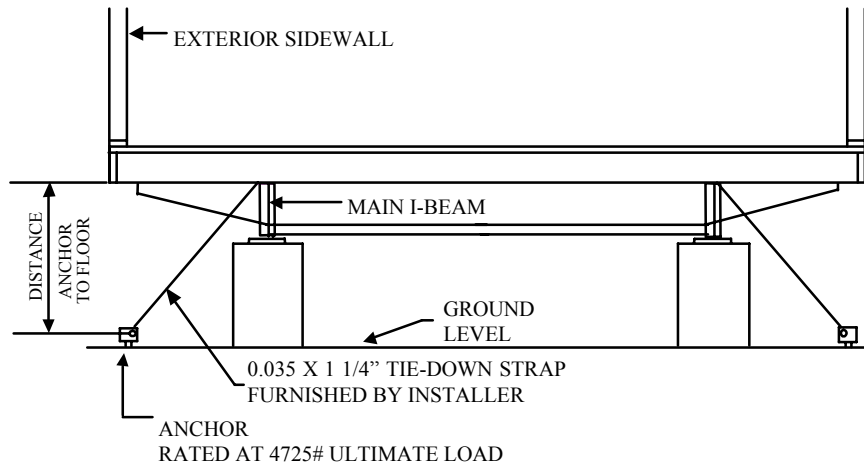
(d) WIND ZONE I Installation:

- (1) Typical anchor layout, single and multi-section units (WIND ZONE I ONLY):

## WIND ZONE I – SINGLE/MULTI-SECTION INSTALLATION

*(Refer to other figures for depictions of proper anchor and stabilizer device installation.)*

**Figure 1: Single Section**

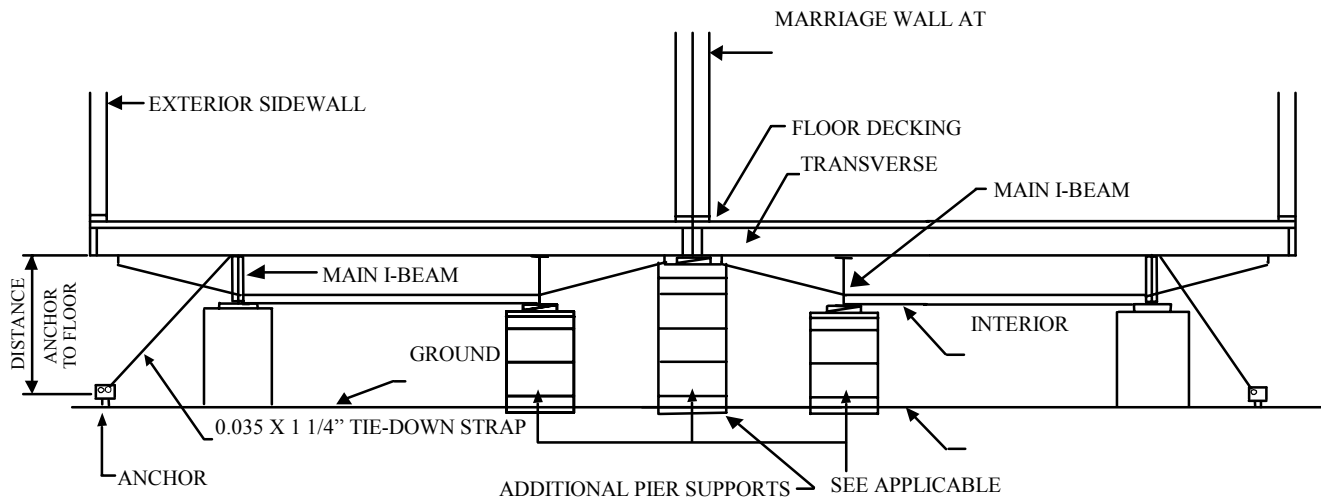


**Notes:**

- 1) Single section units require diagonal ties to be directly opposite each other.
- 2) All existing vertical ties must be connected to a ground anchor.
- 3) Diagonal tie spacing per Table 4A or §80.55(d)(4). Vertical distance in this table refers to the distance of the anchor head to the underside of the floor joists as shown above.

4

**Figure 2: Multi-Section**



**Notes:**

- 1) Multi-section units require diagonal ties on the outer main I-Beams only.
- 2) Diagonal ties need not be directly opposite each other.
- 3) Diagonal tie spacing per Table 4A or §80.55(d)(4). Vertical distance in this table refers to the distance of the anchor head to the underside of the floor joists as shown above.
- 4) Existing vertical ties must be connected to a ground anchor.
- 5) Diagonal tie must depart from the top of the I-Beam as shown.

- (2) Table 4A: The following table describes the maximum spacing for diagonal ties along each side of the unit.

**WIND ZONE I ONLY!**

<b>Minimum Nominal Widths Single/Double Section</b>				
<b>Max. Vertical Distance</b>	<b>12/24 wide</b>	<b>14/28 wide</b>	<b>16/32 wide</b>	<b>18/36 wide</b>
20" to 24"	11 ft	14 ft	15 ft	16 ft
25" to 29"	9 ft	12 ft	14 ft	15 ft
30" to 40"	8 ft	10 ft	12 ft	14 ft
41" to 48"	7 ft	9 ft	11 ft	13 ft
49" to 60" (see note 3)	6 ft	8 ft	10 ft	12 ft
61" to 80" (see note 3)	5 ft	6 ft	8 ft	10 ft
Minimum number of longitudinal ties, each end of each section.	1 at min. 58° angle from vertical	2 at min. 32° angle from vertical	2 at min. 38° angle from vertical	2 at min. 46° angle from vertical

*Notes:*

- 1) This chart applies to single and multi section homes.
- 2) Anchoring components are rated at 4725 lbs. ultimate load. Anchoring components and equipment shall be installed in accordance with the anchoring component and equipment manufacturer's installation instructions or the generic standards in §80.55(d)(4).
- 3) Single section units shall have diagonal ties directly opposite each other along the two main I-beams. Multi section units need diagonal ties on the outer-most main I-beam only. When vertical distance exceeds 48", connect diagonal tie to opposite beam.
- 4) Ties installed at each end of the home shall be within 24 inches of each end of the applicable I-beam.
- 5) The distance between any two ties may be exceeded to avoid an obstruction, as long as the total number of ties remains the same, and no two anchors shall be within 4 ft of each other. See table 4 B.
- 6) Any vertical ties present on homes must be attached to a ground anchor. Both vertical and diagonal ties may be connected to a single double-headed anchor, when the anchor is approved for the combined loading.
- 7) The vertical distance is measured from the anchor head to the underside of the floor joists.
- 8) No two anchors shall be within 4 ft of each other.
- 9) Other approved stabilizing systems may replace longitudinal and/or lateral ties. Follow approved installation instructions.

- (3) Table 4B: Minimum number of diagonal ties required per side, per unit length. Table based on 2 feet inset of anchors at each end.

**WIND ZONE I ONLY**

----- o.c. spacing (ft) -----													
unit length (ft)	4	5	6	7	8	9	10	11	12	13	14	15	16
<b>40</b>	10	8	7	6	6	5	5	4	4	4	4	3	3
<b>42</b>	11	9	7	6	6	5	5	5	4	4	4	4	3
<b>44</b>	11	9	8	7	6	5	5	5	4	4	4	4	4
<b>46</b>	12	9	8	7	6	5	5	5	5	4	4	4	4
<b>48</b>	12	10	8	7	7	6	5	5	5	4	4	4	4
<b>50</b>	13	10	9	8	7	6	6	5	5	5	4	4	4
<b>52</b>	13	11	9	8	7	6	6	5	5	5	4	4	4
<b>54</b>	14	11	9	8	7	7	6	6	5	5	5	4	4
<b>56</b>	14	11	10	8	8	7	6	6	5	5	5	4	4
<b>58</b>	15	12	10	9	8	7	6	6	6	5	5	5	4
<b>60</b>	15	12	10	9	8	7	7	6	6	5	5	5	5
<b>62</b>	16	13	11	9	8	7	7	6	6	5	5	5	5
<b>64</b>	16	13	11	10	9	8	7	6	6	6	5	5	5
<b>66</b>	17	13	11	10	9	8	7	7	6	6	5	5	5
<b>68</b>	17	14	12	10	9	8	7	7	6	6	6	5	5
<b>70</b>	18	14	12	10	9	8	8	7	7	6	6	5	5
<b>72</b>	18	15	12	11	10	9	8	7	7	6	6	6	5
<b>74</b>	19	15	13	11	10	9	8	7	7	6	6	6	5
<b>76</b>	19	15	13	11	10	9	8	8	7	7	6	6	6
Note: If unit length is not listed use next higher tabulated length.													

- (4) When approved auger anchors cannot be inserted into a difficult soil after moistening, such as mixed soil and rock or caliche (heavily weathered limestone) that is not solid rock, approved cross drive rock anchors may be used in accordance with the values and notes for Table 4A in paragraph (2) of this subsection modified as follows:
  - (A) Since the ultimate anchor pull out in the difficult soil will be reduced, the maximum spacing for diagonal ties per side is one half the spacing allowed by Table 4A which will require adding one additional cross drive rock anchor for each anchor specified for the sides and ends;



- (B) The rods of the approved cross drive rock anchors must be fully inserted, have at least 24 inches of the rod lengths embedded in the difficult soil, and be restrained from horizontal movement, when feasible, by a stabilizer plate between the rods and the home; and
- (C) Each cross drive rock anchor is connected to one diagonal tie and is not connected to a vertical tie.
- (e) WIND ZONE II Installation:
- (1) In place of the requirements as shown in subsection (d) of this section, units designed for Wind Zone I and built prior to September 1, 1997, and units designed for Wind Zone II and built prior to July 13, 1994, require diagonal ties as set forth in Table 5A when these units are installed in Wind Zone II. See also §80.50 of this title (relating to Wind Zone Regulations). Items not specifically addressed in this section are the same as for Wind Zone I installations.

**TABLE 5A: MAXIMUM SPACING FOR DIAGONAL TIES  
PER SIDE OF THE ASSEMBLED UNIT**

<b>Minimum Nominal Widths Single/Double Section</b>				
<b>Max. Vertical Distance</b>	<b>12/24 wide</b>	<b>14/28 wide</b>	<b>16/32 wide</b>	<b>18/36 wide</b>
20" to 24"	7 ft	8 ft	8 ft	8 ft
25" to 29"	6 ft	7 ft	8 ft	8 ft
30" to 40"	5 ft	6 ft	7 ft	8 ft
41" to 48"	4 ft	5 ft	6 ft	7 ft
49" to 60" (see note 3)	4 ft	6 ft	6 ft	6 ft
61" to 80" (see note 3)	4 ft	4 ft	4 ft	4ft
Minimum number of longitudinal ties, each end of each section.	2 at min. 58° angle from vertical	2 at min. 32° angle from vertical	3 at min. 38° angle from vertical	3 at min. 46° angle from vertical

*Notes:*

- 1) This chart applies to single and multi section homes.
- 2) Anchor components are rated at 4725 lbs. ultimate load.
- 3) Single section units shall have diagonal ties directly opposite each other along the two main I-beams. Multi section units need diagonal ties on the outer-most main I-beam only. When vertical distance exceeds 48", connect diagonal tie to opposite beam.
- 4) Ties installed at each end of the home shall be within 24 inches of each end of the applicable I-beam.
- 5) The distance between any two ties may be exceeded to avoid an obstruction, as long as the total

number of ties remains the same, and no two anchors shall be within 4 ft of each other. See table 4B.

- 6) Any vertical ties present on homes must be attached to a ground anchor. Both vertical and diagonal ties may be connected to a single double-headed anchor, when the anchor is approved for the combined loading.
- 7) The vertical distance is measured from the anchor head to the underside of the floor joists.
- 8) No two anchors shall be within 4 ft of each other.
- 9) Other approved stabilizing systems may replace longitudinal and/or lateral ties. Follow approved installation instructions.

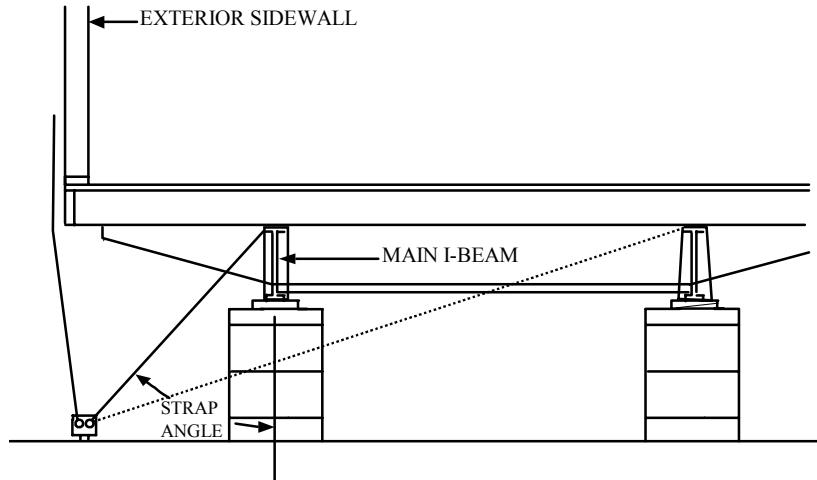
(2) Units built to Wind Zone II on or after July 13, 1994.

- (A) Units built to Wind Zone II on or after July 13, 1994, should have either built-in, or provisions for connecting, vertical ties along the sidewall(s) of each unit(s). A diagonal tie must be installed at each vertical tie location (except for designated shearwall tie). Built-in vertical ties shall be connected to anchors. If there are brackets or other provisions for connecting vertical ties, vertical ties shall be added at the brackets or provisions and connected to anchors.
- (B) Only factory installed vertical ties may be closer than 4 feet from each other.
- (C) Where tie locations are clearly marked as a shear wall strap, a perimeter pier must be installed at that location. See subsection §80.54(d) of this title (relating to Standards for the Installation of Manufactured Homes) for perimeter pier construction. Diagonal tie is not required.
- (D) Where the vertical tie spacing exceeds 8'-0" on-center (see also note 6 in table 5A for exception), the anchoring system must be approved by the home manufacturer's installation manual, or designed by a professional engineer or architect licensed in the state of Texas.
- (E) Where pier heights exceed 36 inches in height, the diagonal strap shall be connected to the opposite I-Beam (see Figure 1).

**DIAGONAL STRAP PLACEMENT FOR PIERS EXCEEDING 36 INCHES IN HEIGHT**

*(Refer to other figures for depiction of proper anchor and stabilizer device installation.)*

**Figure 1**

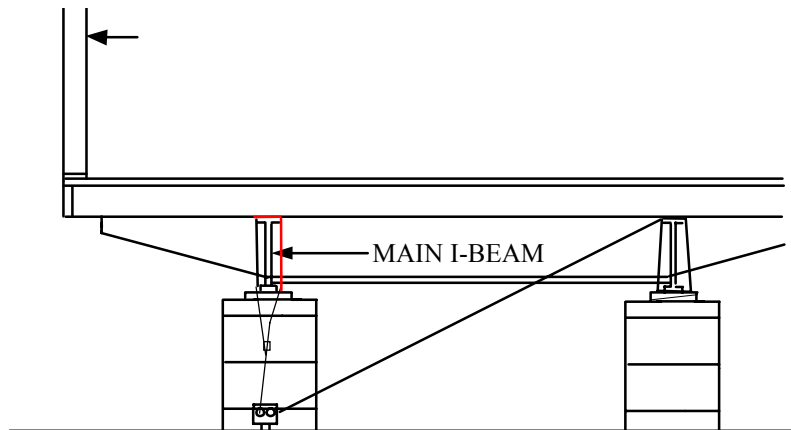


- (F) Where vertical tie locations are not easily discernable, the vertical ties may be connected to the main I-Beam rails and the anchor installed directly below that connection point. The diagonal tie must be connected to the opposite main I-Beam. In no case shall the distance between those ties exceed 5'-4" on-center (see Figure 2).

**DIAGONAL AND VERTICAL TIES**

*(Refer to other figures for depiction of proper anchor and stabilizer device installation.)*

**Figure 2**



- (3) Multi-section centerline anchoring requirements (Wind Zone II only):

- (A) Centerline anchor ties are required for ALL Wind Zone II installations, regardless of the date the unit was manufactured, when installation occurs on or after the effective date of these rules.
- (B) Factory installed centerline vertical ties, brackets, buckles or any other connecting devices must be connected to a ground anchor. No additional anchors as described in subparagraph (D) of this paragraph are required.
- (C) To avoid obstructions and/or piers and footers, the anchor may be offset up to 12 inches perpendicular to the centerline.
- (D) Where factory preparations do not exist, install anchors and angle iron brackets at each side of mating line openings wider than 48 inches per table 5B (see Figure 5B for detail).
  - (i) Where equal spans exist opposite each other (i.e., each section), a double bracket assembly may be used. The maximum opening is per table 5B. Total uplift load may not exceed the anchor and/or strap capacity (i.e., 3150 pounds).
  - (ii) The angle iron bracket is minimum 11 gauge. The holes for the lag screws are a maximum of 4 inches apart.
  - (iii) Lag screws/bolts are minimum 5/16 x 3 inches, full thread.
- (4) For openings separated by a wall or post 16 inches or less in width, the opening span is the total of the spans on each side of the wall/post.
- (f) Bracket Installation.
  - (1) Table 5B: Maximum Centerline wall opening for column uplift brackets (*see figure 5B for typical installation details*).

----- **Maximum opening based on floor widths** -----

	12 Wide (140" max)	14 Wide (164" max.)	16 Wide (186" max.)	18 Wide (210" max.)
One Single Bracket (2-lags) either side of column.	17'-6"	15'-0"	13'-3"	11'-9"
Two Single Brackets (2-lags each), one each side of column.	35'-0"	30'-0"	26'-6"	23'-6"
One Double Bracket (4-lags) either side of column. Spans are on both sections, opposite each other.	31'-9"	27'-2"	23'-11"	21'-2"
*Two Double Brackets (4-lags) either side of column. Spans are on both sections, opposite each other.	40'-0"	40'-0"	40'-0"	40'-0"
<i>* For openings larger than 40'-0", consult a local licensed professional engineer or architect.</i>				

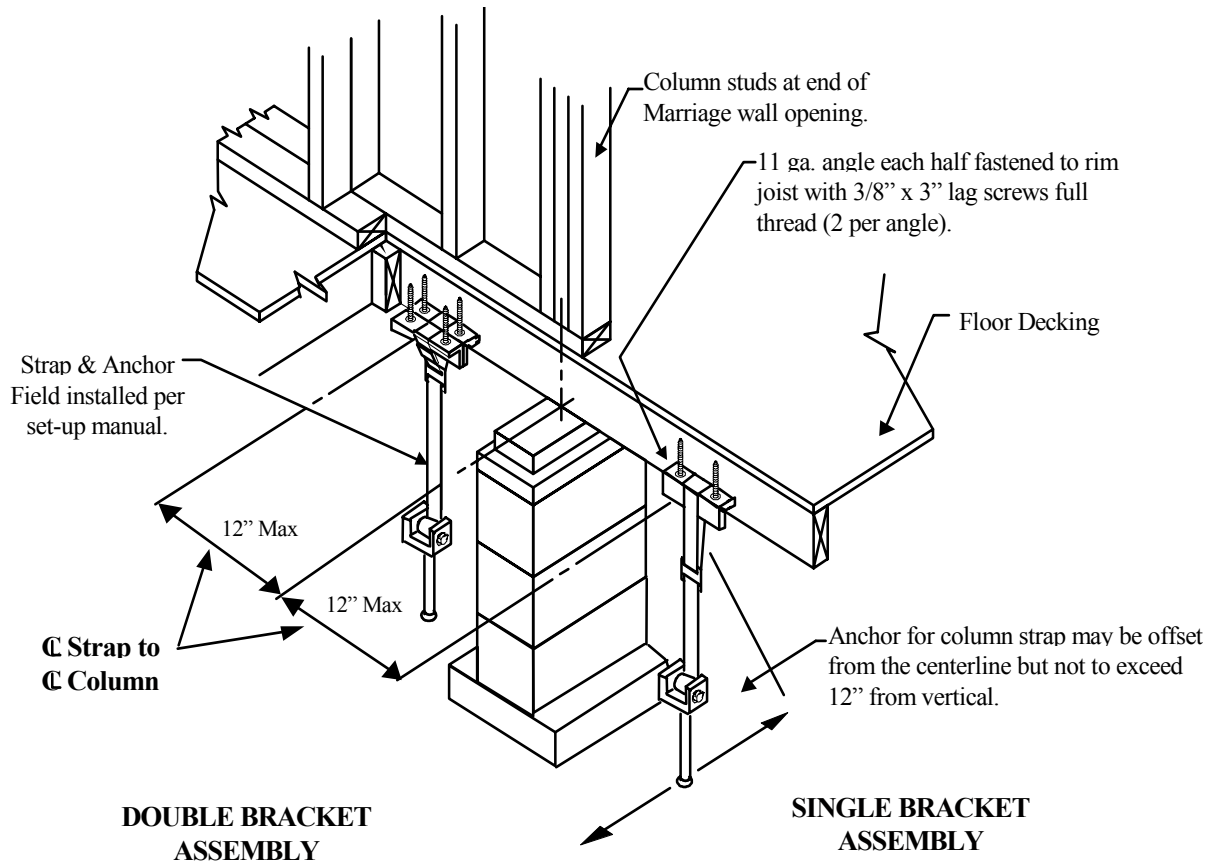
- (2) Figure 5B shows both single and double bracket assemblies for illustration purposes only. Use a single bracket for openings which exist on one section

only. Use double bracket where openings are opposite each other on two sections of the home.

- (3) When only one bracket assembly is required, it may be installed on either side of the column/opening stud(s), but no more than 12 inches from the column or opening stud(s). (See examples in figure 5C.)
- (4) When two bracket assemblies are required, they must be installed on each side of the column/opening stud(s), but no more than 12 inches from the column/opening stud(s) (see examples in figure 5C), and they must be angled away from each other a minimum of 12 inches.

### TYPICAL INSTALLATION DETAILS

**Figure 5B**



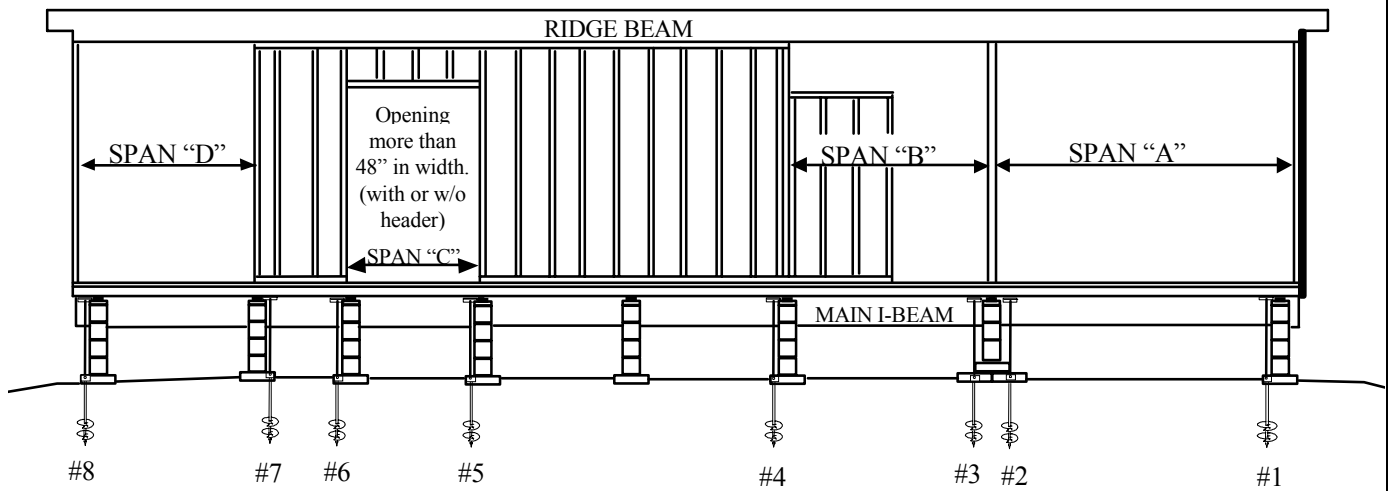
**Note:** Anchors, straps, buckles and crimps shown are for illustration purposes only. All components used must be approved by the department.

- (5) Example: A double section unit with each section being 14 feet wide;
  - (A) Span "A" is 18'-0", matching span both sections;
  - (B) Span "B" is 14'-8", matching span both sections;

- (C) Span "C" is 6'-8", matching span both sections; and
- (D) Span "D" is 13'-4", one side only.

### ANCHOR SPAN

**Figure 5C**



Determine type and number of brackets needed at each opening.

- Anchor #1:** From Table 5B, row 3 in the 14 ft. wide column, the maximum span for this condition is 27'-2". Actual span is 18'-0" =====> one double bracket is ok.
- Anchor #2 & #3:** Since the wall between spans "A" and "B" is less than 16 inches in width the two spans must be added together to determine number and type of brackets.  
Span "A" (18'-0") + Span "B" (14'-8") = 32'-8"  
From table 5B, row 3 in the 14 ft. wide column, the maximum span for one double bracket is 27'-2". Actual span is 32'-8" =====> two double brackets required.
- Anchor #4:** Span "B" is on both sections @ 14'-8". From table 5B, row 3 in the 14 ft. wide column, the maximum span for one double bracket is 27'-2" =====> ok
- Anchor #5:** Same as anchor # 4, except for 6'-8" span.
- Anchor #6 & #7:** This span is on one section only. Therefore a single bracket may be used. From table 5B, row 1 in the 14 ft. wide column, the maximum span for a single bracket is 15'-0". Actual span is 13'-8" =====> single bracket is ok.

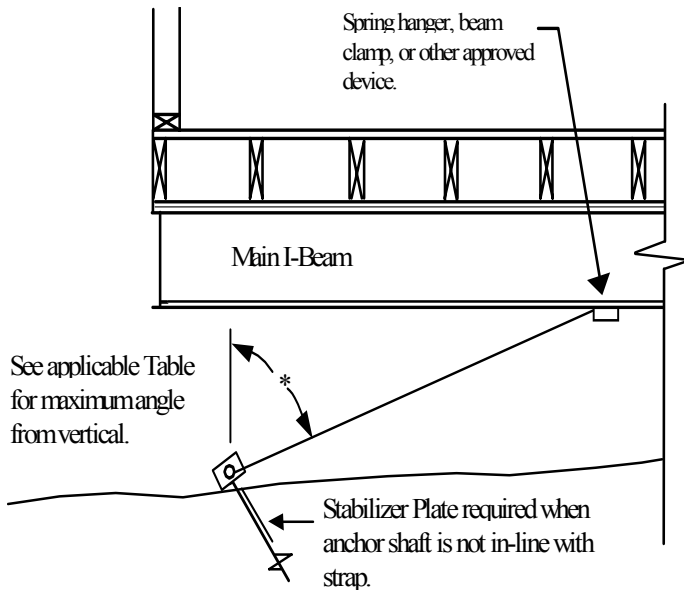
(6) Longitudinal ties:

- (A) Longitudinal ties are required for ALL wind zone installations, regardless of the date of manufacture, when installation occurs after the effective date of these rules.
- (B) Longitudinal ties are designed to prevent lateral movement along the length of the home.

- (C) When conventional anchors and straps are used, install the required number of ties per Table 4A or Table 5A as appropriate. The strap(s) may be connected or wrapped around front or rear chassis header members, around existing cross members or spring hangers. A strap must be within 3 inches of where the cross member attaches to the main I-beam. Alternatively, brackets to receive the strap(s) may be welded to the bottom flange of the main I-beams. The location of the connection points along the length of the I-beams are not critical, as long as the number of longitudinal ties required for each end of each home section are installed with their pull in opposite directions. No two anchors shall be within 4 ft of each other. No two ties shall be attached to the same structural member of the home, other than a main longitudinal frame member or a front or rear chassis header member.
- (D) Anchors require stabilizer plates when the anchor shaft is not in line with strap (plus or minus 10 degrees).

### LONGITUDINAL TIES

**Figure 1**



**Figure 2**

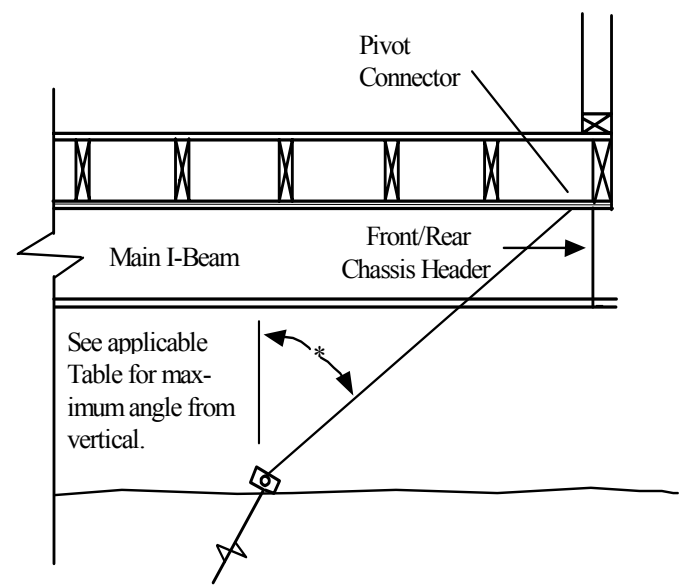


Figure 1: Connection to existing spring hangers, factory installed or site installed beam clamps.

Figure 2: Connection to front or rear chassis headers. Strap must be installed within 12" of where the header member connects to the main I-beam.

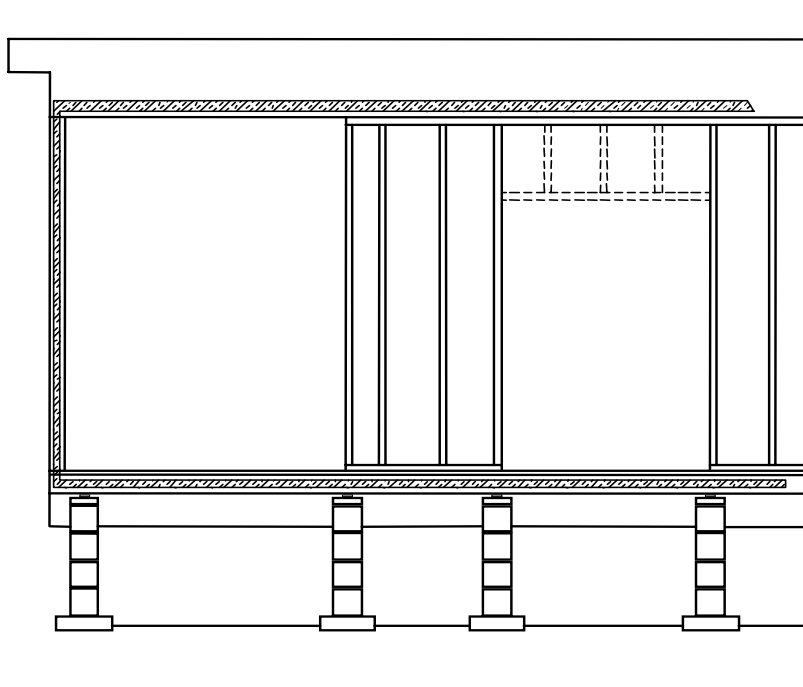
**§80.56. Multi-Section Connection Standards.**

- (a) Air infiltration and water vapor migration at mating surfaces: Before positioning additional sections, the mating line surfaces along the floor, endwall and ceiling, require material or procedures to limit air infiltration and water vapor migration. The following are acceptable materials and/or procedures:
- (1) Expanding Foam: Foam may be used along surfaces that are accessible after the units have been joined. Where mating line walls line up between sections, non-porous materials must be installed prior to joining the units.
  - (2) Caulking: Caulking may be used along surfaces that are accessible after the units have been joined. Where mating line walls line up between sections, non-porous materials must be installed prior to joining the units.
  - (3) Non-porous gasket installed along the perimeter of all mating lines.
  - (4) Insulation, carpet, carpet pad or other porous materials are not acceptable.

**MATING LINE SURFACES**

**Figure 56(a)**

Mating line surfaces are along the floor, up the front and rear endwalls and along the ceiling line.



- (b) Floor Connections:
- (1) Gaps between floors up to 1-1/2 inches maximum which do not extend the full length of the floor may be filled with lumber, plywood or other suitable



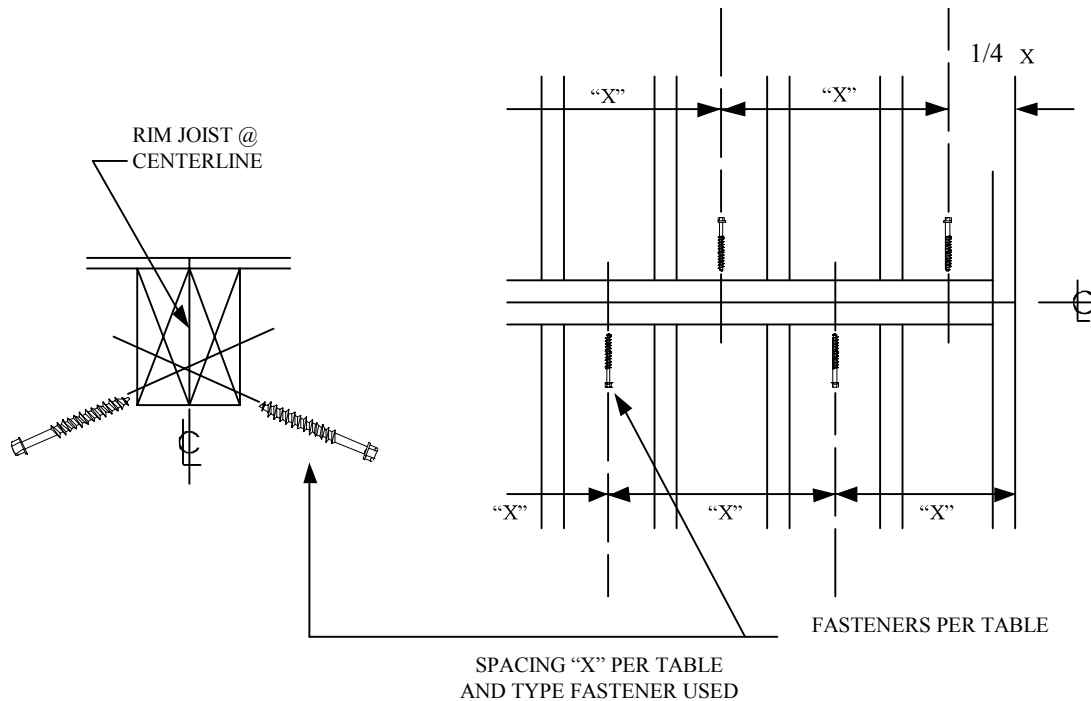
shimming materials. Fastener lengths in shimmed areas may need to be increased to provide minimum 1-1/4 inches penetration into opposite floor rim joist.

- (2) Gaps less than 1/2 inch width need not be shimmed.
- (3) The floor assemblies of multi-section units must be fastened together. Fastener options and maximum spacings are listed in table 6A in paragraph (5) of this subsection.
- (4) Any tears or damages to the bottom board due to fastener installation must be repaired.
- (5) Table 6A: Floor connections - Wind Zone I and II:

	min 5/16 lag screw	# 10 wood screw
<b>Wind Zone I</b>	max. 36"	max. 24"
<b>Wind Zone II</b>	max. 24"	max. 12"

**FLOOR CONNECTIONS**

**Figure 6A**

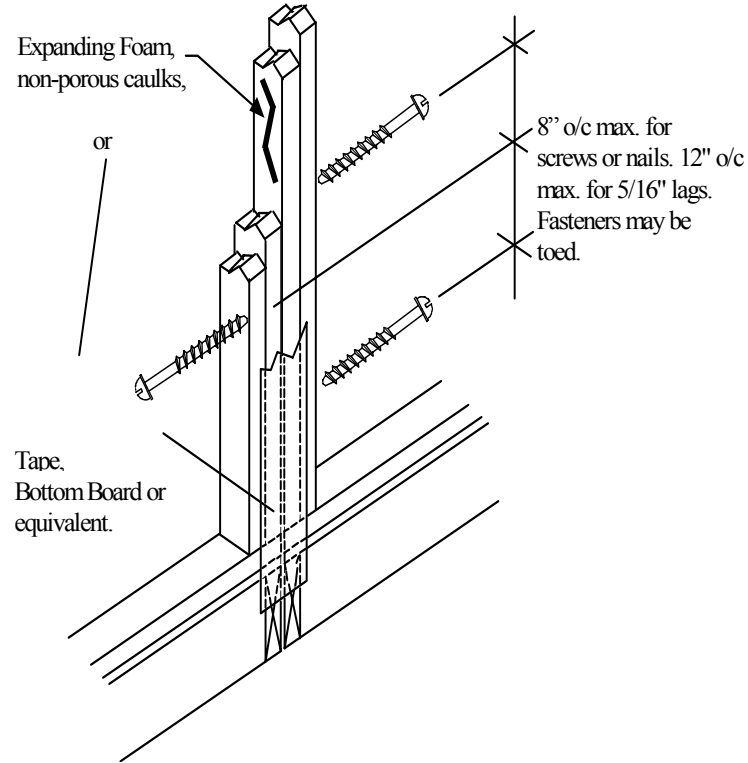


(c) Endwall Connections:

- (1) Endwalls must be fastened together at the mating line with minimum #8x4 inch wood screws or 16d nails at maximum 8 inches on-center or 12 inches on-center maximum for 5/16 lags; toed or driven straight; and

- (2) Fastener length may need to be adjusted for gaps and/or toeing, to provide minimum 1-1/2 inch penetration into opposite endwall stud.

**ENDWALL CONNECTIONS**



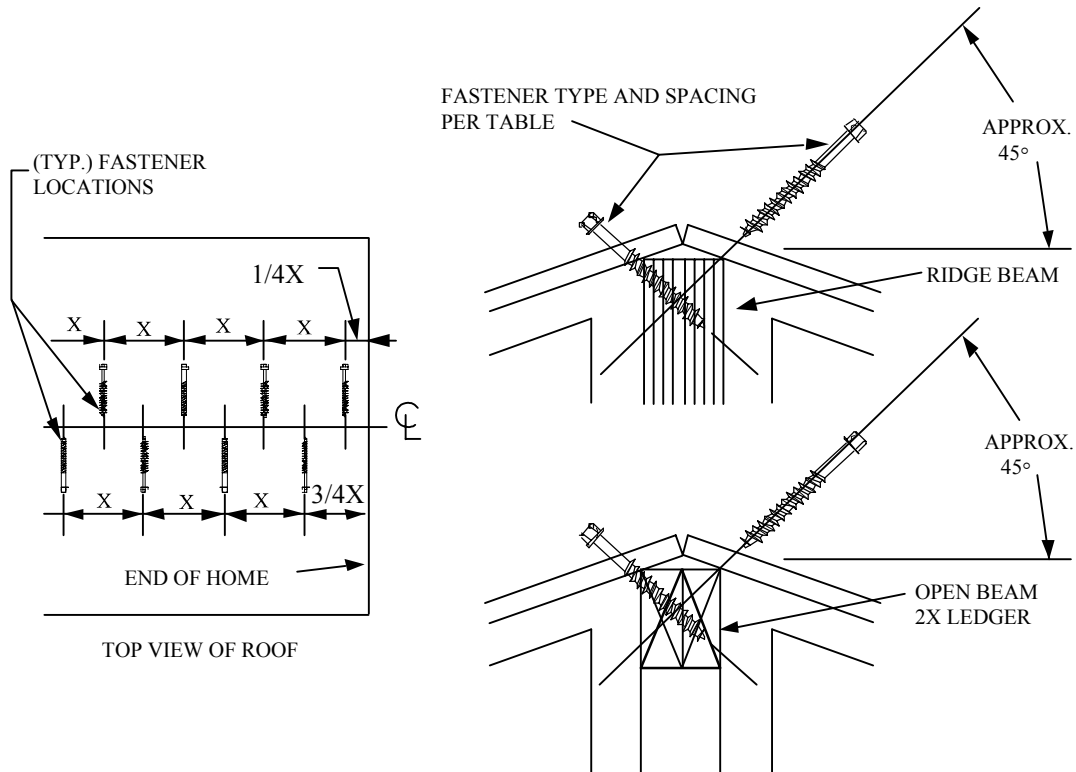
- (d) Roof Connection: *(Note: Fasteners must not be used to pull the sections together.)*
- (1) Roof shall be connected with the fasteners and spacings specified in Table 56(d)(3).
  - (2) Gaps between the roof sections (at ridge beam and/or open beam ledgers) of up to 1-1/2 inches wide maximum which do not extend the full length of the roof must be filled with lumber and/or plywood shims. Gaps up to 1/2 inch need not be shimmed. The fastener length used in the shimmed area may need to be increased to provide a minimum 1-1/4 inch penetration into the adjacent roof structural member.
  - (3) Table 56(d)(3): Roof Connection - Fastener type and spacing:

	----- maximum o.c. spacing (in) -----		
	3/8 Lag	1/4 Lag	#10 wood screw
<b>Wind Zone I</b>	36"	24"	24"
<b>Wind Zone II</b>	20"	16"	12"

(4) Figure 56(d)(4).

## ROOF CONNECTION

**Figure 56(d)(4)**

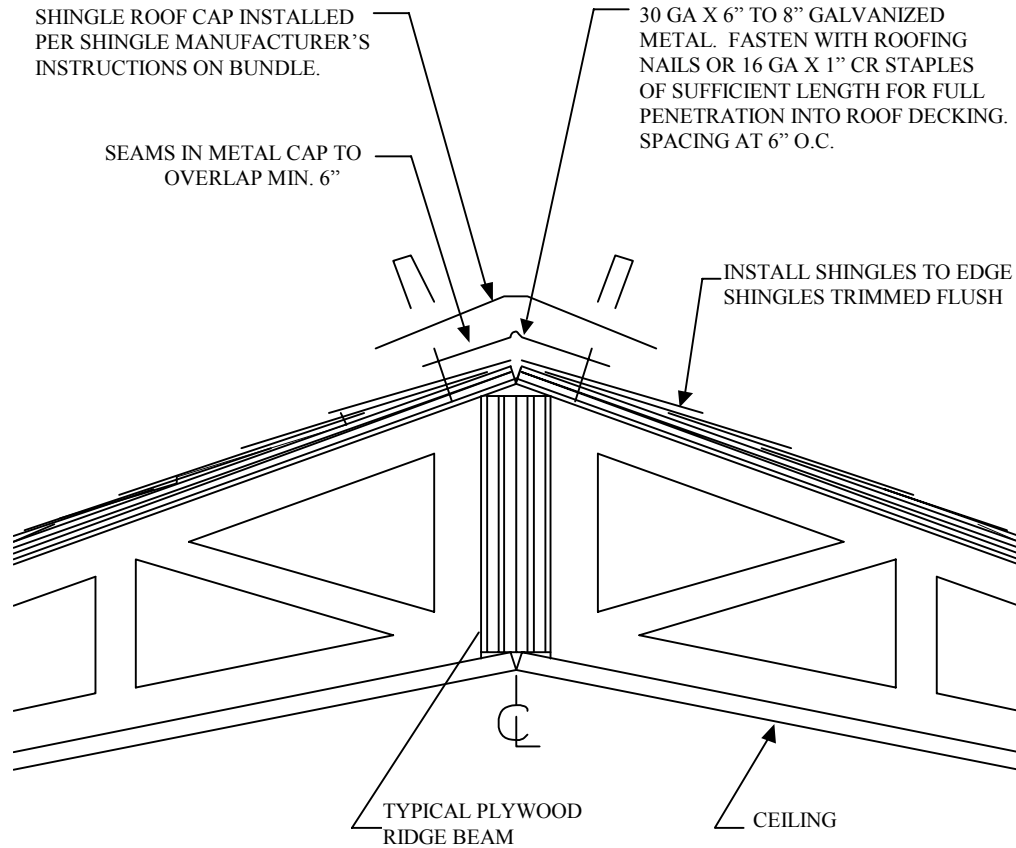


(e) Exterior Roof Close Up:

- (1) Ensure that shingles are installed to edge of roof decking at peak. Follow nailing instructions on the shingle wrapper. Note: Wind Zone II (high wind) installations require additional fasteners.
- (2) Before installing ridge cap shingles, a minimum 6 inch wide piece of 30 gauge galvanized flashing must be installed the length of the roof.
- (3) When flashing is not continuous, lap individual pieces a minimum of 6 inches.
- (4) Fasten flashing into roof sheathing with minimum 16 gauge staples with 1 inch crown or roofing nails of sufficient length to penetrate roof decking. Maximum fastener spacing is 6 inches on-center each roof section. Place fasteners a minimum of 3/4 inches along edge of flashing.
- (5) Install ridge shingles directly on top of flashing.

- (6) Check remainder of roof for any damaged or loose shingles, remove any shipping plastic or netting, wind deflectors, etc. Make sure to seal any fastener holes with roofing cement.

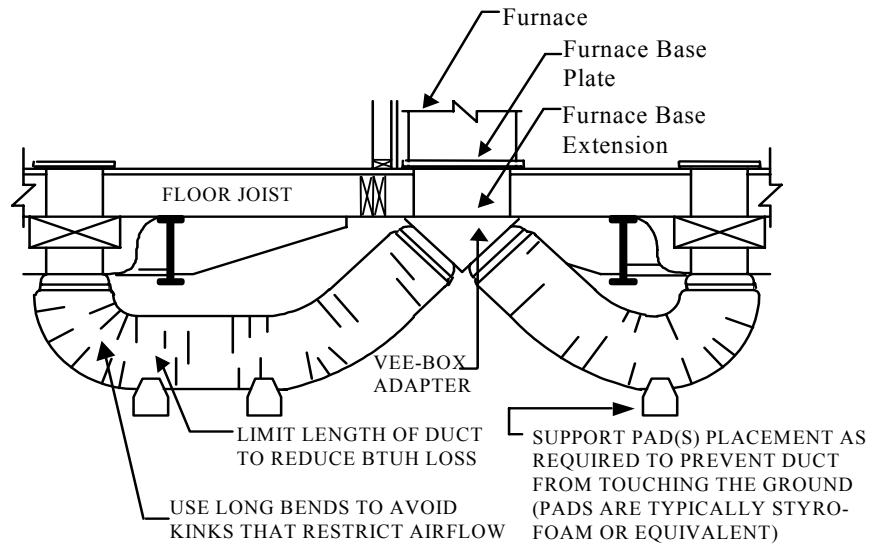
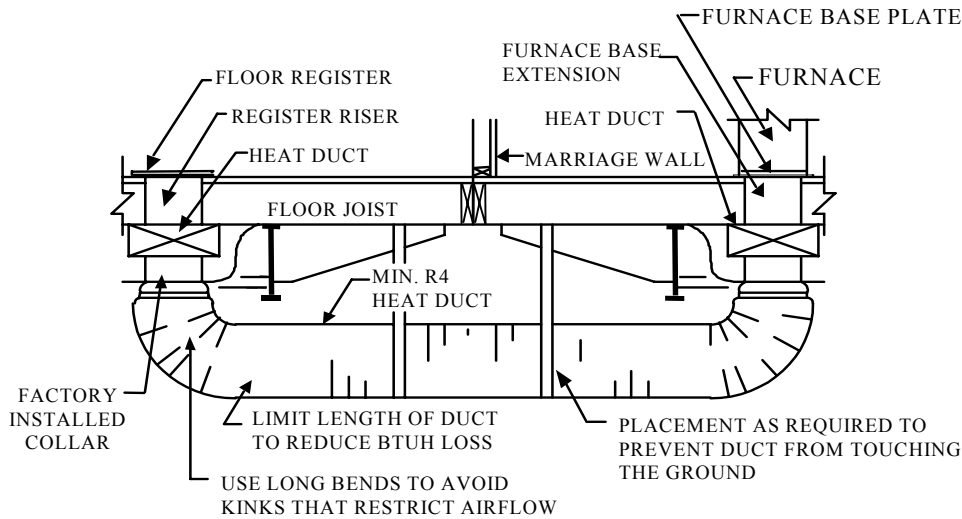
### **EXTERIOR ROOF CLOSE UP**



- (f) Exterior Endwall Close Up: Cut closure material to the shape and size required and secure in place, starting from the bottom up, *i.e.*: bottom starter, vertical or horizontal siding, then roof overhang, soffit and fascia. All closure material should be fitted and sealed as required to protect the structure or interior from the elements.
- (g) HVAC (heat/cooling) Duct Crossover:
- (1) Crossover duct must be listed for EXTERIOR use.
  - (2) Duct R-value shall be a minimum of R-4.
  - (3) The duct must be supported 48 inches on-center (maximum) and must not be allowed to touch the ground. Either strapping, to hang the duct from the floor, or pads to support it off the ground are acceptable.

- (4) The duct to the collar or plenum connections must be secured with bands or straps approved for such use. Keep duct as straight as possible to avoid kinks or bends that may restrict the airflow. Extra length must be cut off.

**HVAC (HEAT/COOLING) DUCT CROSSOVER**

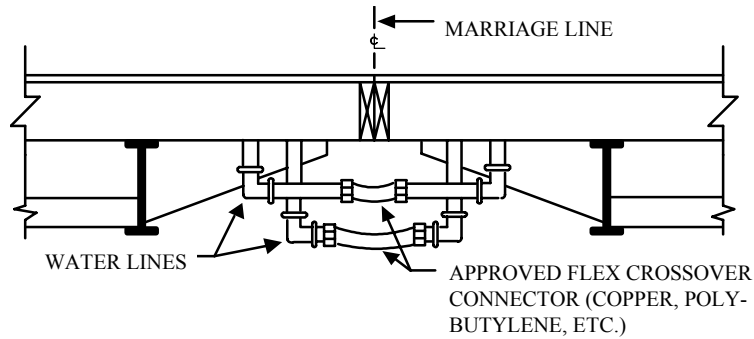


(h) Water Crossover Connection (multi-sections only):

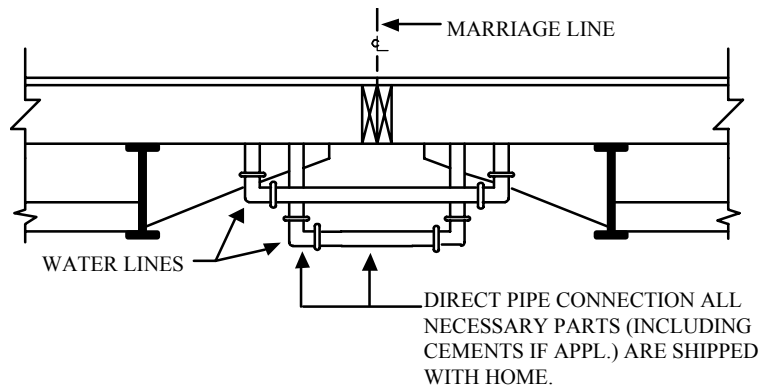
- (1) If there is water service to other sections, connect the water supply crossover lines as shown in the applicable detail.

## MULTI-SECTION WATER CROSSOVER CONNECTIONS

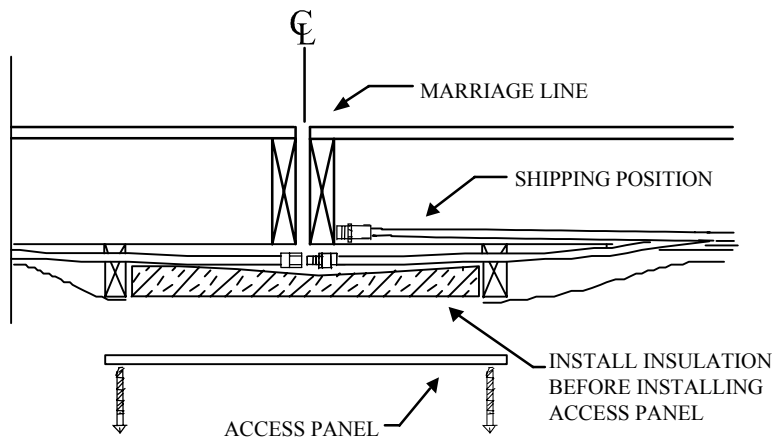
### METHOD A



### METHOD B



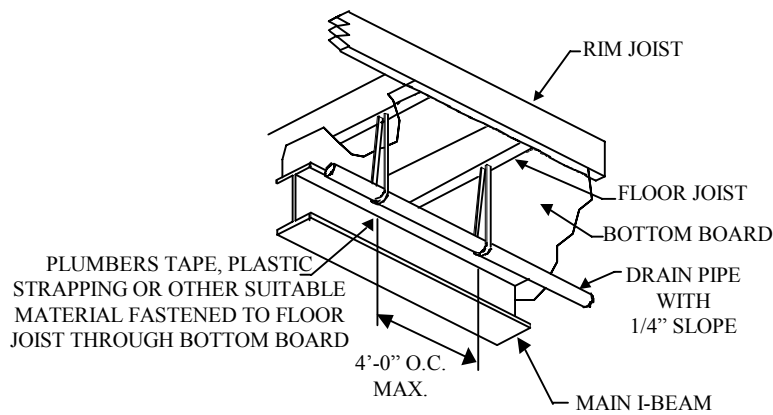
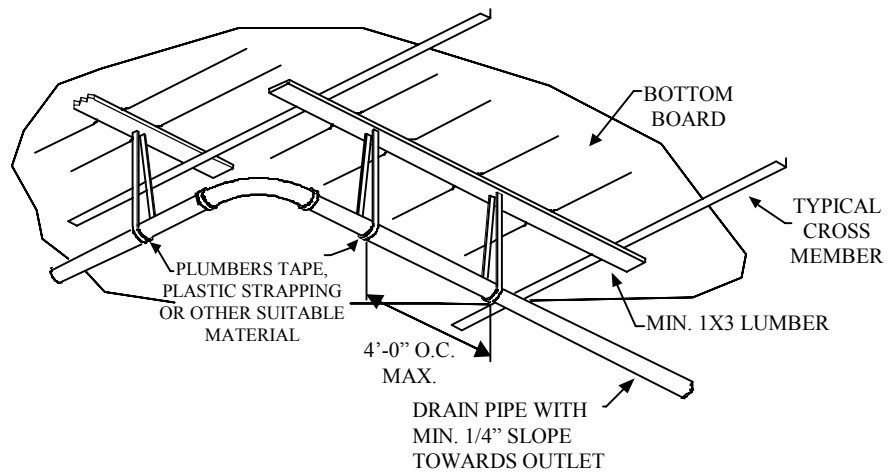
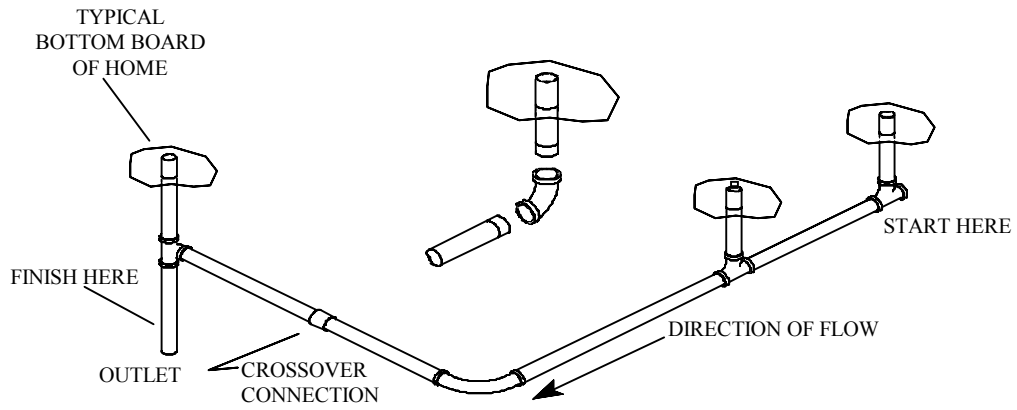
### METHOD C



- (2) If the water crossover connection is not within the insulated floor envelopes, wrap the exposed water lines in insulation and secure with a good pressure sensitive tape or nonabrasive strap, or enclose the exposed portion with an insulated box.

- (3) If water piping at the inlet is exposed, a heat tape should be installed to prevent freezing. A heat tape receptacle has been provided near the water inlet. When purchasing a heat tape, it must be listed for manufactured home use, and it must be installed per manufacturer's instructions.
- (i) Drain, Waste and Vent System (DWV):
  - (1) Portions of the DWV system which are below the floor may not have been installed, to prevent damage to the piping during transport. Typically, the DWV layout is designed to terminate at a single connection point to connect to the on-site sewer system. For a new home where on-site DWV connections are not assembled per the manufacturer's instructions, the DWV system must be assembled in accordance with Part 3280 of the FMHCSS.
  - (2) The following guidelines apply:
    - (A) All portions of the DWV system shall be installed to provide a minimum of 1/4 inch slope per foot, in the direction of the flow.
    - (B) Changes in direction from vertical to horizontal, and horizontal to horizontal, shall be made using long sweep elbows and/or tees.
    - (C) All drain piping shall be supported at intervals not to exceed 4 feet on-center. The support may be either blocking or strapping. When strapping is used, it should be nonabrasive.
    - (D) Piping must be assembled with the appropriate cleaners, primers and solvents (note: both ABS and PVC systems are common, but require different adhesives). Be sure to follow the instructions of the product used.
    - (E) A cleanout must be installed at the upper (most remote) end of the floor piping system (see diagrams in subparagraph (F) in this paragraph).
    - (F) Typical details:

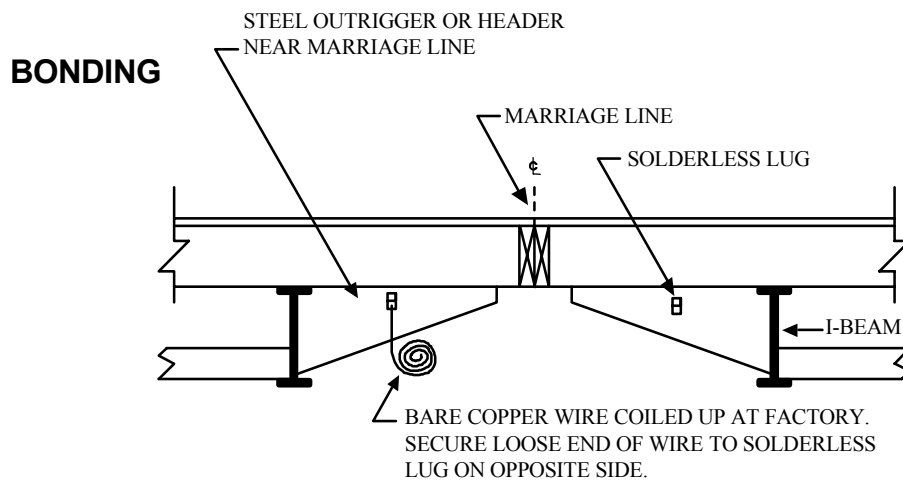
## DRAIN, WASTE AND VENT FLOOR PIPING SYSTEM





- (j) Electrical Connections: Depending on the model and/or manufacturer of the home, electrical crossovers may be located in either the front end and/or rear end of the home. Check along mating line for other labeled access panels.
- (1) Crossover connections may be one of the following:
- (A) approved snap or plug-in type;
  - (B) junction boxes inside floor cavity (note: crossover wiring routed outside the floor cavity must be enclosed in conduit). If the boxes and/or covers are metal, they must be grounded by the use of the ground wire; or
  - (C) pigtail between receptacles/switches between sections (one circuit only).
- (2) Chassis Bonding: Each chassis shall be bonded to the adjacent chassis with a solid or stranded, green insulated or bare, number 8 copper conductor. The conductor is connected to the steel chassis with a solderless lug. *Alternate bonding: A 4 inch wide by 30 gauge continuous metal strap may be used as an alternate, when attached to the chassis members with two #8x 3/4 inch self tapping metal screws each end of the strap.*

### CHASSIS BONDING

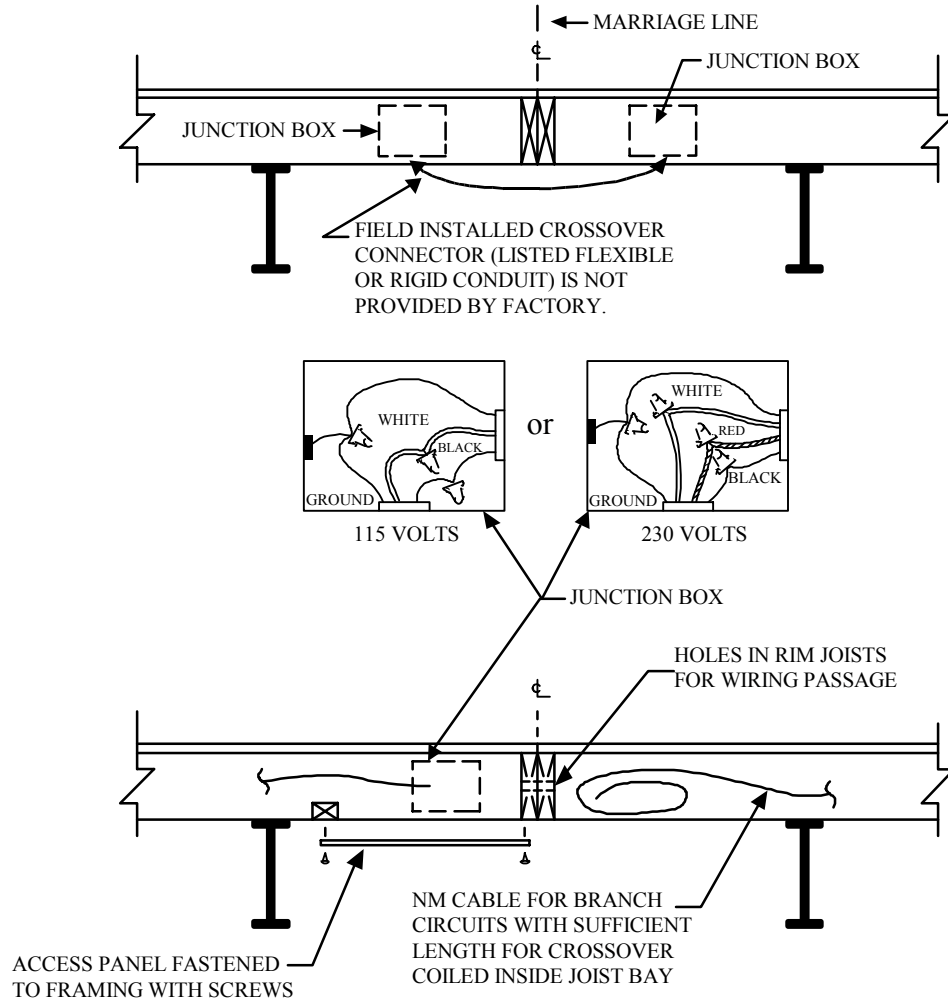


**NOTE:**

A 4" BONDING STRAP MAY BE USED INSTEAD OF COPPER WIRE BY ATTACHING THE STRAP TO BOTH UNITS WITH 2-#8X3/4" SELF-TAPPING METAL SCREWS ON EACH SIDE. BONDING STRAPS AND SCREWS FURNISHED BY THE MFR.

(3) typical crossover details:

### ELECTRICAL CROSSOVER



NOTE:  
ANY EXPOSED NM CABLE MUST BE PROTECTED BY CONDUIT AND INSTALLED IN ACCORDANCE WITH THE N.E.C.

(4) Shipped loose equipment:

(A) Electrical equipment such as ceiling fans, chandeliers, exterior lights, etc., which may have been shipped loose, must be installed in accordance with the adopted National Electric Code (NEC). Connect all corresponding color coded or otherwise marked conductors per the applicable sections of the NEC.

- (B) Bonding strap removal: 240 volt appliances (range, dryer, etc.) shall have the bonding strap removed between the ground and the neutral conductors. Cords used to connect those appliances shall be four conductor, four prong.
- (5) Electrical testing: At the time of installation, the following tests must be performed:
  - (A) All site installed or shipped loose fixtures shall be subjected to a polarity test to determine that the connections have been properly made.
  - (B) All grounding and bonding conductors installed or connected during the home installation shall be tested for continuity, and
  - (C) All electrical lights, equipment, ground fault circuit interrupters and appliances shall be subjected to an operational test to demonstrate that all equipment is connected and functioning properly.
- (6) Main panel box feeder connection: The main panel box is wired with the grounding system separated from the neutral system (4-wire feeder). The grounding bus in the panel must be connected through a properly sized green colored insulated conductor to the service entrance equipment (meter base) located on or adjacent to the home. Refer to the following table for proper feeder conductor sizes.

**MAIN PANEL BOX FEEDER CONDUCTOR SIZES**

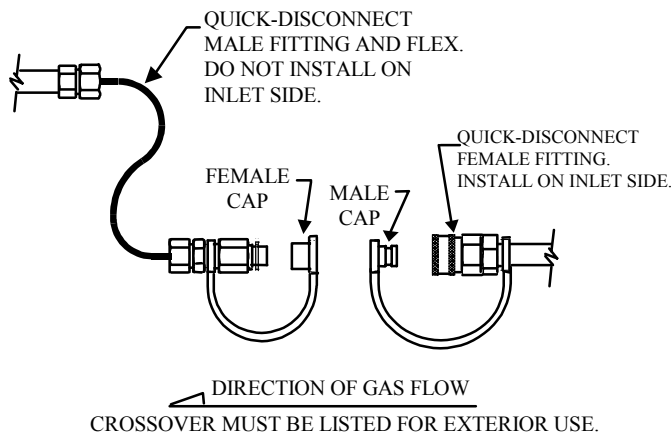
<b>Main Breaker size (amps)</b>	<b>Raceway diameter</b>	<b>Red/Black (power)</b>	<b>White (neutral)</b>	<b>Green (grounding)</b>
50	1	#6	#6	#8
100	1 1/4	#2 or #3	#2 or #3	#6
150	1 1/2	#1/0 or #2/0	#2	#6
200	2	#3/0	#2	#6

- (k) Fuel Gas Piping Systems:
  - (1) Crossover Connections: All underfloor fuel gas pipe crossover connections shall be accessible and be made with the connectors supplied by the home manufacturer, or, if not available, with flexible connectors listed for exterior use and a listed quick disconnect (Method A), or a shut-off valve (Method B). When shut-off valve is used, it must be installed on the supply side of the gas piping system. The crossover connector must have a capacity rating (BTUH) of at least the total BTUH's of all appliances it serves.
  - (2) Testing: The fuel gas piping system shall be subjected to an air pressure test of no less than 6 ounces and no more than 8 ounces. While the gas piping

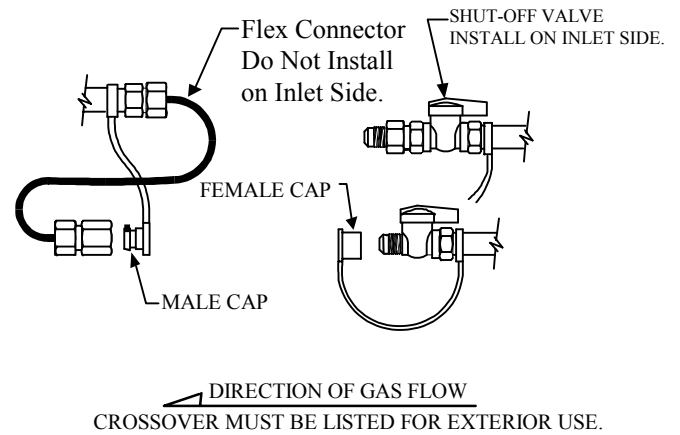
system is pressurized with air, the appliance and crossover connections shall be tested for leakage with soapy water or bubble solution. This test is required of the person connecting the gas supply to the home, but may also be performed by the gas utility or supply company.

### FUEL GAS PIPE CROSSOVER CONNECTIONS

#### Method A



#### Method B



#### **§80.62. Approval of Stabilizing Components and Systems.**

- (a) Installers shall use only prefabricated or site built stabilizing components and systems approved by the department, specified by the home manufacturer's DAPIA approved installation instructions, or specified for one or more homes in a particular area by a Texas licensed engineer or architect. Before granting approval for any prefabricated stabilizing component or system that will be used for more than one home, the department will require the component or system to be certified by an engineer, architect, or independent testing laboratory. The engineer or architect may be licensed in any state. The independent testing laboratory must have at least one engineer or architect licensed in at least one state. The producer or vendor of the component or system seeking department approval must send a request letter to the department with at least two copies of the certification report. The department may accept certification reports in electronic formats. The certification report copies must have letter size (8.5 inch by 11 inch) or smaller pages. In the request letter, the producer or vendor must grant the department the right to reproduce the certification report. If the department approves the certification report, the department shall place a stamp of approval on the copies, keep one copy, and return all other stamped copies to the producer or vendor. The stamp of approval will have the following information:

- (1) the title "Texas Department of Housing and Community Affairs";

- (2) the phrase "Approved stabilizing component or system"; and
  - (3) the date of approval.
- (b) The department will maintain a list of stabilizing components and systems that have been approved by the department for use in Texas.
- (c) A report that certifies a stabilizing component or system shall contain, at the minimum, the following:
- (1) the name, address, phone number, facsimile number, and trademark of the agency issuing the certification report or the name, signature, license number, state where licensed, address, phone number, facsimile number, and seal of the engineer or architect;
  - (2) date of certification report;
  - (3) the name, address, phone number, and facsimile number of the vendor or producer of the component or system;
  - (4) drawing or photograph of component or system;
  - (5) a description of the vendor's or producer's method for identifying the component or system;
  - (6) at least a 2 inch by 4 inch blank space for the department approval stamp on each page or the cover page of a bound document;
  - (7) a unique number or other identification for the certification report;
  - (8) the initial qualifying test report or information about how the report can be obtained;
  - (9) a description of the continuing validation system and the time period of the certification;
  - (10) installation instructions for the component or system that are shipped to each purchaser;
  - (11) a description of the working load capacity for the component or system. If the component is a ground anchor, the anchor shall be certified by a professional engineer, architect or nationally recognized testing laboratory as to its resistance, based on the maximum angle of diagonal tie and/or vertical tie loading and angle of anchor installation, and type of soil in which the anchor is to be installed;
  - (12) a description of all allowable conditions for use of the component or system such as (but not limited to) types of soil, weather exposure, atmospheric

environment (rural, industrial, coastal), and characteristics of other associated components; and

- (13) a statement that the certifying independent testing laboratory, certifying engineer, or certifying architect certifies the component or system to be in conformance with a specific standard adopted by the department. This statement shall be on each page or shall be on the cover sheet of a bound document.
- (d) The department adopts the applicable standards and publications set forth in Chapter 43 of the International Code Council, 2000 International Residential Code for materials used to fabricate stabilizing components and systems. The department adopts the stabilizing component destruction test failure criteria of the FMHCSS (24 CFR, Part 3280) and the 2000 International Residential Code, Appendix E.
  - (e) Applicable reports of the following organizations are acceptable as certification reports: National Evaluation Service, Inc.; International Conference of Building Officials (ICBO) Evaluation Service, Inc.; Southern Building Code Congress International (SBCCI) Public Safety Testing and Evaluation Services, Inc.; Building Officials and Code Administrators International (BOCA) Evaluation Reports, Inc.; the International Code Council (ICC); or a successor of any of these organizations.
  - (f) The department may withhold approval if the certification information:
    - (1) is incomplete;
    - (2) does not conform to the rules of the department;
    - (3) contradicts the qualifying tests; or
    - (4) has contradictory statements.
  - (g) Conditions that may cause the executive director to issue an administrative order that withdraws approval (or a renewal of approval) from a stabilizing component or system may include but are not limited to:
    - (1) the engineer, architect, or independent testing laboratory withdraws the certification;
    - (2) the engineer, architect, or independent testing laboratory improperly certified the component or system;
    - (3) a significant characteristic of a device or system has been changed without a revision of the original certification;
    - (4) the producer distributes installation instructions that are substantively different from those in the certification or original qualifying tests;

- (5) changes in the law, rules, or standards;
  - (6) the continuing validation system for a component has been changed without a revision of the original certification;
  - (7) information provided by the original certification is obsolete;
  - (8) the department receives evidence that the component or system often fails to anchor or support the home, and
  - (9) the producer fails to provide test results after the department directs the producer to test the component or system. The test will be performed by a recognized independent testing laboratory under the observation of a qualified representative or designee of the department.
- (h) Notice of withdrawal of approval of a component or system must be given to all license holders.
- (i) The department's approval letters for stabilizing components and systems are valid for a period of ten (10) years or for the time period of certification, whichever is less. The approval letter expires at the end of the shorter period.
- (1) If the time period for certification exceeds the ten (10) year approval period, the producer of the stabilizing components and systems may apply for a renewal of the approval letter. The renewal shall be valid for an additional period:
    - (A) of ten (10) years; or
    - (B) if the time period of certification expires prior to the end of the ten (10) year period, for a lesser period ending with the expiration of the time period of certification.
  - (2) All department approval letters issued prior to the effective date of this section remain valid for a period of ten (10) years and expire ten (10) years following the effective date of this section.
- (j) The vendor or producer of the component or system must apply for a renewal letter at least ninety (90) calendar days prior to the date the approval letter expires and supply the information necessary for the department to issue a renewal letter. The department may issue a temporary renewal letter for a period of not more than six (6) months in order to have time to review all the information submitted by a producer or vendor. The contents of a renewal letter issued by the department are as follows:
- (1) conditions of the renewal with a description of the department approval stamp that will appear on the document shipped by the producer or vendor to purchasers;

- (2) a unique number or other identification for the renewal letter;
- (3) the name, address, phone and facsimile number of the producer or vendor of the device or system;
- (4) a description of the continuing validation system and the time period of the renewal;
- (5) a reference to the document (single sheet or bound document) attached to the renewal letter which is shipped to each purchaser by the producer or vendor which includes:
  - (A) the name, address, phone and facsimile number of the vendor of the component or system;
  - (B) a description of the vendor's method of marking the component or system;
  - (C) drawing or photograph of component or system with a reference to the detailed drawing stamped by an engineer or architect;
  - (D) installation instructions;
  - (E) reference to the initial qualifying test report;
  - (F) reference to a previous Texas approval letter;
  - (G) at least a 2 inch by 4 inch blank space for the department approval stamp on each page or a cover page for a bound document;
  - (H) description of method for identifying the soil for ground anchors and footings;
  - (I) a description of the working load capacity for the component or system;
  - (J) if the component is a ground anchor, a certification by a professional engineer, architect, or nationally recognized testing laboratory as to its resistance, based on the maximum angle of diagonal tie and/or vertical tie loading and angle of anchor installation, and type of soil in which the anchor is to be installed; and
  - (K) a description of all allowable conditions for use of the component or system such as (but not limited to) types of soil, weather exposure, atmospheric environment (rural, industrial, coastal), and characteristics of other associated devices.



- (k) Approved components and systems sold to retailers or installers prior to the expiration of the applicable approval letter or renewal letter may be used and installed for a period of not more than ninety (90) calendar days following the date of expiration of the approval or renewal letter.
- (l) In December of each year, the department shall mail to all licensed installers, retailers, and manufacturers a list of all approved components and systems and the date on which the approval letter for each component or system expires.

**§80.63. *Other Materials and Methods for Manufactured Homes.***

- (a) Unique stabilizing systems to be used on more than one home, designed for a particular area with similar soil properties according to county soil survey maps, must be approved by an engineer or architect, licensed in Texas, or the home manufacturer's DAPIA.
- (b) Stabilizing components or systems which are unique for one identified home at one identified location shall be designed by an engineer or architect, licensed in Texas, and the design documents shall be filed with the installation report. No department approval letter is required.
- (c) All stabilizing components must be resistant to all effects of weathering including that encountered along the Texas gulf coast. Nonconcrete stabilizing components and systems for use within 1500 feet of the coastline shall be specifically certified for this use. Preservation treated (PT) wood components shall conform to the applicable standards issued by the American Wood Preserver's Association and referenced by the 2000 International Residential Code.
- (d) All stabilizing components shall be installed in accordance with the provisions of this chapter and to resist overturning and lateral movement of the home.
- (e) The following types of stabilizing systems are special stabilizing systems, not associated with a particular location, and shall meet the requirements of subsection (f) of this section:
  - (1) a preapproved permanent foundation system;
  - (2) a stabilizing system with piers over 60 inches high (measured from top of footing to top of the last concrete block) which have diagonal tie angles over 50 degrees;
  - (3) a stabilizing system designed to resist damage due to flooding;
  - (4) a stabilizing system for manufactured homes located within 1500 feet of the coastline, unless approved by the manufacturer's DAPIA; and

- (5) a site built stabilizing component or system with materials and methods in accordance with the applicable standards and publications set forth in Chapter 43 of the 2000 International Residential Code.
- (f) This subsection refers only to special systems as listed in subsection (e) of this section. A Texas licensed engineer or architect must design a special stabilizing system. If a special stabilizing component, device, or system is not designed for a particular area with similar soil properties according to county soil survey maps, the department must also approve the stabilization system drawing, photographs, calculations, test reports, and specifications before any home is installed on the special stabilizing system. The department will issue a letter that references the submitted documents and describes any conditions of approval. An approval letter will have an expiration date. The department may renew an approval letter for a special stabilizing system if the owner of the documents describing the special stabilizing system notifies the department and requests another review. The department will review to determine if the special stabilizing system still conforms to present standards. DAPIA approved stabilizing system designs with appropriate effective dates for specified makes and models of homes shall not require an approval letter from the department. The installer shall send the department a copy of the DAPIA approved stabilizing system design before the home is installed. The prefabricated components and stabilizing systems specified by the DAPIA approved stabilizing system shall be installed in accordance with the applicable conditions and instructions for the components and systems.

**§80.64. *Procedures for Alterations.***

- (a) No alteration, as defined in Chapter 1201 of the Standards Act, shall be made without prior written approval of the Department. A written request for any alteration approval shall be filed with the Department, except for the alterations which are pre-approved as described in this section. Approval will be granted upon evidence that Federal standards are met. If the alteration is approved, the alteration shall be completed in accordance with the Department's approval and any requirements made as a condition of the approval. Following completion of an approved alteration, the retailer shall notify the Department in writing, and the Department may accept the certification of the retailer that the alteration was made as approved. The Department may inspect the home, as altered, to assure compliance with the applicable standards.
- (b) If the sale of a home includes air conditioning, the selling retailer shall maintain in the sales file a record of the name and license number of the air conditioning contractor which installed the air conditioning system.

**§80.66. *Rebuilding or Repairing a "Salvaged" Manufactured Home.***

- (a) Any home which has sustained sufficient damage to be declared salvage as defined in §1201.461 of the Standards Act, may be rebuilt/repared for purposes of issuance

of a manufactured Statement of Ownership and Location at the option of the Department after inspection in accordance with Department procedures. Notification in writing to the Department at its Austin headquarter's office shall be required before rebuilding/repair begins.

- (b) The rebuilder must:
  - (1) notify the Department in writing ten (10) business days before rebuilding (or monthly for continuous activity) and provide the following, if available:
    - (A) HUD or Texas Seal number;
    - (B) data plate and comfort cooling certificate information (applicable wind and roof load zones, manufacturer's name and address, home model, list of appliance models, home production date, thermal zones, transmission coefficients, furnace certification temperatures, and duct capacity for cooling);
    - (C) copy of salvage declaration report if salvaged by an insurance company;
    - (D) description of damage;
    - (E) description of cause of damage (water, wind, impact, fire, etc.); and
    - (F) location of home during rebuilding.
  - (2) provide a plan for rebuilding, sealed by a licensed professional engineer, that contains the following:
    - (A) drawings and specifications that describe the rebuilding;
    - (B) if more than one home is rebuilt in any one (1) month period, then a quality assurance manual that describes the following:
      - (i) system testing;
      - (ii) inspection process of cavities before concealment; and
      - (iii) record keeping.
    - (C) list of new parts and appliances;
    - (D) list of reused or salvaged parts and appliances; and
    - (E) rebuilder's data plate (if applicable).

- (3) notify the Department when concealed cavities will be exposed for Department inspectors;
  - (4) remove damaged material and equipment;
  - (5) add new or used materials and equipment;
  - (6) repair all defects; and
  - (7) repair and test all systems.
- (c) The Department may schedule inspections of the home during the rebuilding process.
- (d) A manufactured home which has not sustained sufficient damage to be declared salvage may be refurbished to its original structural configuration so that it is habitable as defined by §1201.453 of the Standards Act.

#### **SUBCHAPTER E. GENERAL REQUIREMENTS**

##### ***§80.119. Installation Responsibilities.***

- (a) For new manufactured homes, the retailer is the installer and must warrant the proper installation of the home. If the retailer subcontracts with an independent licensed installer, then the subcontractor is jointly and severally liable for the portion of the installation that the subcontractor performed.
- (b) For used manufactured homes, the person contracting with the consumer for the installation of the home is the installer and must warrant the proper installation of the home. If the contracting installer subcontracts with an independent licensed installer, then the subcontractor is jointly and severally liable for the portion of the installation that the subcontractor performed. The contracting installer is responsible to furnish the consumer with the installation warranty and site preparation notice. All verification and copies of the installation warranty and site preparation notice must be maintained in the installer's installation file for a period of no fewer than six (6) years from the date of installation.
  - (1) A person contracting directly with the consumer for only the transportation of the used home to a manufactured home site is not the installer if the person does not perform or contract to perform any installation functions. In this case, the installer is the person that performs any aspect of the placement and erection of the used home and its components on the stabilization system, whether temporary or permanent.

- (2) The selling retailer may sell a used home and deliver possession to the consumer at the sales location (*e.g.*, F.O.B. the sales location). In this case, the retailer shall not perform any installation functions nor transport the home to the home site.
- (c) The installer is fully responsible for the complete installation in accordance with all applicable requirements set forth in this chapter even though the installer may subcontract certain installation functions to independent contractors pursuant to §1201.102(b) of the Standards Act. It is unlawful for a subcontractor who is acting as an agent for a licensed installer to advertise and/or offer installation services to any person unless the licensed installer's name appears prominently in the advertisement.
- (d) For each installation completed, the installer must complete a Notice of Installation (Form T) and submit the original, signed form with the required fee to the Department no later than the 15<sup>th</sup> day of the month after which the installation is completed. If an installer submits multiple installation reports at one time, a single payment for the combined fees may be submitted.
- (e) The completed Notice of Installation (Form T) may not be combined with the application for Statement of Ownership and Location. If a party to the transaction requires a copy of the Notice of Installation, the word "COPY" must be conspicuously stamped, typed, or written on it.
- (f) Electrical, fuel, mechanical, and plumbing system crossover connections for multi-section homes, and completion of drain lines underneath all homes in accordance with the requirements of this chapter are installer responsibilities and cannot be excluded by wording of the installation contract. The installation of air conditioning at the home site must be performed by a licensed air conditioning contractor. The installation and ventilation of skirting or other material that encloses the crawl space underneath a manufactured home is an installer responsibility, if it is part of the sales or installation contract.

**§80.120. *Manufacturer's Responsibilities.***

Manufacturers licensed with the Department shall:

- (1) Submit a monthly shipment report to the Department of all manufactured homes produced during the preceding month for shipment to any point in Texas.
  - (A) The report shall contain the following information:
    - (i) the complete HUD label number(s);
    - (ii) the complete serial number(s);

- (iii) the license number of the retailer as assigned by the Department;
  - (iv) a designation as to single or multiple sections; and
  - (v) the name and address of the person to whom it was shipped.
- (B) The manufacturer's monthly shipment report shall be filed with the Department by the 20th day of the month following the manufacture of the home and/or shipment.
  - (C) If a manufacturer has no sales or shipments to any person in the State of Texas during any month, the report must be filed stating such fact.
- (2) Use the Manufacturer's Certificate of Origin (MCO) prescribed by the Department in §80.260(a)(17) of this title for homes shipped to retailers in Texas; and
  - (3) Supply to the Department current and revised copies of approved installation manuals as required by §80.53 of this title (relating to Requirements for Manufacturer's Designs and Installation Instructions).

**§80.121. Retailer's Responsibilities.**

- (a) Manufactured housing retailers shall retain as part of each sales record and make available for copying and review by Department personnel, upon request during normal business hours, the following information:
  - (1) For all manufactured homes as applicable:
    - (A) name and address of the consumer and the date of purchase;
    - (B) verification that the consumer received the Formaldehyde Health Notice required by §1201.153 of the Standards Act;
    - (C) verification that the consumer was advised of the Wind Zone, thermal zone, and roof load zone for which the home was constructed. If this information is not available for a used home, the consumer will be advised of this fact and the used home will be disclosed as being constructed to Wind Zone I, thermal zone 1, and the roof load design for the South;
    - (D) verification that the consumer received the Wind Zone notice as required by §1201.256 of the Standards Act;

- (E) verification that the consumer received the site preparation notice;
  - (F) verification that the consumer received written notice of the two (2) year limitation of notice for filing a claim with the Department;
  - (G) verification that the disclosure required in subsection (e) of this section was provided to the consumer prior to completing a credit application;
  - (H) verification that the disclosure required in subsection (f) of this section was provided to the consumer prior to completing a credit application;
  - (I) copies of the Notice of Installation (Form T) and attached documents;
  - (J) if the sale of a home includes air conditioning, the name and license number of the air conditioning contractor which installed the air conditioning system in accordance with §80.64(c) of this title (relating to Procedures for Alterations);
  - (K) complete records of all alterations, in accordance with 24 CFR §3282.254;
  - (L) copies of the completed application for Statement of Ownership and Location and all supporting documentation; and
  - (M) copies of the purchase contract identifying the retailer's bond for homes sold at a qualifying location.
- (2) For all new manufactured homes:
- (A) verification that the manufacturer's new home warranty and retailer's installation warranty were delivered to the consumer pursuant to §1201.352(c) of the Standards Act (does not apply to damage caused by a move); and
  - (B) verification of the date that the manufactured home information card was mailed to the manufacturer.
- (3) For used manufactured homes:
- (A) verification that the consumer received the written 60-day habitability warranty; and
  - (B) if the retailer contracted for the installation as a part of the sales agreement, verification that a copy or the general description of the

retailer's installation warranty was given to the consumer prior to signing of any binding retail installment sales contract or other mutually binding agreement.

- (C) On the sale of a used home, the retailer or broker must provide the disclosure statement in §80.260(a)(11) of this title.
- (b) All verifications and copies of notices required by this chapter must be maintained in the retailer's sales file, and the sales file must be maintained for a period of not less than six (6) years from the date of sale. If a retailer has more than one sales location and wishes to maintain all of its records at a central location, it may do so provided that the retailer notifies the Department more than sixty (60) calendar days in advance that its records are being maintained at a central location in Texas by providing the address of such location. Absent such notice the records of a particular home must be maintained at the address where the home is in inventory and from which it was sold. If the retailer wishes to discontinue the centralization of its records or to change the address where its records are kept, the retailer must notify the Department more than sixty (60) calendar days in advance of the change of the location and the address and effective date of the new location.
- (c) For homes manufactured on or after September 1, 1997, a manufactured housing license holder shall not contract for sale of any home installed in a wind zone, thermal zone, or roof load zone other than that allowed on the data plate.
- (d) In a joint purchase, one consumer's signature is sufficient on any notice or disclosure statement as long as the consumer is on the sales documents.
- (e) Section 162 Notice. Before accepting a completed credit application from a consumer, a retailer (or any salesperson or other agent acting on behalf of a retailer) shall provide the disclosure form in §80.260(a)(2) or (b)(1) of this title.
  - (1) The English version of Section 162 Notice form is located in §80.260(a)(2) of this title.
  - (2) The Spanish version of Section 162 Notice form is located in §80.260(b) of this title. The retailer is not required to provide the form in Spanish; however, the consumer may request a copy in Spanish from the retailer or from the Department.
- (f) 163 Disclosure. In a chattel mortgage transaction in which the retailer is participating in any way, the retailer shall deliver to the consumer, before the first credit application, the disclosure form in §80.260(a)(3) of this title.
- (g) If a retailer relies on a third party, such as a title company or closing attorney, to file with the Department the required forms necessary to enable the Department to issue a Statement of Ownership and Location to a consumer, the retailer must provide an



instruction letter to that third party, advising them of their responsibilities to make such filings and the required timeframes therefor. This does not exculpate the retailer from responsibility. The retailer must retain with their sale records a copy of that instruction letter and all documentation provided to such third party to enable them to make such filings.

- (h) If any goods or services being provided by a retailer in connection with the sale and/or installation of a manufactured home are to be provided at a date after the installation, the retailer must disclose, in writing, the goods and/or services to be provided and a good faith estimate as to when they will be provided.
- (i) If any goods with a retail value of more than \$250 are to be provided in connection with the sale of a manufactured home and they are not specified on the data plate for the home, the retailer must describe them in the retail installment contract, purchase memorandum, or other sale document in sufficient detail to enable a third party to provide them under the responsibility of the retailer's surety bond should the retailer fail to provide them as agreed.
- (j) A retailer accepting a deposit must give the consumer a written statement setting forth:
  - (1) The amount of such deposit;
  - (2) A statement of any requirements to obtain or limitations on any such refund;
  - (3) The name and business address of the person receiving such deposit; and
  - (4) The HUD label number(s), Texas seal number(s), serial number(s) or, for a new home that is being special ordered, detailed description of the manufactured home to which such deposit relates.
- (k) Actions a retailer may not take:
  - (1) A retailer may not represent to a consumer that is purchasing a manufactured home with interim financing that the consumer will qualify for permanent financing if the retailer has any reason to believe that the consumer will not qualify for such permanent financing.
  - (2) A retailer may not increase the advertised price at which a manufactured home is to be sold based on the consumer's decision to make the purchase with or without financing provided by or arranged through the retailer.
  - (3) A retailer may not request or accept any document that is executed in blank or allow any alteration to a completed document without the consumer's initialing and dating such changes to indicate agreement to them. Where information is not available, a statement of that fact (*i.e.*, TBD – to be

determined) may be entered in the blank. A consumer must be provided with copies of all documents they execute.

- (4) A retailer may not knowingly accept or issue any check or other form of payment appearing on its face to be a *bona fide* payment but known not to represent good funds.
  - (5) A retailer may not negotiate or offer a deposit refund of less than is required by the Act. However, a retailer may, by written agreement with the consumer retain the amount of the deposit used to pay legitimate third party costs actually incurred, such as credit report fees or courier fees.
- (l) In order to comply with the requirements of §1201.107(d)(1) and (2) of the Standards Act, the applicable sales agreement must identify the surety bond that applies to the transaction and contain the statement set forth in §80.181(2) of this title.

**§80.122. Security Requirements.**

- (a) For purposes of meeting the security requirements of §1201.105 of the Standards Act, "other security" means an assignment of a certificate of deposit from or on a state or federally chartered bank or savings and loan association, properly signed and filed with the Department. If other security is posted, the other security must be maintained in or by a banking institution located in this state. Such deposits are hereinafter referred to as security. Forms shall be furnished by the Department for filing an assignment of such security. If such security is reduced by a claim, the license holder shall, within twenty (20) calendar days, make up the deficit as required by §1201.109(c) of the Standards Act. No advance notice is required by the Department to the license holder, but the Department shall verify receipt of the deposit.
- (b) An assignment of such security filed with the Department for compliance with §1201.105 of the Standards Act, shall remain on file with the Department for two (2) years after the person ceases doing business as a manufacturer, retailer, broker, rebuilder, or installer, or until such later time as the director may determine that no claims exist against the security. A bond or certificate of deposit may be filed in lieu of or to replace the assigned security. In the event a bond is filed to replace the assigned security and the initial effective date of the bond is the same or prior to the date of the assignment of security, such security or deposit may be immediately withdrawn upon request.
- (c) If the security requirement of a license holder is canceled during the annual license period, the license shall be automatically canceled on the date security coverage ceases.

- (d) To be exempt from the additional security as required by §1201.106(b) of the Standards Act, a manufacturer who does not have a manufacturing plant in this state must have a *bona fide* service facility.
  - (1) The manufacturer shall provide the Department with the name, address and phone number of the service facility, conspicuous notice of which shall be provided to each Texas retailer who purchases homes from the manufacturer.
  - (2) The service facility shall be capable of compliance with the provisions of Sub-part I of the Manufactured Housing Improvement Act (latest edition) and capable of providing warranty service within the reasonable time requirements set by the Department in §80.132 of this title (relating to Procedures for Handling Consumer Complaints), and shall be subject to periodic review and inspection by Department personnel.
  - (3) If the Department determines that the requirements of paragraph (2) of this subsection have not been met, notice must be sent of that determination and of the requirement of an additional bond amount.

**§80.123. License Requirements.**

- (a) General License Requirements.
  - (1) Manufacturer. Any person constructing or assembling new manufactured housing for sale, exchange, or lease purchase within this state shall be licensed as a manufacturer. An application shall be submitted on the form required by the Department and shall be completed giving all the requested information. The application shall be accompanied by the required security, Articles of Incorporation or Assumed Name Certificate, and payment of the license fee. Every distinct corporate entity must be separately licensed. Each separate plant location operated by a license holder which is not on property which is contiguous to or located within 300 feet of the license holder's licensed manufacturing facility requires a separate license and security.
  - (2) Retailer. Any person engaged in the business of buying for resale, selling, or exchanging manufactured homes or offering such for sale, exchange, or lease purchase to consumers shall be licensed as a retailer. An application for license shall be submitted on the form required by the Department and be completed giving all the requested information. The application shall be accompanied by the required security, Articles of Incorporation or Assumed Name Certificate, and payment of the license fee. No person shall be considered a retailer unless engaged in the sale, exchange, or lease purchase of two or more manufactured homes to consumers in any consecutive twelve (12) month period. Sales, exchanges, or lease purchases by any employee or agent of a business entity are deemed to be sales of the business entity. Each separate sales location which is not on property which is contiguous to or

located within 300 feet of a licensed sales location requires a separate license and security.

(3) Broker.

(A) Any person engaged by one or more other persons to negotiate or offer to negotiate bargains or contracts for the sale, exchange, or lease purchase of a manufactured home to which a Statement of Ownership and Location has been issued and is outstanding shall be licensed as a manufactured housing broker. An application for license shall be submitted on the form required by the Department and be completed giving all the requested information. The application shall be accompanied by the required security, Articles of Incorporation or Assumed Name Certificate, and payment of the license fee. Each office location of the broker shall be licensed and proper security posted unless an office is on property which is contiguous to or located within 300 feet of an office licensed with the Department.

(B) A broker shall not maintain a location for the display of manufactured homes without being licensed as a retailer.

(4) Rebuilder. Any person who desires to be licensed by the Department to alter, repair, or otherwise rebuild a salvaged manufactured home, as that term is defined in §1201.461 of the Standards Act, within this state, shall be licensed. An application shall be submitted on the form required by the Department and shall be completed, giving all the requested information. The application shall be accompanied by the required license fee and Articles of Incorporation or Assumed Name Certificate.

(5) Installer.

(A) Every person who contracts to perform or performs installations shall submit the required security, complete the necessary license forms and any other information needed, and be issued a license prior to performing an installation function. The required license fee, as specified in §80.20 of this title (relating to Fees) must accompany the application for license and Articles of Incorporation or Assumed Name Certificate.

(i) Each applicant for license shall have public liability insurance coverage, including completed operations coverage in an amount of not less than \$300,000 for bodily injury each occurrence and property damage insurance in an amount of not less than \$100,000 each occurrence. A combined single limit of \$300,000 will be considered to be in compliance with this section. If the applicant will be engaged in the

transportation of manufactured housing incidental to the installation, the applicant must also have motor vehicle liability insurance coverage in an amount of not less than \$250,000 bodily injury each person, \$500,000 bodily injury each occurrence, \$100,000 property damage each occurrence. A combined single limit of \$500,000 will be considered to be in compliance with this section. Cargo insurance on each home or transportable section of not less than \$50,000 per towing motor vehicle is required.

- (ii) At the time of initial license and on renewal, a certificate of insurance must be filed with the Department by the insurance carrier or its authorized agent certifying the kind, type and amount of insurance coverage and which provides for thirty (30) calendar days notice of cancellation. If the applicant does not provide proof of the required motor vehicle liability insurance and the cargo coverage, the applicant must sign an affidavit that the applicant will not engage in any transportation of manufactured housing. If the applicant transports only his/her own property, and furnishes the Department with an affidavit attesting to that fact, cargo coverage is not required.
  - (iii) An installer, also licensed as a retailer, may satisfy the insurance requirements by filing a certificate of insurance which shows that the license holder has motor vehicle-garage liability coverage including completed operations, and has dealer's physical damage (open lot) including transit insurance coverage in amounts not less than those set forth in clause (i) of this subparagraph.
  - (iv) If the required insurance coverage expires or is canceled, and proof of replacement coverage is not received prior to the expiration date or date of cancellation, the installer's license is automatically terminated.
- (B) The installer responsible for the installation in accordance with the provisions of §80.119 of this title (relating to Installation Responsibilities) shall maintain a file containing a copy of the installation report as filed with the Department.
- (6) Homeowner's Temporary Installation.
- (A) A homeowner may apply for a temporary license as an installer for the purpose of installing such owner's used manufactured home. The application shall be submitted on a form and contain such information

as required by the Department, and it must be accompanied by a cashier's check or money order payable to TDHCA in payment for the required fee, as specified in §80.20 of this title. The issuance of a homeowner's temporary installer's license by the Department shall not relieve any warranty responsibility required by the Standards Act except for damage or defects which may occur as a result of the installation of the home by the homeowner.

- (B) The application must be accompanied by a certificate of insurance issued by the insurance carrier or its authorized agent to prove insurance coverage for the installation of the home as follows: public liability insurance coverage including completed operations in an amount of not less than \$300,000 for bodily injury each occurrence and property damage insurance in an amount of not less than \$100,000 each occurrence, for which a combined single limit of \$300,000 will be considered to be in compliance with this section; and motor vehicle liability insurance coverage of not less than \$250,000 bodily injury each person, \$500,000 bodily injury each occurrence and \$100,000 property damage each occurrence, for which a combined single limit of \$500,000 will be considered to be in compliance with this section. A copy of the home manufacturer's installation instructions, custom designed installation instructions stamped by a Texas licensed professional engineer or architect, or an installation plan with details and specifications conforming to the state's generic standards shall accompany the application.
  - (C) Upon approval of the application, the homeowner will be issued a temporary license for the installation of that home set out in the application and a temporary installer's (TI) number. The temporary license shall be valid only for thirty (30) calendar days.
  - (D) The temporary installer's (TI) number must be displayed on the back of the home in letters and figures not less than 8 inches in height when the home is moved over the roads, streets, or highways in this state.
- (7) Salesperson.
- (A) The salesperson is an agent of the retailer or broker for whom sales or lease-purchases, or offers, are made. The retailer or broker is liable and responsible for the acts or omissions of a salesperson in connection with the sale or lease-purchase of a manufactured home. It is a violation of the Standards Act and this chapter for a retailer or broker of manufactured housing to employ a salesperson who is not licensed with the Department.

- (B) An application for license must be made by every salesperson. Each applicant for a salesperson's license must file with the Department an application for license on a form provided by the Department containing:
    - (i) the full legal name, permanent mailing address, date of birth, telephone number, Texas driver's license number or Texas identification number, and social security number of the applicant;
    - (ii) places of employment of the applicant for the preceding three (3) years, providing the name of firm(s), address(es), and dates of employment; and
    - (iii) a statement that the applicant is the authorized agent for a licensed and bonded manufactured housing retailer; the statement shall be signed by the sponsoring retailer. If there is a change in name, address, telephone, email address, or employer, an amended application must be submitted to the Department within ten (10) calendar days of this change.
  - (C) Except as may otherwise be authorized, the fee for a salesperson's license shall be submitted to the Department in the form of a cashier's check or money order. Salesperson licenses shall be valid for a period of two years from the date of issuance.
  - (D) Payment of the renewal fee shall be made via Texas Online or submitted to the Department along with the completed license renewal notice prior to the expiration of the current license.
  - (E) Salespersons shall be issued a license card by the Department containing effective date and license number. The salespersons shall be required to present a valid license card upon request.
- (8) Applicable License Holder Ownership Changes.
- (A) A license holder shall not change the location of a licensed business unless the license holder first files with the Department:
    - (i) a written notification of the address of the new location;
    - (ii) an endorsement to the bond reflecting the change of location; and
    - (iii) the original license.

- (B) The change of location is not effective until the notification and endorsement are received by the Department.
  - (C) For a change in ownership of less than fifty percent (50%) of the licensed business entity, no new license is required provided that the existing bond or other security continues in effect. However, the current Articles of Incorporation or Assumed Name Certificate must accompany the request.
  - (D) For a change in ownership of fifty percent (50%) or more, the license holder must file with the Department, along with the appropriate fee and Articles of Incorporation or Assumed Name Certificate:
    - (i) a license addendum by the purchaser providing information as may be required by the Department; and
    - (ii) certification by the surety that the bond for the licensed business entity continues in effect after the change in ownership; or
    - (iii) an application for a new license along with a new bond or other security and proof that the education requirements of §1201.113 of the Standards Act, have been met.
- (b) Education Requirements for Manufacturers, Retailers, Brokers, and Installers.
- (1) Effective September 1, 1987, all applicants for license, except salespersons, shall attend and complete 20 hours of educational instruction as required by the Standards Act and this chapter. A manufacturer may request a one-day in-plant training session be presented by the Department in lieu of completing the instruction requirement. The license will not be issued until the owner, partner, corporate officer, or other person who will personally have the day-to-day management responsibility for the business location attends and completes this educational requirement. This section shall not apply to the renewal of licenses, nor to the license of additional business locations.
  - (2) Approving a training program conducted by a nonprofit educational institution or foundation as sanctioned by §1201.104(c)(2) of the Standards Act.
    - (A) An organization requesting approval to conduct the educational course required by the Standards Act must file a course approval request and course materials at least ninety (90) calendar days before the date of the first scheduled presentation. The director shall deliver a written notice of approval or denial no later than thirty (30) calendar days after receiving the request. If denied, the requestor may resubmit



the course with corrections. The director will deliver a written notice of approval or denial no later than fifteen (15) calendar days after receiving the re-submittal.

- (i) Approval of Training Program: The director will approve the training program if the requirements in this subsection are met and the materials submitted comply with the required course topics in subparagraph (C) of this paragraph.
  - (ii) Denial of Training Program: The director will not approve the training program if the requirements are not met and the materials submitted do not comply with the required course topics in paragraph (3) of this subsection. The requestor will receive a written notice detailing the reason(s) for the denial. The requestor may re-submit the course with corrections as mentioned in subparagraph (A) of this paragraph.
- (B) As a prerequisite for a license, the course must be twenty (20) hours in length and provide instruction in the law and consumer protection regulations.
- (C) An educational training course shall consist of the following topics:
- (i) Presentation of the Law and Rules.
    - (I) Occupations Code, Chapter 1201, the Standards Act
    - (II) Chapter 80, Texas Administrative Code, Administrative Rules
    - (III) Texas Finance Code (applicable sections)
    - (IV) Texas Transportation Code (applicable sections)
    - (V) Federal Truth -in-Lending Act
    - (VI) Property Code
  - (ii) Statement of Ownership and Location.
    - (I) Seals
    - (II) Application Fees
    - (III) Application Processing

- (IV) Description of Forms
- (V) Property Election
- (iii) Licensing.
  - (I) Manufacturer Application Form Requirements
  - (II) Retailer Application Form Requirements
  - (III) Installer Application Form Requirements
  - (IV) Salesperson Application Form Requirements
  - (V) Broker Application Form Requirements
  - (VI) Salvage/Rebuilder Application Form Requirements
  - (VII) Insurance and Bond Requirements
  - (VIII) License Renewal and Revision Requirements
  - (IX) Sale of non-habitable homes
  - (X) Retailer and Installer Responsibilities
- (iv) Installations.
  - (I) Anchoring, supporting, and multi-section connecting standards
  - (II) Requirements for Completing the Installation Inspection Report Form
- (v) Consumer Complaints.
  - (I) Consumer Complaint Process
  - (II) Delivery of Warranty
  - (III) Correction Requirements
  - (IV) Requirements for Completing the Complaint Forms
- (vi) Dispute Resolution.

- (I) Dispute Resolution Process
  - (II) Texas Government Code, Chapter 2306
  - (III) Federal Trade Commission Manual: "How to Advertise Consumer Credit"
  - (IV) Business & Commerce Code, Deceptive Trade Practices (applicable sections)
- (D) The training organization must provide each attendee of the class with written proof of having completed the entire 20 hour course.
- (E) The primary administrator for the training program will be notified by the director of changes to the Law and Rules and the date that the changes will become effective.
- (F) The director may revoke course approval for failure to comply with the standards or procedures set forth in this paragraph. Unless surrendered or revoked for cause, the approval will be valid for a period of two (2) years.
- (3) Continuing Education Requirements for Salespersons.
- (A) Acceptable evidence that the requirements of §1201.113(e) of the Standards Act have been satisfied would be a certificate, letter, or similar statement provided by the approved education provider indicating that the course was completed within the ninety (90) days allowed. Such evidence may be submitted by fax, mail, e-mail, or in person.
    - (i) For initial licensing, if evidence of attendance is not received by the Department's close of business on the ninety-fifth (95th) day after the effective date of the license, the Department will initiate the suspension process.
    - (ii) For license renewal, evidence of attendance with reference to license number must be received by the Department before a salesperson's license may be renewed.
  - (B) Approval of courses and providers. In order to be considered for approval by the Board to provide continuing education courses a party wishing to be considered for such approval must submit, for each course for which approval is sought, a letter application, accompanied by the nonrefundable processing fee, and the following:

- (i) A narrative overview of the course, describing subject matter to be covered;
  - (ii) Brief biographies, including credentials, of each instructor;
  - (iii) A copy of any course materials to be used. If the course materials are deemed to be proprietary they should be placed in a separate envelope, marked confidential, and accompanied by a written statement as to why they should not be treated as open records. There is no assurance that such materials will ultimately be accorded any exemption from disclosure under the Open Records provisions of the Government Code. If the course is to be offered online, a hard copy of the material as well as an electronic version must be submitted.
  - (iv) A schedule of fees to be charged for the course;
  - (v) As such information becomes available, an indication as to the locations, times, and dates for offerings, or if provided online, instructions for how and when the course may be taken; and
  - (vi) Such other information as the Department may require.
- (C) Once the staff determines that a request for approval is complete, that request will be placed on the next regularly scheduled meeting of the board of Directors for consideration. The staff will provide the board with a written recommendation on each such request. The staff will advise the applicant of the board's action within ten (10) business days of the date of the board meeting, including a written statement as to any limitations, conditions, or other requirements imposed.
- (i) Approvals shall be for a period not to exceed two years. The Director may, at no cost, send a representative to attend any approved course to determine that the course is being taught in accordance with the terms of approval.
  - (ii) The Director may revoke or suspend approval of a course if the Director determines that the course is not being taught in accordance with the terms of approval or that the course is not being administered in accordance with the law or these rules. Any action to revoke or suspend such an approval is a contested matter under Chapter 2001, Government Code, and the party against whom revocation or suspension is sought may make a written request for a hearing before an Administrative Law Judge. If no such hearing is requested within thirty (30) calendar days after receipt of notice from the

Director, the Director's order of suspension or revocation shall become final.

- (c) License Application and Renewal.
  - (1) Application and Appeals.
    - (A) Initial application processing.
      - (i) It is the policy of the Department to issue the license within seven (7) business days after receipt of all required information and the following conditions have been met:
        - (I) all required forms are properly executed; and
        - (II) all requirements of applicable statutes and Department rules have been met.
      - (ii) License applications and accompanying documents received shall be processed and issued within seven (7) business days if all conditions for license have been met.
      - (iii) License applications and accompanying documents found to be incomplete or not properly executed shall be returned to the applicant with an explanation of the specific reason and what information is required to complete license. Upon receipt of all required information, the license will be issued within seven (7) business days.
      - (iv) Upon written request, the Department will call the license holder and provide the license number assigned.
    - (B) Appeals. Applicants may appeal any dispute arising from a violation of the time periods set for processing an application. An appeal is perfected by filing with the director a letter explaining the time period dispute. The letter of appeal must be received by the director no later than twenty (20) calendar days after the date of the letter of explanation from the Department outlined in subparagraph (A)(iii) of this paragraph. The Department will decide the appeal within twenty (20) calendar days of the receipt of the letter of appeal by the director.
  - (2) License Renewal Requirements. It is the responsibility of the license holder to renew the license prior to its expiration date.
    - (A) The Department will mail each license holder a renewal notice and application for renewal at least forty-five (45) calendar days prior to

the date on which the current license expires. Notice will be mailed to the last known address indicated in Department records.

- (B) In order to prevent the expiration of a license, a complete application for license renewal must be received by the Department prior to the date on which the current license expires.
- (C) If an application for license renewal is received by the Department after the date on which the current license expires, the license will not be issued without the required late fees identified in §1201.116(d) and (e) of the Standards Act.

(3) Payment of license fees.

- (A) All required fees must be paid in order to obtain a valid license, including a renewal license, from the Department.
- (B) Any license issued by the Department is void and of no effect if based upon a check or other form of payment that is later returned for insufficient funds, closed account, or other reason, regardless of whether the Department notifies the applicant of the insufficiency of payment or the invalidity of the license.
- (C) It is the applicant's responsibility to ensure that all licensing fees are paid in valid U.S. funds.

(d) Denial, suspension, revocation, and appeals.

- (1) Denial, Suspension, Renewal Denial, or Revocation of License Relating to Repeat Violations of the Standards Act or Department Rules.
  - (A) The following criteria shall be utilized to determine whether an applicant shall be issued or renewed a license if the applicant within the last two years from the date of the application has:
    - (i) two Agreed Final Orders of the same kind or type of violations; or
    - (ii) one Final Order of the same kind or type of violations.
  - (B) If the Department suspends, revokes, or denies renewal of a valid license, or denies a person's license or the opportunity to be examined for a license in accordance with this subsection because of the person's prior violations history, the Department shall:

- (i) notify the person in writing stating reasons for the suspension, revocation, renewal denial, denial of disqualification; and
  - (ii) offer the person the opportunity for a hearing on the prior violation history.
- (2) Denial, Suspension, Renewal Denial, or Revocation of License relating to the history of non-compliance with the Standards Act and Rules.
  - (A) The Department will consider the background of the applicant, license holder, sole proprietor, partner officer, managing employee, chief executive officer, chief executive operating officer, and directors of a corporation.
  - (B) In the evaluation the Department will consider the non-compliance history with the Standards Act and this chapter and will comply with the Texas Government Code, Chapter 2001, in proceeding with denial, suspension, or revocation of a license.
- (3) Denial, Suspension, Renewal Denial, or Revocation of License Relating to Criminal Background.
  - (A) The following criteria shall be utilized to determine whether an applicant shall be issued a license if that applicant states in his/her application for said license that he/she has a record of criminal convictions within five (5) years preceding the date of the application:
    - (i) the nature and seriousness of the crime;
    - (ii) the relationship of the crime to the intended manufactured housing business activity;
    - (iii) the extent to which a license holder might engage in further criminal activity of the same or similar type as that in which the applicant previously had been involved;
    - (iv) the relationship of the crime to the ability, capacity, or fitness required to perform the duties and discharge the functions and responsibilities of the license holder's occupation or industry; and
    - (v) whether the offenses were defined as crimes of moral turpitude by statute or common law, from Class A misdemeanors to first, second, and third degree felonies carrying fines and/or imprisonment or both. Special emphasis

shall be given to the crimes of robbery, burglary, theft, embezzlement, sexual assault, and conversion.

- (B) In addition to the factors that may be considered in subparagraph (A) of this paragraph, the Department, in determining the present fitness of a person who has been convicted of a crime, may consider the following:
  - (i) the extended nature of the person's past criminal activity;
  - (ii) the age of the person at the time of the commission of the crime;
  - (iii) the amount of time that has elapsed since the person's last criminal conviction;
  - (iv) the conduct and work activity of the person prior to and following the criminal conviction;
  - (v) evidence of the person's rehabilitation or attempted rehabilitation effort while incarcerated or following release; and
  - (vi) other evidence of the person's present fitness, including letters of recommendation from prosecution, law enforcement, and correctional officers who prosecuted, arrested, or had custodial responsibility for the person; the sheriff and chief of police in the community where the person resides; and any other persons in contact with the convicted person.
- (C) It shall be the responsibility of the applicant to the extent possible to secure and provide to the Department the recommendations of the prosecution, law enforcement, and correctional authorities as required by this subsection.
- (D) The applicant shall furnish proof in any form, as may be required by the Department, that he/she has maintained a record of steady employment and has otherwise maintained a record of good conduct and has paid all outstanding court costs, supervision fees, fines, and restitution as may have been ordered in all criminal cases in which the applicant was convicted.
- (E) If the Department suspends or revokes a valid license, or denies a person a license or the opportunity to be examined for a license in accordance with this subsection because of the person's prior



conviction of a crime and the relationship of the crime to the license, the Department shall:

- (i) notify the person in writing stating reasons for the suspension, revocation, denial, or disqualification; and
  - (ii) offer the person the opportunity for a hearing on the record.
- (4) A proceeding to suspend a salesperson's license may be initiated upon failure by a salesperson to fulfill the education required by §1201.113(e) of the Standards Act.

**§80.125. Advertising Regulations.**

- (a) A license holder is prohibited from publishing or distributing any form of advertising which is false, deceptive, or misleading.
- (b) There are no restrictions on:
  - (1) the use of any advertising medium;
  - (2) a person's personal appearance or the use of a person's voice in an advertisement;
  - (3) the size or duration of an advertisement; or
  - (4) the use of a trade name in an advertisement.
- (c) Any advertisement must comply with applicable federal and state laws.
- (d) Any advertisement by a retailer, broker, or installer (other than a sign/display advertisement at a licensed location, point of sale literature, or a price tag) must disclose the license number of the person who is advertising.
- (e) Any advertisement by a salesperson must disclose the name and license number of their sponsoring retailer identified on their valid salespersons license.
- (f) Where no consumer protection purposes would be served by requiring the license number to be disclosed, the director may grant exceptions to subsections (d) and (e) of this section based on the director's approved format. Exceptions will be posted on the Department's website.

**§80.126. Rules for Hearings.**

- (a) Unless otherwise expressly set forth in the Standards Act or this chapter, all hearings shall be held and conducted pursuant to the applicable provisions of Government Code, Chapter 2001.
- (b) Any party to a hearing may request that a record of the hearing be made and transcribed by an independent court reporter, other than an employee of the Department. Such request must be made not later than seven (7) calendar days prior to the hearing. The additional cost and expense of the independent court reporter may be assessed against the party making the request. In all hearings, the published rules and regulations of the secretary of HUD shall be considered, if relevant. If the Department believes that such rules and regulations are relevant to any issue to be involved in the hearing, the notice of hearing shall specifically refer to such HUD rules and regulations.
- (c) If, after receiving notice of a hearing, a party fails to appear in person or by representative on the day and time set for hearing or fails to appear by telephone in accordance with Government Code, Chapter 2001, the hearing may proceed in that party's absence and a default judgment may be entered.
- (d) Any person for whom a license was revoked, denied, or suspended by a final order issued after a hearing under Government Code, Chapter 2001, may only be issued a new license after a hearing under Government Code, Chapter 2001, and determination by the director that the certificate of license may be issued.
- (e) Pursuant to the Administrative Procedures Act, each party has the right to file exceptions to the Proposal for Decision and present a brief with respect to the exceptions. All exceptions must be filed with the Department within ten (10) business days of the Proposal for Decision, with replies to be filed ten (10) business days after the filing of exceptions.
- (f) When an administrative hearing is held for any matter in which the Department seeks to take action against a licensee for violating the Standards Act or these rules, whether such action is an action to assess administrative penalties, to require corrective action, to require cessation of improper activities, to suspend or revoke a license, or any combination thereof, the Department shall assess the costs of the proceeding against any party that fails to appear at a duly noticed administrative hearing. The costs assessed shall be the greater of \$100 or the actual costs charged to the Department by the State Office of Administrative Hearings, the Office of the Attorney General, any court reporter, or any other third party providing services in connection with such hearing.
- (g) The Department will seek the recovery of its costs from any party against whom it initiates an action if that action results in the entry of a final order taking any administrative action against that party, including the assessment of administrative

penalties, requiring corrective action, requiring cessation of improper activities, suspension or revocation of a license, or any combination thereof.

**§80.127. Sanctions and Penalties.**

- (a) In accordance with the provisions of Government Code, Chapter 2306, §2306.604, the director may assess and enforce penalties and sanctions against a person who violates any applicable law, rule, regulation, or administrative order of the Department. The director may:
  - (1) issue to the person a written reprimand that specifies the violation;
  - (2) revoke or suspend the persons license;
  - (3) place on probation a person whose license is suspended; or
  - (4) assess an administrative penalty in an amount not to exceed \$1,000 for each violation in lieu of, or in addition to, any other sanction or penalty.
  
- (b) In determining the amount of a sanction or penalty, the board and the director shall consider:
  - (1) the kind or type of violation and the seriousness of the violation;
  - (2) the history of previous violations; the kind or type of previous violations, and the length of time between violations;
  - (3) the amount necessary to deter future violations;
  - (4) the efforts made to correct the violation or previous violations; and
  - (5) any other matters that justice may require.
  
- (c) Violations will be subject to sanctions and penalties as set forth in Government Code, Chapter 2306, §2306.6023. Revocation or suspension of a license may be assessed only for multiple, consistent, and/or repeated violations. For first-time violations of a Department rule which does not relate to the construction or installation of the home, a voluntary letter of compliance will be issued in lieu of other sanctions.
  
- (d) When a licensee first receives written notification of a claim for warranty service, the licensee must respond timely to the request. A failure to do so shall constitute a violation of these rules.
  - (1) It is presumed that a response was timely if the required warranty service is provided within forty (40) calendar days from the date of the request;

provided, however, immediate corrective action is required if the matter involves an imminent safety hazard.

- (2) The time to respond to a request for warranty service may be extended by the Director in response to a request setting forth good cause for the extension. Any such request must be made to the Director prior to the expiration of the allotted time for response. Requests may be made by U.S. First Class mail, by FAX, or by e-mail, or, if followed with written confirmation sent U.S. First Class mail, by telephone.
  - (3) If, after reasonable investigation, the licensee disputes whether warranty service is required and the licensee is unable to resolve the matter by agreement with the consumer, the licensee may request that the Department perform an inspection of the home. The running of the time to respond to the request for warranty service will be suspended from the time the request for inspection is received until the Department performs the inspection and issues its findings. When the Department concludes its review it will work with the affected licensee(s) and consumer(s) to agree upon a reasonable time to address its findings. In the event the parties cannot agree on a reasonable time, the Director shall issue a revised order assigning a time for compliance. Any such order shall be subject to appeal and a hearing. Any such hearing shall be a contested case under Tex.Gov.Code, Chapter 2001.
- (e) All written notices and preliminary reports of violations shall specify in detail the particular law, rule, regulation, or administrative order alleged to have been violated along with a detailed statement of the facts on which the allegation is based.
  - (f) The respondent in an administrative hearing shall be entitled to due process and a hearing under the provisions of Government Code, Chapter 2001 and Chapter 2306. The respondent and the director may enter into a compromise settlement agreement in any contested matter prior to signing of the final order.
  - (g) A violation that constitutes an imminent threat to health or safety may be a basis for pursuit of maximum statutory penalties and/or suspension or revocation of licenses as provided in the Standards Act regardless of whether it is a first or reoccurring occurrence.
  - (h) Anytime the record indicates that there is a high likelihood that a licensee's violation is a direct result of a systemic problem, it is appropriate to request the licensee to develop a plan to prevent future occurrences. Undertaking to develop such a system is an appropriate mitigating factor to be taken into account in determining what penalty to pursue.
  - (i) Any and all penalties are IN ADDITION to full compliance with the Standards Act and Rules (*i.e.*, full, prompt corrective action, restitution, or whatever else the Standards Act and rules would have required in the first place). Failure to provide

such compliance on a timely basis, as specified in the applicable order, will be deemed to be a violation of the order and serve as a basis for pursuing additional administrative action, including the assessing of additional penalties and the pursuit of suspension or revocation of licenses.

- (j) The Enforcement Matrix is located in §80.240(a)(12) of this title.

**§80.128. *Arbitration Rules.***

- (a) *Definitions for Arbitration.* The following words and terms when used in this chapter shall have the following meanings, unless the context clearly indicates otherwise:
  - (1) Authorized representative - An attorney authorized to practice law in the State of Texas or a person designated by a party to represent the party.
  - (2) Award - The written decision of the arbitrator.
  - (3) Chief judge - The chief administrative law judge of the State Office of Administrative Hearings (SOAH) or his/her designee.
  - (4) Department - The Manufactured Housing Division of the Texas Department of Housing and Community Affairs (TDHCA).
  - (5) Dispute - The factual and/or legal controversy including the amount of the claim.
  - (6) Manufactured Homeowners' Recovery Trust Fund (Fund) - A special fund reserved for the payment of valid consumer claims and other authorized expenses of the Department.
  - (7) Party/Parties - Consumer, manufactured housing license holder of the Department, or a surety company, or the Department in cases that potentially impact the Fund, and persons who hold, or have previously held, a security interest in the manufactured home, and any other person involved in the dispute who agrees to the arbitration.
  - (8) Surety bond - A bond or security filed with the Department which shall be open to successive claims.
  - (9) Surety - Person or organization which undertakes to pay money or perform another act if his principal fails to do so.
- (b) Election of Arbitration and Options.

- (1) The Department finds that the manufacture and sale of manufactured homes affects interstate commerce; accordingly, the parties may agree on binding arbitration under Title 9, United States Code.
  - (2) The binding arbitration shall not supersede nor interfere with the Department's informal dispute resolution process. The parties must submit all disputes involving warranties to the Department for processing through the informal dispute resolution process.
  - (3) The parties may elect to use private, local, regional, or national arbitration services or may select arbitrators proposed by the SOAH as set forth in this section. This election must be set forth in the written agreement for binding arbitration.
  - (4) Arbitrators shall be selected by mutual agreement of the parties or in accordance with the specific provisions of the written agreement for binding arbitration.
- (c) *Qualifications for Arbitrators.* Unless provided by the SOAH, potential arbitrators must have the following minimum standards:
- (1) at least five (5) years of experience in the legal profession; or
  - (2) at least five (5) years experience in the resolution of claims with experience as a presiding officer; or
  - (3) at least ten (10) years of experience in the regulation of the manufactured housing industry; and
  - (4) the attributes necessary to be a successful arbitrator, including expertise, honesty, integrity, impartiality, and the ability to manage the arbitration process.
- (d) Awards.
- (1) The arbitrator may grant any remedy or relief that the arbitrator deems just and equitable within the scope of the parties, including, but not limited to, specific performance of a contract. However, the award must be consistent with applicable state and federal law, including the Standards Act, Government Code, Chapter 2306, Title 9, United States Code, and this chapter.
  - (2) The award shall be based on the facts established in the arbitration proceeding, in the opinion of the arbitrator or a majority of the arbitrators, including stipulations of the parties and on the state and federal statutes and formal rules and regulations, as properly applied to those facts.

- (3) Subject to the limitations set forth in this section, the arbitrator may assess arbitration fees, expenses, and compensation.
  - (4) If there is more than one arbitrator, all decisions must be made by a majority.
  - (5) The award must:
    - (A) be in writing;
    - (B) be dated and signed by the arbitrator or a majority of the arbitrators; and
    - (C) state the basis of, and the rationale for, the award.
  - (6) The award is final and binding on all parties. Parties may apply to the state or federal district courts for confirmation, vacation, modification, or correction of the award only to the extent allowed under Title 9, United States Code.
  - (7) Solely for the purpose of correcting clerical errors, the arbitrator retains jurisdiction of the award for twenty (20) calendar days after the date of the award.
- (e) Duties of the Arbitrator.
- (1) The arbitrator shall afford a full and equal opportunity to all parties for the presentation of any material and relevant evidence and shall protect the interests of all parties.
  - (2) If the dispute may involve the Fund, the arbitrator shall notify the Department in writing as soon as she/he has knowledge of this fact and shall provide the Department the opportunity to introduce evidence or present arguments relating to the claim against the Fund.
  - (3) Copies of the award shall be served on all parties and to the Department.
- (f) Costs of Arbitration.
- (1) The costs of arbitration shall be paid by the parties. The arbitrator shall apportion the costs between the parties as in her/his discretion is fair, just, and equitable, subject to the limitation of consumers' costs in this subsection.
  - (2) The costs of arbitration to the consumer are limited to a maximum of:
    - (A) \$250 if the claims for damages do not exceed \$50,000;

- (B) \$500 if the claims for damages exceed \$50,000 but do not exceed \$250,000; or
  - (C) \$1,000 if the claims for damages exceed \$250,000.
- (3) The costs of arbitration shall include the fee or fees for the arbitrator or arbitrators and all incidental expenses directly related to the conduct of the arbitration proceeding.
- (4) Subject to the limitation of consumers' costs in this subsection, costs shall be paid in accordance with the rules of the arbitrator, or if the SOAH is selected to handle the arbitration, in accordance with the provisions of subsection (j) of this section.
- (g) *Notice To Department.* All notices required to be sent to the Department shall be sent to TDHCA, Manufactured Housing Division, P. O. Box 12489, Austin, Texas 78711.
- (h) *Notice To Surety Companies.* Upon receipt of a notice of intent to arbitrate, the Department shall furnish the selected arbitrator with a list of the surety companies of the license holders involved in the dispute to be given notice of the proceeding and an opportunity to participate.
- (i) *Arbitration Not Using SOAH.* The provisions of this subsection relate only to arbitrations for which the parties have agreed to use the services of a private, local, regional, or national arbitration service.
  - (1) Subject to the provisions of subsections (a)-(h) of this section, the parties shall follow the rules of the applicable arbitration service.
  - (2) The party requesting the arbitration shall file a written notice of intent to arbitrate with the Department. The written notice shall:
    - (A) contain the name, address, telephone and facsimile number of the selected arbitrator or arbitrators and, if applicable, the arbitration organization through which the arbitration will be conducted;
    - (B) contain a description of the nature of the dispute and the remedy sought along with a description of the manufactured home by HUD/Seal number and serial number and the date of sale or occurrence; and
    - (C) have attached a copy of the written agreement for the binding arbitration.



- (j) *Arbitration Using SOAH.* The provisions of this subsection relate only to arbitrations for which the parties have agreed to use the services of SOAH. Subject to the provisions of subsections (a)-(h) of this section, the parties shall follow these additional rules.
- (1) A written notice of intent to arbitrate shall be filed with the Manufactured Housing Division of the Department and all involved parties by certified mail, return receipt requested. This notice of intent shall include a written statement that contains the following:
- (A) a statement that the parties have agreed in writing to submit their dispute to arbitration under these rules;
  - (B) the nature of the dispute that is being submitted to arbitration, including a complete description of the manufactured home by HUD/Seal and serial number, and date of sale or occurrence;
  - (C) a brief description of the factual and/or legal controversy, including the amount in controversy, if any;
  - (D) the remedy sought;
  - (E) any special information that should be considered in compiling a panel of potential arbitrators; in the event the parties fail to indicate the number of arbitrators to be used, the dispute shall be heard and determined by one arbitrator;
  - (F) a statement that the hearing locale shall be determined by the arbitrator pursuant to paragraph (14)(D) of this subsection;
  - (G) a list of all parties, and their attorneys or representatives, including addresses, telephone and facsimile numbers;
  - (H) a nonrefundable filing fee of \$100 made payable to the Department;
  - (I) an estimate of length of the hearing in hours. This estimate must be approved by the Department before arbitration can begin; and
  - (J) a deposit equal to 150% of the estimated cost of the hearing, payable to the Department. This deposit is calculated by multiplying the estimated length of number of hearing hours by \$70. This figure is then multiplied by 1.5, and the product multiplied by the number of arbitrators to be used.
- (2) Costs of Arbitration.

- (A) The \$100 filing fee is nonrefundable.
  - (B) Each arbitrator's fee is not to exceed \$70 an hour for case preparation, travel, pre-hearing conferences, hearings, preparation of the Award, and any other required post-hearing work.
  - (C) The unused portion of the deposit shall be refunded by the Department after an accounting from the arbitrator.
  - (D) If the cost of the arbitration exceeds the deposit of the estimated cost, the Department shall invoice the appropriate parties and collect any monies due the Department.
  - (E) All fees and deposits are payable to the Department at P. O. Box 12489, Austin, Texas 78711.
  - (F) The Department shall distribute arbitration fees to SOAH in response to monthly billing statements.
- (3) Initiation of Arbitration.
- (A) Immediately upon receipt of notice of intent to arbitrate, the filing fee, and the deposit of estimated cost, the Department shall forward the information to SOAH so that arbitration can be initiated. The Department shall furnish SOAH with a list of the surety companies of the license holders involved in the dispute so that they may be given notice of the arbitration and an opportunity to seek to be made parties of the arbitration. Also the Department shall furnish SOAH an accounting of the filing fee and deposit of the estimated cost. The case shall be file stamped and given a SOAH docket number which identifies it as a case submitted for arbitration. The docket number will be used on all subsequent correspondence and documents filed with SOAH relating to this arbitration.
  - (B) The party that did not initiate the arbitration must file an answering statement with SOAH within ten (10) calendar days after receipt of the notice of intent from the electing party. That answering statement shall include a statement that the party agrees to arbitrate and an indication of whether the party agrees or disagrees with the statements in the initial notice of intent to arbitrate.
- (4) *Changes of Claim.* If either party desires to make any new or different claim, it shall be made in writing and filed with SOAH. The other party shall have ten (10) calendar days from the date of such mailing in which to file an answer with SOAH. After the arbitrator is appointed, however, no new or different claim may be submitted except with the arbitrator's consent.

(5) *Filing and Service of Documents.*

- (A) All documents filed by either party with SOAH shall be simultaneously served on the other parties, using the same method of service, if possible. Documents required to be filed with SOAH shall be delivered to the docket clerk before 5:30 p.m. local time. The time and date of filing shall be determined by the file stamp affixed by the SOAH docket clerk.
- (B) Service may be made by first class mail, overnight courier, or certified mail return receipt requested to the party or its representative at its last known address. Documents containing twenty (20) or fewer pages, including exhibits, may be filed with SOAH by electronic transmission according to requirements set out in its rules. All documents served on another party shall have a certificate of service signed by the party or its representative that certifies compliance with this rule. A proper certificate shall give rise to a presumption of service.
- (C) If any document is sent to the SOAH clerk by certified mail or first class mail in an envelope or wrapper properly addressed and stamped and is deposited in the mail on or before the last day for filing same, and it is received within three (3) business days of the filing date, it shall be deemed properly filed.
- (D) Documents filed by facsimile that are received at SOAH after 5:30 p.m. shall be deemed filed the first day following that is not a Saturday, Sunday, or official state holiday.

(6) *Selection of Arbitrator.*

- (A) Any Administrative Law Judge (ALJ) employed by SOAH may be selected as an arbitrator. The parties may propose the name of a particular ALJ to arbitrate in a particular case in the notice of intent to arbitrate. However, the usual procedure will be for SOAH to provide the parties with a list of potential arbitrators, for selection to be made as described in subparagraph (B) of this paragraph.
- (B) SOAH will provide a list of potential arbitrators to the parties in the case. The list of potential arbitrators in each case will be created by selecting persons employed as an ALJ at SOAH, giving due regard to the complexity of the dispute, the expertise needed to understand the dispute, the experience and training of the proposed arbitrators, and the requests of the parties concerning the location of the hearing.

- (C) SOAH shall send each party an identical list of persons qualified to serve as an arbitrator in the dispute within ten (10) calendar days after receipt of the notice of intent to arbitrate by SOAH. SOAH will also give the parties a copy of the resumes of these persons. The number of persons on the list shall be equal to the sum of the number of parties involved in the arbitration plus the number of arbitrators agreed to be used.
  - (D) Each party shall have ten (10) calendar days from the transmittal date to strike one name. The remaining names should be numbered in order of preference, if such preference exists. If a party does not return the list within the time specified, all persons named therein shall be deemed acceptable. It is not necessary for the parties to exchange the name of the candidate that they are striking, nor will those names be disclosed to the candidates.
  - (E) SOAH will notify the parties of the arbitrator or arbitrators selected.
- (7) Disclosure Requirements and Challenge Procedure.
- (A) A potential arbitrator must not become or continue to be the arbitrator in any dispute if she/he believes or perceives that participation as an arbitrator would be a conflict of interest. A potential arbitrator must disclose any bias or any financial or personal interest she/he may have in the result of the particular arbitration as well as any past or present relationship with the parties, their principals, or their representatives.
  - (B) The duty to disclose is a continuing obligation throughout the arbitration process.
  - (C) Upon receipt of such information from the arbitrator or another source, SOAH shall communicate the information to the parties and, if appropriate, to the arbitrator and others. Upon objection of a party to the continued service of an arbitrator, the chief judge shall determine whether the arbitrator should be disqualified and shall inform the parties of his/her decision, which shall be conclusive.
- (8) *Vacancies.* If for any reason an arbitrator is unable to perform the duties of the office, the chief judge may, on proof satisfactory to him/her, declare the office vacant. Vacancies shall be filled in accordance with the applicable provisions of this chapter for initial appointment of an arbitrator.
- (9) *Qualifications of Arbitrators.*
- (A) The chief judge shall designate impartial third parties who shall be subject to the standards and duties prescribed by the applicable

sections of the Civil Practices and Remedies Code (CPRC), and who shall have the qualified immunity prescribed therein.

- (B) Potential arbitrators shall have a current resume on file, available to persons interested in utilizing the arbitration process, that shows her/his experience, education, professional licenses and certifications, and professional associations and publications.
- (10) *Record.* The Arbitrator may make a tape recording of the proceeding which may be destroyed after the time for final appeal has passed.
  - (11) *Interpreters.* Any party intending to use an interpreter for themselves or any of their witnesses must provide the other parties notice of their intent to use an interpreter and the identity of the interpreter at least thirty (30) calendar days prior to the arbitration. The other parties may file objections to the use of that interpreter which will be ruled upon by the arbitrator or have present their own interpreter selected and paid for by them. Any other party retaining an interpreter in response to another party's designation of their intent to use an interpreter must notify the other parties within fifteen (15) calendar days prior to the arbitration proceeding of the identity of the interpreter.
  - (12) *Duties of the Arbitrator.* In addition to the duties set forth in subsection (e) of this section, the arbitrator:
    - (A) shall notify the Department when the arbitrator's fees and expenses have exceeded the deposit estimated by the electing party so the Department can collect additional expenses; and
    - (B) shall not issue an Award until notified by the Department in writing that all monies have been received by the Department as described in subsection (j)(2) of this section.
  - (13) *Communication of Parties with Arbitrator.* The parties shall not communicate with the arbitrator concerning the issues of the dispute other than at an oral hearing, or through properly filed documents, unless the parties and the arbitrator agree otherwise.
  - (14) *Date, Time, and Place of Hearing.*
    - (A) The arbitration hearing shall be scheduled to begin no later than the ninetieth day after the date that the arbitrator is selected.
    - (B) The arbitrator shall set the date, time, and place for each hearing. She/he shall send a notice of hearing to the parties at least thirty (30)

calendar days in advance of the hearing date, unless otherwise agreed to by the parties.

- (C) The arbitrator may grant a continuance of the arbitration at the request of any party.
  - (D) All hearings shall be held in Austin or in the region where one or more parties are located, as determined by the arbitrator. Preference will be given to using government facilities.
- (15) *Representation.* Any party may be represented by counsel or other authorized representative.
- (16) *Public Hearings and Confidential Material.* The arbitrator shall maintain the privacy of the hearings unless the law provides to the contrary. Any person having a direct interest in the arbitration is entitled to attend hearings. It shall be discretionary with the arbitrator to determine the propriety of the attendance of any other person.
- (17) *Preliminary Conference.* The arbitrator may set a preliminary conference and may require parties to file a statement of position prior to that conference.
- (18) *Exchange of Information.* By the thirtieth day after the date SOAH mailed notice to the parties of the name of the appointed arbitrator, the parties shall have exchanged the following information:
- (A) list of witnesses that a party expects to call identifying the subject matter on which the witness may testify; and
  - (B) copies of documents or other tangible things relevant to the dispute.
- (19) *Discovery.* The arbitrator may authorize discovery upon a showing of good cause. Parties are to voluntarily disclose information related to the dispute being arbitrated, as provided in paragraph (18) of this subsection.
- (20) *Control of Proceedings.* The presiding arbitrator shall exercise control over the proceedings, including but not limited to, determining the consequences of any party's failure to comply with these rules and/or the rulings of the arbitrator, the manner and order of interrogating witnesses and presenting evidence so as to:
- (A) make the interrogation and presentation effective for the determination of the truth;
  - (B) avoid needless consumption of time; and

- (C) protect witnesses from harassment or undue embarrassment.
- (21) Evidence.
- (A) The parties may offer evidence as they desire and shall produce additional evidence that the arbitrator considers necessary to understand and resolve the dispute. However, any documentary evidence not timely exchanged between the parties before the hearing will be excluded from consideration unless good cause is shown.
  - (B) The arbitrator is the judge of the relevance and materiality of the evidence offered. Strict conformity to the rules of judicial proceedings is not required. The Texas Rules of Civil Evidence are not binding on the arbitrator but may be used as a guideline.
  - (C) All privileges recognized by the Texas Rules of Civil Procedure may be invoked to protect privileged documents. If requested, the arbitrator shall decide whether a document is in fact privileged.
  - (D) Each party shall produce any witnesses under its control without the necessity of a subpoena. Individuals may be compelled by the arbitrator, as provided in Title 9, United States Code §7, to attend and give testimony or to produce documents at the arbitration proceeding or at a deposition authorized under subsection (j)(19) of this section.
- (22) *Witnesses.* Witnesses shall testify under oath. Testimony may be presented in a narrative, without strict adherence to a "question and answer" format.
- (23) *Exclusion of Witnesses.* Any party may request that the arbitrator exclude witnesses from the hearing except when they are testifying. If such a request is made, the arbitrator shall instruct the witnesses not to discuss the case outside the official hearing other than with the designated representatives or attorneys in the case. However, an individual who is a party or any other party representative shall not be excluded under this rule. A witness or other person violating these instructions may be punished by the exclusion of evidence as the arbitrator deems appropriate.
- (24) *Evidence by Affidavit.* The arbitrator may receive and consider evidence of witnesses by affidavit. Affidavit testimony must be filed with the arbitrator and served on the other party no later than thirty (30) calendar days before the hearing. The other party will have fifteen (15) calendar days to file any objection to the admissibility of the affidavit or to file controverting affidavits. The arbitrator shall give such evidence only such weight as the arbitrator deems it entitled to after consideration of any objection made to its admission.

(25) *Order of Proceedings.*

- (A) The arbitrator may allow each party to make an opening statement, clarifying the issues involved.
- (B) The parties shall present the evidence supporting their respective claims in the order directed by the arbitrator. Witnesses for each party shall answer questions propounded by the other parties and the arbitrator.
- (C) Exhibits offered by either party may be received in evidence by the arbitrator.
- (D) The parties may make oral closing statements or, at the request of the arbitrator, may submit arguments in writing.

(26) *Attendance Required.*

- (A) The arbitrator may proceed in the absence of any party or representative of a party who, after notice of the proceeding, fails to be present or to obtain a continuance.
- (B) An arbitrator may not make an award solely on the default of a party and shall require the party who is present to submit evidence, as required by the arbitrator, before making an Award.

**§80.129. *Alternative Dispute Resolution.***

The Department offers, at no charge, alternative dispute resolution as an inexpensive and informal way of attempting to resolve any claim or dispute. Depending on the parties, this may involve informal meetings or non-binding mediation. Alternative dispute resolution is available upon request. In the event that a disputed matter cannot be resolved in this manner, the Department reserves the right to pursue all other lawful means of resolution including, but not limited to, pursuit of administrative remedies.

**§80.130. *Delivery of Warranty.***

- (a) The written warranty that the used manufactured home is habitable as per §1201.455 of the Standards Act, shall have been timely delivered if given to the homeowner at or prior to possession or at the time the applicable sales agreement is signed.
- (b) The written manufacturer's new home construction warranty per §1201.351 of the Standards Act, shall be timely delivered if given to the homeowner at or prior to the time of initial installation at the consumer's homesite.



- (c) For secondary installations, the "installer" as defined in §80.119(a) of this title (relating to Installation Requirements) shall deliver the installation warranty required by §1201.361 of the Standards Act, to the consumer at the time of the installation at the consumer's homesite. The installer must keep a copy of the installation warranty and proof of delivery to the consumer in a permanent file for review by the Department.

**§80.131. Correction Requirements.**

- (a) The retailer, installer, or manufacturer shall take immediate corrective action when notification is received from a consumer and the nature of the complaint indicates an imminent safety hazard or serious defect.
- (b) Except as provided in subsection (a) of this section, manufacturers, retailers, and installers shall perform their obligations in accordance with their respective written warranty within a reasonable period of time. A reasonable period of time is deemed to be forty (40) calendar days following receipt of the consumer's written notification unless there is good cause requiring more time. The consumer's written notification must be given within the one (1) year warranty period for new homes and for used homes within sixty-five (65) calendar days after the date of the sale or installation, whichever is later.
- (c) The manufacturer, installer, and retailer shall make available for review by Department personnel, records relating to their respective warranty responsibilities, to assure that warranty work has been accomplished and that warranty work has been done in accordance with design or standards criteria and properly completed.

**§80.132. Procedures for Handling Consumer Complaints.**

In order to comply with §1201.002 of the Standards Act, to provide for the protection of the citizens who purchase manufactured housing and to provide fair and effective consumer remedies, the following procedures will be followed:

- (1) On initial written contact by a consumer, the Department will attempt to verify if the consumer has a valid complaint that is subject to the Department's authority.
  - (A) If the consumer has not previously notified the manufacturer, retailer or installer, the Department will forward the written notification to the manufacturer, retailer, or installer and give the license holder a reasonable amount of time to make repairs.
  - (B) If the consumer has previously provided written notification to the manufacturer, retailer or installer of the need for warranty service or repairs, but believes such has not been completed in a satisfactory manner, the Department shall mail a complaint form to the consumer

with instructions to complete it and return it to the Department. On receipt of the complaint form, the Department will make a determination regarding whether or not to open a consumer complaint. If a consumer complaint is opened, the Department shall forward copies of the complaint form to the manufacturer, retailer and/or installer, as appropriate. The Department shall also include in the mail out the "Manufacturer's Response Form" or "Retailer's Response Form," as appropriate, which must be completed and returned to the Department within ten (10) business days. The Department shall perform a home inspection, if required. If a home inspection is performed, the Department will assign responsibilities for repair, and notify the manufacturer, retailer, installer, and consumer of their responsibilities to complete such warranty or service repair in accordance with §80.131(b) of this title (relating to Correction Requirements).

- (2) The Department shall make a consumer complaint home inspection upon request.
  - (A) Consumer Request. The consumer may, at any time, request that the Department perform a consumer complaint home inspection. A written complaint regarding failure to provide warranty work is deemed to be a request for a consumer complaint inspection. No written complaint form is required if a possible imminent safety hazard exists.
  - (B) Industry Request. Manufacturer or retailer requests for a consumer complaint home inspection must be in writing on such form as the Department may require, shall identify the home by HUD label and serial number(s), and shall provide the necessary information for the Department to contact the consumer and determine the physical location of the home. The manufacturer or retailer may request a consumer complaint home inspection if the manufacturer or retailer:
    - (i) believes that the consumer's complaints are not covered by the respective written warranty, or implied warranties; or
    - (ii) believes that the warranty service was previously properly provided; or
    - (iii) has a dispute as to the respective responsibilities pursuant to the warranties.
  - (C) The Department will perform the inspection within thirty (30) calendar days from the date an inspection is requested. The inspector shall:

- (i) inspect all items included in the consumer complaint filed with the Department and any additional items identified by the consumer prior to completion of the inspection. Any items identified by the consumer after the home inspection is complete shall be handled as a new consumer complaint.
  - (ii) For each item inspected, the inspector shall review the manufacturer's determinations in accordance with 24 CFR §3282.404(b) and evaluate whether or not the item is covered by either the manufacturer's, retailer's, or installer's warranty and, if covered, by which of the respective warranties. In addition, the inspector shall categorize items as follows:
    - (I) The item is a warranty item (also identify which warranty);
    - (II) The result of normal wear and tear, not a warranty item;
    - (III) The result of owner abuse neglect or modification, not a warranty item;
    - (IV) Within commercially acceptable standards, not a warranty item;
    - (V) Meets the current federal and state standards, not a warranty item;
    - (VI) Cosmetic, not a warranty item;
    - (VII) License holder not notified within warranty period;
    - (VIII) Unable to determine, additional information is required; or
    - (IX) Other (explain).
  - (D) Within ten (10) business days following the consumer complaint home inspection, the Department shall mail its written report and orders (includes amended reports and orders), if any, to the consumer, manufacturer, retailer, and installer by certified mail, return receipt requested.
- (3) When service or repairs are completed following any notice or orders from the Department pursuant to paragraph 2(D) of this section, the manufacturer,

retailer, and/or installer shall forward to the Department copies of service or work orders reflecting the date the work was completed, or other documentation to establish that the warranty service or repairs have been completed. If the consumer refuses to sign the service or work order, the license holder shall note this fact on the service or work order. These service or work orders must be received by the Department within ten (10) calendar days after the expiration of the period of time specified in the warranty order issued by the Department.

- (4) Each license holder must maintain both a current physical location address and a current mailing address with the Department. Service of notice of hearing or other notice sent by certified mail will be sent to the license holder's current mailing address according to the Department's records. If the Department sends a notice to the manufacturer, retailer, or installer at the mailing address by certified mail, and the notice is refused or unclaimed, the Department may presume that the license holder was provided proper notice. All written amended reports and orders will be serviced in this manner.
- (5) If service or repairs cannot be made within the specified time frame, the license holder shall notify the Department in writing prior to the expiration of the specified time frame by certified mail. The notice shall list those items which have been, or will be, completed within the time frame and shall show good cause why the remainder of the service or repairs cannot be made within the specified time frame. The license holder shall request an extension for a specific time. If the Department fails to respond in writing to the request within five (5) business days of the date of receipt of the notice of request for extension, the extension has been granted.
- (6) Once the Department receives the service or work orders with the consumer's signature indicating that all items have been satisfactorily completed, the Department shall send a written notice to the consumer, stating that if the Department does not receive a written reply within the thirty (30) calendar days the complaint file will be closed.
- (7) If the Department decides that another inspection is necessary because of conflicts among the parties to a complaint regarding the nature or quality of the corrective work, whomever the Department deems to be responsible for errors requiring the additional inspection will be required to pay the inspection fee to the Department.

**§80.133. Administration of Claims under the Manufactured Homeowners' Recovery Trust Fund.**

- (a) The Manufactured Homeowners' Recovery Trust Fund (the "Fund") is established to reimburse consumers for actual unsatisfied claims against licensed manufacturers, retailers, brokers, and installers for violations of the Standards Act, these rules, the

FMHCSS and its implementing regulations, and the Texas Deceptive Trade Practices-Consumer Protection Act. Payments from the Fund are subject to limitations, as set forth in §1201.405 of the Standards Act.

- (b) Documentation of a claim by a Licensee who is deemed to be a “consumer” under §1201.358(d) of the Standards Act – When either a manufacturer or a retailer has their license revoked or goes out of business and the party that went out of business or had its license revoked has failed to perform required warranty work on a timely basis, the Director may direct a licensee that is still in business to perform the warranty work. A licensee so directed will be deemed to be a “consumer” under §1201.358(d) of the Standards Act and entitled to be reimbursed from the Fund for the costs of performing such re-assigned warranty work.
  - (1) The Director, before authorizing any party performing re-assigned warranty work to proceed, will require that an estimate be submitted, itemizing the hourly cost of labor required, the estimated time to complete the work, the itemized costs of any material, equipment, and supplies, and such additional out-of-pocket expenses as the licensee believes it will incur. Overhead costs may be included, not to exceed 20% of the cost of labor and materials. If the required estimate is not submitted and approved prior to the commencement of re-assigned warranty work, the party performing the work may not be reimbursed for that work until the Director has been provided with evidence establishing that the amount billed was justifiable in all respects. The estimate must be on the form prescribed by the Department, properly completed and executed.
  - (2) An order by the Director authorizing re-assigned warranty work to be performed will specify that:
    - (A) the amount billed shall not exceed the actual hours required and the actual out-of-pocket expenses incurred;
    - (B) the licensee should keep complete records, subject to audit by the Department for three years;
    - (C) the re-assigned warranty work shall, unless extended for good cause, be performed within forty (40) days;
    - (D) the required evidence that the re-assigned warranty work was performed shall, unless extended for good cause, be supplied to the Department within ten (10) days of completion; and
    - (E) re-assigned warranty work, once completed, is subject to being re-inspected.

- (3) An order re-assigning warranty work and designating the party responsible for the re-assigned warranty work as a “consumer” under §1201.358(d) of the Standards Act becomes final if not appealed within thirty (30) days.
- (4) Failure to provide a required estimate in connection with an order to perform re-assigned warranty work, once that order has become final, may serve as grounds for an administrative action against the licensee.
- (5) Claims made by a consumer who is not a licensee and documentation of Fund claims -- when a consumer has a covered claim against a licensee and the licensee has not satisfied the claim, the Department shall take appropriate steps to make sure that the claim is proper and that all reasonable steps to satisfy the claim have been exhausted. In that regard:
  - (A) The Department, working with the consumer, shall identify the specific section(s) of law or rule that gave rise to the damages;
  - (B) If the damages arose as a result of a violation of the Texas Deceptive Trade Practice – Consumer Protection Act, the specific violation must be adequately documented. Acceptable documentation would include a court order finding that such a violation had occurred or the establishing of confirmed facts that would specifically constitute such a violation, along with proof that the court order could not be satisfied. The specific violation must relate directly to the manufactured home or the sale transaction regarding the manufactured home. Tangentially related matters, such as deception in connection with actions as a mortgage broker or real estate broker, are generally not covered and the person responsible should be pursued in the other capacity through appropriate means.
- (c) Attorneys’ fees are subject to reimbursement from the Fund, subject to certain limitations. Before reimbursing a consumer for attorneys’ fees, the Department shall review the fee statement(s), which must indicate the specific services performed, the amount of work required, and the hourly rate(s) charged. Fees not directly relating to efforts to recover the unsatisfied claims are not reimbursable.
- (d) The Department shall require reasonable proof of efforts to collect the damages for which reimbursement from the Fund is sought.
- (e) The Department may require the assignment of claims against licensees for any amounts for which payments are made from the Fund. The Department may re-assign any and all such claims to any bonding company or other surety that reimburses the Fund for such payments.
- (f) If there is no licensee that can be assigned responsibility for warranty work or corrective action, the Department may require that the consumer select a contractor

of their choice to perform the warranty work. The selected contractor shall submit an estimate itemizing the hourly cost of labor required, the estimated time to complete the work, the itemized costs of any material, equipment, and supplies, and such additional out-of-pocket expenses as the contractor believes it will incur. Overhead costs may be included, not to exceed 20% of the cost of labor and materials. Warranty work involving installation functions must be performed by a licensed and bonded installer as defined in §1201.101(d) of the Standards Act. If the only acceptable remedy is the replacement of a home, the Department may negotiate with qualified manufacturers to identify the lowest cost acceptable resolution.

- (g) Notification of warranty work orders, inspections, and re-assigned warranty work
- (1) When an inspection is to be conducted, other than an initial installation inspection, such as a follow-up installation inspection or a complaint inspection, the Department shall notify each licensee that has been assigned responsibility for warranty items, provided that the licensee still holds an active license, by notifying the licensee, by regular mail to their address of record, as on file with Department. If a party to be notified of an inspection is no longer licensed but has left a mailing address on file with the Department, such party shall be given notice of any such inspection by first class mail to that address.
  - (2) When warranty work orders are issued, they will be sent to each licensee to whom responsibility has been assigned. They shall be sent to the licensee by regular mail to their address of record, as on file with Department.
  - (3) If a licensee who has been assigned warranty responsibilities is no longer in business, the Department will, in addition to notifying their surety, notify them of the time and place of the inspection. Such notification to the out-of-business licensee shall be sent to them at their latest business address of record on file with the Department. Unless the out-of-business licensee advises the Department, in writing, on or before the date of the inspection or actually attends the inspection, the Department will re-assign the warranty work, if any, arising from the findings of the inspection to the retailer or manufacturer who is not out-of-business. The party to whom the warranty work is re-assigned shall perform the warranty work and shall be a consumer, as provided for in §1201.358(d) of the Standards Act, entitled to be reimbursed from the Fund.
  - (4) Notification of the surety of an out-of-business or no longer licensed licensee is given in order to afford the surety an opportunity, in accordance with §1201.407 of the Standards Act, to participation in the informal dispute resolution process.
  - (5) The Director shall consider the views of the surety, if any, as expressed in the informal dispute resolution process. However, the ultimate responsibility to

determine how best to proceed rests with the Director, who shall make his or her decision based on a consideration of all relevant factors and the need to protect the health and safety of consumers and to carry out the purposes of the Standards Act.

- (6) Once a payment is made from the Fund, the Department shall file a claim under the bond of the party primarily responsible for the unsatisfied claim. In the case of re-assigned warranty work reimbursed by the Fund, the claim shall be against the bond of the party that is no longer in business or whose license has been revoked.
- (7) A surety bond issued in connection with a person or entity that is a licensee shall remain in effect with respect to that person or entity, even though the surety bond may be amended to cover one or more additional person or entities or to cover that person operating under one or more different names or identities UNLESS the amendment to the bond specifically terminates the bond with respect to such person or entity.

**§80.135. *Manufactured Housing Auctions.***

- (a) Auction of Manufactured Housing to Texas Consumers.
  - (1) The person(s) selling more than one home through an auction in a twelve (12) month period must be licensed as a retailer with this Department and the specific location at which the auction is to be held must be bonded in accordance with the Standards Act.
  - (2) The auctioneer must be licensed as a manufactured housing salesperson with the Texas Department of Housing and Community Affairs and licensed as an auctioneer, pursuant to the Texas Auctioneer Act, Occupations Code, Chapter 1802.
  - (3) The retailer must notify this Department in writing at least thirty (30) calendar days prior to the auction with such notice to contain the date, time, and physical address and location of the proposed auction.
  - (4) The retailer must keep and maintain a file copy of all notices, circulars, or advertisements of any kind relating to the auction of manufactured housing.
  - (5) A manufactured home that has been salvaged or is not habitable may not be sold, conveyed, or transferred to a consumer as a manufactured home for dwelling purposes.
  - (6) The retailer must give notice to each person attending the auction, and the notice shall contain the following:



- (A) a statement that the homes offered for sale are habitable pursuant to §1201.455 of the Standards Act;
  - (B) a statement that any home purchased at the auction must be installed by a installer licensed with this Department;
  - (C) the appropriate warning concerning formaldehyde as required by §1201.153 of the Standards Act; and
  - (D) the appropriate notice regarding home construction and Wind Zone standards as outlined in the Standards Act.
- (7) The retailer shall retain sales records as required by §80.121 of this title (relating to Retailer's Responsibilities) if the home is sold to a consumer.
- (b) Auction of Manufactured Housing to Licensed Retailers.
- (1) No license with the Department is required of a lender whose repossessed manufactured homes are being auctioned, if the lender is selling to a retailer who is licensed with the Department. The auctioneer must be licensed only pursuant to the Texas Revised Civil Statutes, Texas Auctioneer Act, Occupations Code, Chapter 1802.
  - (2) The auctioneer must notify the Texas Department of Housing and Community Affairs at least thirty (30) calendar days prior to the auction. Such notice must contain the date, time, and physical address and location of the proposed auction.
  - (3) The auctioneer must keep and maintain a file copy of all notices, circulars, or advertisements of any kind relating to the auction of manufactured housing.
  - (4) The auctioneer must keep and maintain an accurate register of all persons attending the auction. This register should show the name of the individual, the manufactured housing retailer business name, the address of the retailer, and the current license number of the manufactured housing retailer.
  - (5) The auctioneer must keep and forward to the Texas Department of Housing and Community Affairs immediately following the auction, a complete list of all manufactured homes sold at such auction including the name of manufacturer, model, serial and HUD numbers, along with the name, address, and license number of the retailer purchasing the home.
  - (6) In lieu of the auctioneer maintaining and filing the information in paragraphs (1)-(5) of this subsection with the Department, the consigner of the manufactured homes may contract with the auctioneer to file the information with the Department.

## **SUBCHAPTER F. CONSUMER NOTICE REQUIREMENTS**

### **§80.180. *Formaldehyde Notice Requirements.***

- (a) The consumer notice related to formaldehyde must be posted in the home in accordance with the FMHCSS.
- (b) In addition to the requirement of subsection (a) of this section:
  - (1) A retailer shall deliver a copy of the "Important Health Notice" prescribed by HUD to the consumer before the execution of any mutually binding sales agreement.
  - (2) The consumer must sign the copy of the notice. The retailer shall keep the originally signed copy in the permanent sales file and shall give a copy to the consumer at the time the original copy is signed. If requested, the retailer shall deliver a copy of the signed notice to the manufacturer of the home.
  - (3) The copy of the notice to be signed by the consumer may be reduced in size from the notice required to be posted in the home and may be entirely reproduced in either red or black. This copy of the notice must be on a form approved by the Department, dated, and must contain the following certification immediately above the place for the consumer's signature in bold face type which is at least eight points in size: "I (We) certify that this Important Health Notice was prominently displayed in the kitchen of the manufactured home being purchased and further that this notice was given to me (us) on the date shown and prior to the signing of any binding agreement. I (We) have read the notice and understand it."

### **§80.181. *Sale of a Home from a Location other than a Principal, Licensed, Retail Location.***

In order to comply with the provisions of §1201.107 of the Standards Act, a retailer or broker must:

- (1) have a current, in effect surety bond issued in the most recent form promulgated by the Department; and
- (2) the applicable sales agreement must identify the surety bond that applies to the transaction and contain the following statement: "The above-described surety bond applies to this transaction in the following manner: The bond is issued to the Texas Manufactured Homeowners' Recovery Trust Fund (the "Fund"), a fund described in the Texas Manufactured Housing Standards Act (Tex. Occ. Code, Chapter 1201) and administered by the Director of the Texas Department of Housing and Community Affairs, Manufactured Housing Division, as trustee of the Fund. If the Fund makes a payment to a consumer, the Fund will seek to recover under the surety bond. The

obligation of the Fund to compensate a consumer for damages subject to reimbursement by the Fund is independent of the Fund's right or ability to recover from the above-described surety bond, but recoveries on surety bonds are an important part of the Fund's ability to maintain sufficient assets to compensate consumers. There can be no assurance that the Fund will have sufficient assets to compensate a consumer for a covered claim. Assuming it has sufficient assets to compensate a consumer for a covered claim, the liability of the Fund is limited to actual damages, not to exceed \$35,000, and attorneys' fees, not to exceed 20% of the actual damages."

**§80.183. *Three Day Right of Rescission.***

- (a) The first calendar day after the day on which the applicable contract is executed is the first day, and the three day right of rescission expires unless notice has been given prior to midnight on the third calendar day following the date of execution of the applicable contract.
- (b) The three day right of rescission may not be waived.
- (c) Although a licensee is not required to obtain a signed acknowledgment, a licensee may rely on a signed acknowledgement from a consumer, executed after the right of rescission has expired, confirming that the right expired without being exercised.

**SUBCHAPTER G. STATEMENTS OF OWNERSHIP AND LOCATION**

**§80.201. *Issuance of Statements of Ownership and Location.***

- (a) Application Requirements. In order to be deemed complete, an application for a Statement of Ownership and Location must include, as applicable:
  - (1) A completed and fully executed Application for Statement of Ownership and Location on the Department's prescribed form;
  - (2) The required fee;
  - (3) To record a lien, other than a tax lien for which the Department does not have the owner's consent, copies of documentation establishing the creation and existence of each such lien;
  - (4) When one or more existing liens are to be released, assigned, or foreclosed, appropriate supporting documentation;
  - (5) When an application for Statement of Ownership and Location indicates a change in ownership but no change in lien, supporting documentation that clearly establishes that the lienholder consented to that change;

- (6) When a manufactured home is to be designated for use as a dwelling after the home has been designated for business use, salvage, or as real property, evidence of a satisfactory habitability inspection by the Department.
- (b) Right of Survivorship: If the survivorship election is taken, then the Department will issue a new Statement of Ownership and Location to the surviving person(s) upon receipt of a copy of the death certificate of the deceased person(s), and a properly executed application for Statement of Ownership and Location, and the applicable fee.
- (c) Corrections to Statements of Ownership and Location.
  - (1) If a correction is required as a result of a Department error, it will be corrected at no charge.
  - (2) If a correction is requested because of an error made by a party other than the Department, the correction will not be made until the Department receives the following:
    - (A) A complete corrected application for Statement of Ownership and Location,
    - (B) Any necessary supporting documentation, and
    - (C) The required fee, which can be reduced or waived by the director for good cause.
- (d) Upon issuance of a Statement of Ownership and Location, the Department will mail one certified copy to the owner and one certified copy to the lienholder. If additional certified copies are desired, an application for a certified copy must be submitted and accompanied by the additional fee.
- (e) Exchanging a Document of Title for a Statement of Ownership and Location.
  - (1) Upon receipt of the original title and completed application for Statement of Ownership and Location (except for the fee, which is not required to replace a certificate of title with a Statement of Ownership and Location if there are no other changes), including the physical location of the home, the Department will issue a Statement of Ownership and Location.
  - (2) If a manufactured home title showed that it was personal property, that will be presumed to be its status until and unless a revised Statement of Ownership and Location is applied for and issued. Likewise, if a manufactured home has had a certificate of attachment issued and had title cancelled to real property, that shall be presumed to be its status until and

unless a revised Statement of Ownership and Location is applied for and issued.

- (f) Updating of Statements of Ownership and Location on Manufactured Homes Transferred as Real Property.
  - (1) When a manufactured home has become real property because the owner elected real property status and their Statement of Ownership and Location was recorded in the appropriate county records, the home may be sold or transferred as real property by the customary means used for real property transactions. As long as the home remains real property at the same location, ownership of the home is confirmed in the same manner as any other real property, rather than by verifying Department records. A new Statement of Ownership and Location does not have to be applied for until and unless:
    - (A) the manufactured home is moved to a new location;
    - (B) the current owner of the manufactured home wishes to convert it to personal property status; or
    - (C) the manufactured home no longer meets the requirements to be classified as real property (such as the home being on property subject to a long term lease which is not assignable to the buyer or transferee).
  - (2) To convert a manufactured home from real property to personal property, the owner of the home must submit a completed Application for Statement of Ownership and Location to the Department with supporting documentation as follows:
    - (A) If the applicant is not the owner of record with the Department, satisfactory proof of ownership under a complete chain of title. Acceptable evidence would include, but not be limited to, authenticated copies of all intervening transfer documents, a court order confirming ownership, or title insurance policy in such owner's name issued by a title insurance company licensed to do business in Texas.
    - (B) Satisfactory evidence that any liens on the manufactured home have been discharged or that all lienholders have consented to the change.
    - (C) Evidence of either a satisfactory habitability inspection by the Department or an election to convert the status of the home to business use or salvage.

- (3) Upon receipt of the certified copy of the new Statement of Ownership and Location that reflects the real property election of the home, the certified copy shall be filed in the county real property records, at which time the real property election will take effect. A copy stamped “filed” by the county must be submitted to the Department as evidence that the requirements of §1201.2055 of the Standards Act have been satisfied and the real property election to be perfected within sixty (60) days from issuance of the Statement of Ownership and Location.

**§80.205. *Inventory Finance Liens.***

- (a) A lien and security interest on manufactured homes in the inventory of a retailer, as well as to any proceeds of the sale of those homes, is perfected by filing an inventory finance security form approved by the Department and in compliance with these sections.
- (b) The creditor-lender financing the inventory and the retailer must execute a security agreement which expressly sets forth the rights and obligations of the two parties in the inventory finance arrangement.
- (c) The inventory finance security form shall contain the following:
  - (1) signatures of both the retailer and the creditor-lender;
  - (2) the name, sales location, address, and license number of the retailer; and
  - (3) the name and address of the creditor-lender.
- (d) A separate form must be filed for each licensed sales location.
- (e) For manufactured homes for which no Statement of Ownership and Location or Document of Title has been issued, the filing of the inventory-finance security form perfects a security interest in all manufactured homes, whether then owned or thereafter acquired, as well as to any proceeds of the sale of those homes, provided that:
  - (1) the home is financed by the creditor-lender;
  - (2) the creditor-lender has advanced any funds for the home; or
  - (3) the creditor-lender has incurred any obligation for the home.
- (f) This security interest attaches to a particular manufactured home only when the act described in either subsection (e)(1), (2), or (3) of this section would either:
  - (1) enable the retailer to acquire the manufactured home;

- (2) pay the existing balance of a creditor-lender for funds secured by a security interest in the manufactured home;
  - (3) in the event that the retailer and manufacturer are the same entity, pay funds to the manufacturer-retailer after completion of the manufacture of the manufactured home; or
  - (4) in the event that the retailer has no debt owed against the inventory, enable the retailer to use the manufactured home as security for a new debt.
- (g) No provision in the security agreement between the parties to an inventory financing arrangement shall in any way modify, change, or supersede the requirements of this section for the perfection of security interests in manufactured homes in the inventory of a retailer.

**§80.208. *Recording Tax Lien on Manufactured Homes.***

- (a) For all manufactured homes sold, or to which ownership is transferred, after December 31, 1985 and before August 31, 2001 and for all manufactured homes that are not real property sold, or to which ownership is transferred after December 31, 1985, the recording of a tax lien notice filed with the department constitutes constructive notice of the existence of the lien to all purchasers of the manufactured home who purchase it after the date of recordation of the lien and before the collector for the taxing unit files a notice canceling the tax lien.
- (b) If a tax lien filed with the department in accordance with this section ceases to exist, the collector for the taxing unit shall file a notice with the department stating that the lien no longer exists. Such notice shall be filed no later than ten (10) calendar days after payment of the taxes.
- (c) A personal property tax lien may not be enforced against a manufactured home transferred to a bona fide purchaser who does not have constructive notice of the existence of the lien.

**SUBCHAPTER I. FORMS**

**§80.260. *Required and Optional Forms.***

- (a) Required Forms.
  - (1) Site Preparation Notice.

**SITE PREPARATION NOTICE**

**FAILURE TO PREPARE THE SITE PROPERLY BEFORE INSTALLING YOUR MANUFACTURED HOME MAY INVALIDATE YOUR WARRANTY AND MAY CAUSE PROBLEMS WITH YOUR HOME.**

**IF YOU ARE ACQUIRING LAND FOR A MANUFACTURED HOME AND WILL NOT HAVE THE ABILITY TO OVERSEE SITE PREPARATION YOURSELF, BE SURE THAT YOUR AGREEMENT WITH THE PARTY PROVIDING THE LAND COVERS THEIR RESPONSIBILITIES FOR SITE PREPARATION.**

If you are acquiring a manufactured home you need to be sure that the site is properly prepared **BEFORE the home is installed**. If you will be having your home installed in a rental community, you should first be sure that the community has prepared the site properly and assumed that responsibility. If you are acquiring a manufactured home that is already installed, you should satisfy yourself that the site was properly prepared first.

Site Preparation includes AT LEAST the following: (1) selecting a site where the home will not be affected by rising or running water, as in the case of heavy rains, (2) grading the site, as needed, so that the land slopes away from the home, (3) making sure that the site will not create puddles or moisture build-up under the home by filling any depressions and, as needed, providing for drainage, (4) clearing away any plants, stumps, or debris on the site where the home will be placed, and (5) installing any required vapor retarder (and, if such a retarder is to be installed, trimming any grasses or other organic materials to a suitable height, not greater than 8”).

The footing must be placed on firm, undisturbed soil, or fill compacted to at least 90% of its maximum relative density. Installation on loose, noncompacted fill may invalidate the home's limited warranty.

If, at the time of installation or within 90 days thereafter your retailer is providing skirting, the retailer must also provide and install any required vapor retarder and insure that there is adequate ventilation under the home. If the retailer is not providing these things, you should be sure that you have provided for any required vapor retarder and that you have provided adequately for ventilation under the home.

**FAILURE TO PREPARE THE SITE PROPERLY AND/OR FAILURE TO TAKE APPROPRIATE MEASURES TO GUARD AGAINST MOISTURE BUILD-UP MAY CAUSE SERIOUS PROBLEMS WITH YOUR MANUFACTURED HOME INCLUDING, BUT NOT LIMITED TO, MOISTURE IN THE HOME, DE-LAMINATION OF FLOOR DECKING, BUCKLING OF WALLS AND FLOORS, WARPAGE THAT WILL MAKE DOORS AND WINDOWS NOT OPERATE PROPERLY, FAILURE OF ANCHORS TO HOLD THE HOME AS INTENDED, AND EVEN SERIOUS STRUCTURAL DAMAGE.**

\_\_\_\_\_  
consumer's signature

\_\_\_\_\_  
consumer's signature

\_\_\_\_\_  
type or print name

\_\_\_\_\_  
type or print name

\_\_\_\_\_  
date

\_\_\_\_\_  
date



(2) Consumer Disclosure Statement.

## **Consumer Disclosure Statement**

**\*Esta forma está disponible en Español a petición del vendedor o al llamar al 1-800-500-7074\***

“When buying a manufactured home, there are a number of important considerations, including price, quality of construction, features, floor plan, and financing alternatives. The United States Department of Housing and Urban Development (HUD) helps protect consumers through regulation and enforcement of HUD design and construction standards for manufactured homes. Manufactured homes that meet HUD standards are known as ‘HUD-code manufactured homes.’

The Texas Department of Housing and Community Affairs, regulates Texas manufacturers, retailers, brokers, salespersons, installers, and rebuilders of manufactured homes.

If you plan to place a manufactured home on land that you own or will buy, you should consider items such as:

**“ZONING AND RESTRICTIVE COVENANTS”** Municipalities or subdivisions may restrict placement of manufactured homes on certain lots, may prohibit the placement of homes within a certain distance from property lines, may require that homes be a certain size, and may impose certain construction requirements. You may need to obtain building permits and homeowner association approval before you place a manufactured home on a certain lot. Contact the local municipality, county, and subdivision manager to find out if you can place the manufactured home of your choice on a certain lot.

**“WATER”** Be sure that your lot has access to water. If you must drill a well contact several driller’s 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.

**“SEWER”** 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 an on-site sewer facility. 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.

**“HOMEOWNER ASSOCIATION 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.

**“TAXES”** Your home will be appraised and subject to *ad valorem taxes* as are other single-family residential structures. These taxes MUST be escrowed with your monthly payment, except that your lender is not obligated to impose an escrow requirement in a real property transaction involving a manufactured home if the lender is a federally insured financial institution and does not otherwise require the escrow of taxes, insurance premiums, fees, or other charges in connection with loans secured by residential real property. On closing, you will be notified of all provisions pertaining to federal truth in lending disclosures.

**“INSURANCE”** Your lender may require you to obtain insurance that meets lender requirements and protects your investment. You should request quotes from the agent of your choice to obtain the insurance.

**“TYPES OF MORTGAGES AVAILABLE”** The acquisition of a manufactured home may be financed by a real estate mortgage or a chattel mortgage. A real estate mortgage may have a lower interest rate than a chattel mortgage.

**“RIGHT OF RESCISSION”** If you acquire a manufactured home, by purchase, exchange, or lease-purchase, you may, not later than the THIRD DAY after the date the applicable contract is signed, rescind the contract **WITHOUT PENALTY OR CHARGE**.

This **Disclosure** was provided by the retailer and/or lender shown below on this date and it was provided to me or us before I or we completed a credit application or before signing a contract to purchase a manufactured home.

\_\_\_\_\_  
Retailer Name / License # or Lender                      Date

\_\_\_\_\_  
Consumer    Date

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Consumer    Date

\_\_\_\_\_  
City      County      State      Zip

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City      County      State      Zip

---

**The disclosure must be given in writing in at least 12 point type. It may not be attached to any other disclosure or document or included in any other disclosure or document. The consumer must sign and date a copy of the disclosure to acknowledge that it was provided.**

(3) Consumer Protection Disclosure – Chattel Mortgage Transactions.

## CONSUMER PROTECTION DISCLOSURE - CHATTEL MORTGAGE TRANSACTIONS

Depending on whether you intend to keep your manufactured home as personal property or declare it as a part of real estate, you may (subject to lender approval) have a choice between a " chattel mortgage" or "real estate mortgage." A variety of financing terms may be available. You may qualify for one type of real estate financing, but not another. **The following are general significant differences between TYPICAL chattel mortgages and real estate mortgages:**

	<b>CHATTEL MORTGAGES</b>	<b>REAL ESTATE MORTGAGES</b>
Security for the loan	Typically only the home	Typically the home and land
Homestead	NO for land, YES for home	YES for land and home
Special Foundation requirements	Typically rare	May be required (foundations, access, other lender requirements and/or inspections)
Interest Rates	May generally be higher, but not always: depends on circumstances	May generally be lower, but not always: depends on circumstances
Additional expenses	Typically none, other than applying for a Statement of Ownership & Location	Survey, appraisal, document preparation and recording fees, title insurance, mortgage insurance, interim construction finance costs
Time to process the loan	Typically shorter	Typically longer
Amortization	Typically 20 years	Typically 30 years
Foreclosure/repossession	Typically faster and easier for lender, can result in loss of home and personal judgment against you	Typically takes longer and more expensive for all parties, can result in loss of home and land, personal judgment against you

### **TYPICAL COSTS ASSOCIATED WITH A CHATTEL ON A MANUFACTURED HOME:**

Possible prepaid finance charges; escrow of taxes; homeowner insurance premiums

### **EXAMPLES OF MONTHLY PAYMENTS IN TYPICAL CHATTEL MORTGAGE TRANSACTIONS:**

	<b>EXAMPLE 1</b>	<b>EXAMPLE 2</b>	<b>EXAMPLE 3</b>
Price (including inventory tax & title)	\$80,000	\$40,000	\$15,000
Down Payment	\$ 4,000 (5%)	\$ 4,000 (10%)	\$ 3,000 (20%)
Unpaid Balance	\$76,000	\$36,000	\$12,000
1 year Physical Damage insurance	\$ 1,200	\$ 900	\$ 400
Prepaid finance charges	\$ 1,544	\$ 738	\$ 248
<b>Total principal amount of loan</b>	<b>\$78,744</b>	<b>\$37,638</b>	<b>\$12,648</b>
Term of loan (years/months)	20 yrs (240 months)	20 yrs (240 months)	7 yrs (84 months)
Contract interest rate	10%	12%	14%
Monthly principal & interest (loan payment)	\$759.90	\$414.43	\$237.02
1 <sup>st</sup> payment principal/interest	\$103.70 / \$656.20	\$38.05 / \$376.38	\$89.56 / \$147.56
Last payment principal/interest	\$753.64 / \$6.26	\$410.35 / \$4.08	\$234.28 / \$2.74
Monthly tax escrow*	\$139.91 (1)	\$115.48 (2)	\$64.63 (3)
Monthly insurance escrow	\$0	\$0	\$33.33
<b>Total monthly payment</b>	<b>\$899.81</b>	<b>\$529.91</b>	<b>\$276.82</b>

\*Examples do not include homestead exemptions and assume taxes assessed at valuation equal to the purchase price, per \$100 of valuation.

**Taxes will vary depending on where the home is located. Check with your county tax office to learn your actual rates and to find out about homestead and any other exemptions.**

(1) assumes taxes: county (.04698), school dist. (1.70714), hosp. dist. (.259), road & bridge (.0859);

(2) assumes taxes: county (.06505), ISD (1.61), hosp. dist. (.2133), water conserve. dist. (.29766);

(3) assumes taxes: ISD (1.285), college (1.9338), fire dist. (1.9495)

**I ACKNOWLEDGE RECEIPT OF THIS DISCLOSURE BEFORE COMPLETION OF MY FIRST CREDIT APPLICATION**

(sign) \_\_\_\_\_ (sign) \_\_\_\_\_ (date) \_\_\_\_\_

(4) Notice of Installation (Form T).

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  
Pursuant to the Texas Manufactured Housing Standards Act, Chapter 1201 of the Occupations Code  
Internet Address: [www.tdhca.state.tx.us/mh/index.htm](http://www.tdhca.state.tx.us/mh/index.htm)

**NOTICE OF INSTALLATION (FORM T)**

HUD Label or Texas Seal # (s): \_\_\_\_\_ Serial # (s): \_\_\_\_\_

Manufacturer Name: \_\_\_\_\_ License No. \_\_\_\_\_

Home Size - Width / Length: \_\_\_\_\_ X \_\_\_\_\_ Weight \_\_\_\_\_ Date of Manufacture: \_\_\_\_/\_\_\_\_/\_\_\_\_ Model / Name: \_\_\_\_\_

**Draw A Map To Provide Directions To Home On Page 2**

Consumer: \_\_\_\_\_ Phone Numbers: Home: (\_\_\_\_) \_\_\_\_\_ Work: (\_\_\_\_) \_\_\_\_\_

Mailing Address: \_\_\_\_\_ ZIP: \_\_\_\_\_

Site Address: \_\_\_\_\_ Within City Limits of \_\_\_\_\_ ZIP: \_\_\_\_\_

County Where Home is Installed: \_\_\_\_\_

Actual Installation Date: \_\_\_\_/\_\_\_\_/\_\_\_\_ Wind Zone on Data Plate: I (\_\_\_\_) II (\_\_\_\_) III (\_\_\_\_)

	Name	Address	License #	Expiration Date	Phone #
<b>Retailer</b>					
<b>Installer</b>					

New  Used Does retailer or installer provide skirting? Yes  No

Is installation part of sales contract of used home? Yes  No  Not Applicable

The home has been installed in accordance with:

- 1. Manufacturer's Home Installation Instructions (provide page number or option \_\_\_\_\_).
- 2. State Generic Standards - Title 10 Texas Administrative Code (10 TAC) §§80.55, 56, 57, 58, and 59.
- 3. A stabilization system registered with the Department in accordance with 10 TAC §80.62 - provide name of system or reference to MHD Approval Letter or registration \_\_\_\_\_.
- 4. A Special Foundation System (attach a copy of the drawing for this system and provide a reference, if applicable, to any drawing previously submitted).

**IF NO METHOD IS CHECKED, IT WILL BE PRESUMED THAT OPTION 2  
(STATE GENERIC STANDARDS) WAS USED.**

To be submitted to the Department along with the required fee no later than the 15<sup>th</sup> day of the month after which the installation is completed. The Installation Report (Form T) should no longer be submitted with the title documents.

---

I verify that I am a licensed installer, that I am responsible for the installation described, and that the information supplied is true and correct.

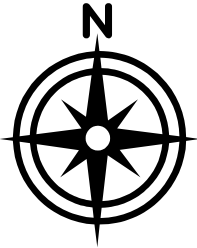
---

Signature (Retailer/Installer)

---

Printed Name and Title

**DRAW MAP BELOW**





(5) Estimate for Reassigned Warranty Work.

## Estimate for Reassigned Warranty Work

### Part I – Labor and Materials:

**For each item on the inspection report, provide the information requested.**

1) Description of proposed correction: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Estimated time: \_\_\_\_\_ Hourly rate: \_\_\_\_\_

Itemized cost of materials: \_\_\_\_\_  
\_\_\_\_\_

2) Description of proposed correction: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Estimated time: \_\_\_\_\_ Hourly rate: \_\_\_\_\_

Itemized cost of materials: \_\_\_\_\_  
\_\_\_\_\_

3) Description of proposed correction: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Estimated time: \_\_\_\_\_ Hourly rate: \_\_\_\_\_

Itemized cost of materials: \_\_\_\_\_  
\_\_\_\_\_

**Part II – Other Costs and Expenses**

<b>Block 1: Travel</b>	
Starting location, which must be the closer of the nearest office to the site of the re-assigned warranty work or the in-state service center for the licensee. <b>Starting location:</b>	
Mileage is reimbursable at the greater of the rate of \$0.35 per mile, not to exceed \$75.00 per day, or the State of Texas approved rates from time to time in effect for reimbursement of state employees' travel expenses. <b>Estimated round-trip mileage:</b>	
<b>Itemized list of any other travel costs:</b>	

<b>Block 2: Lodging</b>	
Reimbursement for overnight lodging is to include the actual room rate and any applicable taxes but does not include any long distance telephone calls, entertainment, food, or beverages. Reimbursement may not exceed the State of Texas approved rates for reimbursement of state employees' lodging. <b>Name, location, and rate:</b>	

<b>Block 3: Meals</b>	
Reimbursement for meals (receipts are required) shall not exceed the greater of \$25.00 per day or the State of Texas approved rate for reimbursement of state employees' meals while traveling. Alcoholic beverages are not subject to reimbursement. <b>Estimated cost of meals:</b>	

<b>Block 4: Administrative and oversight costs</b>	
Administrative services may not exceed 20% of the total estimate. Provide an explanation of the necessary administrative services, including the number of hours required and the hourly rate of each person providing such services:	

**Part III – Certification**

The undersigned represents that:

- (1) the actual costs for labor charged to the Texas Department of Housing and Community Affairs, Manufactured Housing Division and/or the Manufactured Homeowner's Recovery Trust Fund will not exceed the actual number of hours expended, rounded to the nearest quarter of an hour increment, times the hourly rate specified above;
- (2) the actual costs for materials charged to Texas Department of Housing and Community Affairs, Manufactured Housing Division and/or the Manufactured Homeowner's Recovery Trust Fund will not exceed the costs actually charged to the undersigned and such costs do not exceed the costs at which the undersigned is able to obtain such materials for its own account;
- (3) the hourly rate being charged by the undersigned does not exceed the normal hourly rate at which the specified individuals customarily provide their services; and
- (4) if the work to be performed involves any repair or alteration that would require DAPIA approval, such approval will be obtained and a copy of such approval, together with all DAPIA-approved drawings relating thereto, will be submitted when reimbursement is requested.

Name of Licensee: \_\_\_\_\_ This estimate submitted this \_\_\_\_ day of \_\_\_\_\_,

License number: \_\_\_\_\_

\_\_\_\_\_  
*Signature of licensee or duly authorized officer or representative*  
 \_\_\_\_\_  
*Printed name of licensee or duly authorized officer or representative*

(6) 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

Pursuant to the Texas Manufactured Housing Standards Act, Chapter 1201 of the Occupations Code

Internet Address: www.tdhca.state.tx.us/mh/index.htm

**APPLICATION FOR STATEMENT OF OWNERSHIP AND LOCATION**

Instructions: Submit this completed form (type or print clearly) with the required fee to the above address.

<b>BLOCK 1: Transaction Identification</b>	
This application is for: <input type="checkbox"/> First time issuance of an SOL for a new home (first retail sale) <input type="checkbox"/> Revised <input type="checkbox"/> Correction <input type="checkbox"/> Other _____	<b>(For Department Use Only) Coding:</b>  Lien on file: Y / N      Lienholder Code County Code:                      Right of Surv.: Y / N Retailer #:                              Manufacturer #:

<b>BLOCK 2: Home Information</b>					
Manufacturer Name:			Model:		
Address:			Date of Manufacture:		
City, State, Zip:			Total Square Feet:		
License Number:			Wind Zone:		
	<i>Label/Seal Number</i>	<i>Serial Number</i>	<i>Weight</i>	<i>Size*</i>	<i>*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.</i>
Section 1:				X	
Section 2:				X	
Section 3:				X	
Section 4:				X	

<b>BLOCK 3: Home Location</b>					
Was Home Moved? <input type="checkbox"/> No <input type="checkbox"/> Yes					
Was Home Installed? <input type="checkbox"/> No <input type="checkbox"/> Yes If yes, provide installer information below, if known					
Installer Name:					
Address/City/State/ZIP:					
Installer Phone:		Installer Fax:			
Physical Location: <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>

<b>BLOCK 4: Ownership Information</b>				<b>IF ownership changed, date of transfer:</b>	
<b>(4a) Seller(s) or Transferor(s)</b>		<b>(4b) Purchaser(s), Transferee(s), or Owner(s)</b>			
Name	License # if Retailer:	Name	License # if Retailer:		
Name		Name			
Mailing Address		Mailing Address			
City/State/Zip		City/State/Zip			
Daytime Phone Number ( ) -		Daytime Phone Number ( ) -			

<b>BLOCK 5: Right of Survivorship (if no box is checked, joint owners will NOT have right of survivorship)</b>
If joint owners desire right of survivorship, check the applicable box below: <input type="checkbox"/> 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. <input type="checkbox"/> Joint owners are <u>other than</u> husband and wife, desire right of survivorship, <b>and</b> 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.

- 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:** \_\_\_\_\_

- For Title Companies or Attorney's Offices – List your file or GF #: \_\_\_\_\_
- Inventory – Retailer number must be provided in Block 4b. (**FOR RETAILER USE ONLY**)

**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 - Specify any liens (other than tax liens), charges, or other encumbrances to be recorded on the SOL**

Date of First Lien: _____ Name of First Lienholder: _____ Mailing Address: _____ City/State/ZIP: _____ Daytime Phone Number: (    )    -    _____	Date of Second Lien: _____ Name of Second Lienholder: _____ Mailing Address: _____ City/State/ZIP: _____ Daytime Phone Number: (    )    -    _____
---	---

**BLOCK 9: Special Mailing Instructions.**

IF a certified 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: \_\_\_\_\_

**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).**
- **If the Statement of Ownership and Location is for a used home, 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.**

<p><b>(10a) Each seller/transferor must sign, but notary signature and seal are optional.</b></p> <p>_____  <i>Signature of seller/transferor</i></p> <p>Sworn and subscribed before me this ____ day of _____, 20__</p> <p>_____  <i>Signature of Notary</i></p> <p>SEAL</p>	<p><b>(10b) Each purchaser/transferee or owner must sign, and notary signature and seal are required.</b></p> <p>_____  <i>Signature of purchaser/transferee or owner</i></p> <p>Sworn and subscribed before me this ____ day of _____, 20__</p> <p>_____  <i>Signature of Notary</i></p> <p>SEAL</p>
<p>_____  <i>Signature of seller/transferor</i></p> <p>Sworn and subscribed before me this ____ day of _____, 20__</p> <p>_____  <i>Signature of Notary</i></p> <p>SEAL</p>	<p>_____  <i>Signature of purchaser/transferee or owner</i></p> <p>Sworn and subscribed before me this ____ day of _____, 20__</p> <p>_____  <i>Signature of Notary</i></p> <p>SEAL</p>

(7) Release or Foreclosure of Lien (Form B).

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RELEASE OR FORECLOSURE OF LIEN

(This form is not to be used for tax liens. Please type or print clearly.)

FORM B

**BLOCK 1: Home Information (Must be completed)**

Manufacturer Name:		License #:	
Manufacturer Address:			
Model :	Total Sq. Ft.:	Date of Manufacture:	
Label/Seal Number	Complete Serial Number	Weight	Size
Section One:			
Section Two:			
Section Three:			

**BLOCK 2: For Release of Liens**

(Name of Lienholder)	(Address)	(City)	(State)	(Zip)	(Phone)
(Name of Consumer)	(Address)	(City)	(State)	(Zip)	(Phone)

Release of Lien Effective Date: \_\_\_\_\_

**BLOCK 3: For Foreclosure of Lien**

Date of Repossession: \_\_\_\_\_ Release of Lien Effective Date: \_\_\_\_\_

**Method of Repossession (MUST CHECK ONE):**

- Terms of Security (Lien) Agreement
- Judicial Order (Sequestration, Possessory Lien, etc.) If by judicial order, attach a copy of the Sheriff's Bill of Sale. If the lien was not recorded on the document of title, a COPY of the Security Agreement or Judicial Order must be attached.

**BLOCK 4: Sale of Foreclosed Manufactured Home**

**MUST be completed IF foreclosure is being recorded**

**Method of Sale (MUST CHECK ONE):**

- I (We) will sell the home to or through a licensed retailer.
- I (We) will sell the home directly to a consumer and have the required retailer license.
- I (We) will sell the home directly to a consumer and I am (We are) not required to be licensed as a retailer under Subchapter C of the Standards Act.

If either of the first two items above is checked and this form is submitted in conjunction with an application to record the sale of the manufactured home, the name and license number of the retailer must be provided here: R-\_\_\_\_\_.

**BLOCK 5: Notarized Signature Required**

<p>I (We) certify that the statements set forth hereinabove and the information attached hereto are true and correct.</p> <p>_____</p> <p>(Signature of Person Authorized to Sign for Lienholder)</p> <p>_____</p> <p>(Title of Person Signing) (Phone)</p>	<p>Sworn and subscribed before me this _____ day of _____, 20____</p> <p style="text-align: center;">(month) (year)</p> <p>_____</p> <p style="text-align: center;">(Signature of Notary)</p> <p style="text-align: center;">Seal</p> <p>_____</p> <p style="text-align: center;">(Typed Name of Notary) (Date Commission Expires)</p>
---	---



(8) Quick Processing Form.

## QUICK PROCESSING

OF APPLICATION FOR STATEMENT OF OWNERSHIP AND LOCATION (SOL)

To receive **Quick Processing**, the application **MUST**:

- be complete,**
- be clearly labeled for Quick Processing or have this coversheet attached to the front,**
- be delivered in person or by overnight mail to address above, and**
- be accompanied by full payment of all fees, including additional Quick Processing fee.**

**BLOCK 1: Select Return Method**

To be picked up. Call \_\_\_\_\_ at (\_\_\_\_) \_\_\_\_ - \_\_\_\_\_ when ready.

Return by regular mail

Return using \_\_\_\_\_ overnight service. One of the following **MUST** be provided (**credit cards are NOT accepted**):

- Requestor's overnight service account # \_\_\_\_\_
- Pre-paid return airbill enclosed with the application

**BLOCK 2: Provide Address to Return Incomplete Applications to**

Name:	
Company:	
Street Address:	
City, State, Zip:	

**BLOCK 3: Specify person to contact with questions about the application**

Name:	
Phone Number:	(     )                      -                      _____

Note: Quick Processing takes 3 business days from the date that the complete application is received in the Manufactured Housing Division (MHD) mailroom. Due to mail delivery and routing times, the date received by MHD may be later than the date it is received by TDHCA. Your certified copy of the SOL will be returned via **regular** mail unless a pre-paid return airbill or account number is provided.

(9) Form M.

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**FORM M**

*(Please type or print clearly.)*

**IMPORTANT NOTICE!**

**Place this form on top of the SOL application packet**

**This form is required when paying for multiple applications with one check, thereby enabling us to match refunds with applications.**

	HUD #, Seal #, or Serial #	Purchaser / Owner Name(s)	Fee(s) Per Home
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			
21.			
22.			
23.			
24.			
25.			
26.			

\_\_\_\_\_  
 ( ) *(Payor)*  
 \_\_\_\_\_  
 ( ) *(Phone Number)*      ( ) *(Fax Number)*      \_\_\_\_\_ *(Check Number)*      Total Fees: \$ \_\_\_\_\_

(10) Affidavit of Fact for Right of Survivorship.

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Internet Address: www.tdhca.state.tx.us/mh/index.htm

<b>AFFIDAVIT OF FACT</b>				
<b>FOR RIGHT OF SURVIVORSHIP OWNERSHIP AGREEMENT</b>				
<b>BLOCK 1: Home Information (Must be completed)</b>				
Manufacturer Name:			License #:	
Manufacturer Address:		City/State/Zip:		
Model :	Total Sq. Ft.:	Date of Manufacture:		
Label/Seal Number	Complete Serial Number	Weight	Size	
Section One:				
Section Two:				
Section Three:				
<b>BLOCK 2: Type of Mutual Agreement</b>				
The relationship that exists between the undersigned can be defined as (check one):				
<input type="checkbox"/> Legally married (If this box is checked, complete Block 6 only) <input type="checkbox"/> Common Law marriage (If this box is checked, complete Block 3 and Block 6) <input type="checkbox"/> Co-owners are unmarried (If this box is checked, complete Block 4 and Block 6) <input type="checkbox"/> Co-owners are married but not to each other (If this box is checked, complete Block 5 and Block 6)				
<b>BLOCK 3: Attestation of Common Law Marriage</b>				
We, the undersigned, acknowledge and affirm that we are married by common law to each other and that any previous marriage(s) legal or common law, between any of the undersigned and other party(ies) was legally terminated by a spouse in death or by a legal divorce.				
Signature of Co-owner _____		Signature of Co-owner _____		Date _____
<b>BLOCK 4: Attestation of Unmarried Status</b>				
I, the undersigned, acknowledge and affirm that I am not married, legally or by common law marriage.				
Signature of Co-owner _____		Signature of Co-owner _____		Date _____
<b>BLOCK 5: Attestation of Separate Property By the Undersigned Spouse</b>				
<b>Spouse #1</b>				
In order to establish right of survivorship between the co-owners of said manufactured home, I, _____ the spouse of _____, do hereby acknowledge and attest that any and all property rights and interests in the above referenced manufactured home is the separate property of the co-owners exclusively.				
Signature of spouse #1: _____ Date: _____				
<b>Spouse #2</b>				
In order to establish right of survivorship between the co-owners of said manufactured home, I, _____ the spouse of _____, do hereby acknowledge and attest that any and all property rights and interests in the above referenced manufactured home is the separate property of the co-owners exclusively.				
Signature of spouse #2: _____ Date: _____				
<b>BLOCK 6: Signatures of Co-Owners</b>				
<b>NOTARIZATION REQUIRED</b>				
We, the undersigned, hereby 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(s).				
Signature of Co-owner _____		Signature of Co-owner _____		Date _____
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____				
_____ (Notary Public)			SEAL	
_____ (Commission Expires)			Notary Public State of Texas	

(11) Retailer/Broker Disclosure Statement.

**Retailer/Broker Disclosure Statement**  
**Installation Responsibility on Purchase of Used Manufactured Home**  
*(Required per §80.121(a)(3)(C) of 10 TAC, Chapter 80)*

**Check Appropriate Boxes:**

- The purchase of your used manufactured home **INCLUDES** the installation; therefore the license holder **WILL** provide the required installation warranty.
- The purchase of your used manufactured home **DOES NOT** include the installation; therefore the retailer will **NOT** provide an installation warranty.
- The used manufactured home is already installed, and the retailer will do the following:
- Check Leveling
  - Check Vapor Retarder
  - Check Stabilization System
  - Other \_\_\_\_\_
  - None of the above
- The used manufactured home is already installed in a Wind Zone II county; however the home is a Wind Zone I, which means this home was not designed or constructed to withstand a hurricane force wind occurring in a Wind Zone II or III area. If you have the home re-installed in another location, the home cannot be installed in a Wind Zone II area unless it was constructed before September 1, 1997, pursuant to §1201.256 of the Standards Act.

Each of us, by signing below, agree that we were given this disclosure on the date shown and it had been fully completed at the time it was given to us.

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By signing below, I confirm that I am the person licensed under the Texas Manufactured Housing Standards Act who provided this disclosure (including any attachments) to the consumers named above.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

License number: \_\_\_\_\_



(12) Warranty of Habitability.

**WARRANTY AND DISCLOSURE  
FOR A USED MANUFACTURED HOME**

*If the manufactured home does not have a HUD Label or Texas Seal, a copy of this disclosure must be submitted to the Department along with an application for a Texas Seal and the required fee.*

**BLOCK 1: Home Information**

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

	Label/Seal Number	Serial Number	Weight	Size*	
Section 1:				X	* <b>NOTE:</b> Size must be reported as the outside dimensions ( <u>length and width</u> ) of the home as measured to the nearest ½ foot at the base of the home, exclusive of the tongue or other towing device.
Section 2:				X	
Section 3:				X	
Section 4:				X	

**BLOCK 2: Statement of Warranty**

(This block does not apply to exempt consumer to consumer sales.)

The above-described home is warranted by the seller to the purchaser to be habitable and to remain habitable until the later of 60 days from the date of the purchase agreement selling or transferring the home or 60 days after the date that the installation of the home is completed. By “habitable” it is meant that:

- There is no defect or deterioration in or damage to the home that creates a dangerous situation;
- The plumbing, heating, and electrical systems are in safe working order;
- The walls, floor, and roof are:
  - free from a substantial opening that was not designed and
  - structurally sound; and
- All exterior doors and windows are in place. Any window that is designated an egress window is in working order.

The PURCHASER, \_\_\_\_\_, must notify the SELLER, \_\_\_\_\_,  
(name of purchaser) (name of seller)

**IN WRITING within 65 DAYS of any DEFECT that makes the home NOT HABITABLE or the SELLER will have NO LIABILITY for the warranty of habitability.**

**Appliances:** *Indicate the appliance being conveyed and describe any known defects.*

Check Appliances Conveyed with home	Make and Model	Gas or Electric	Describe Any Known Defects
<input type="checkbox"/> Refrigerator			
<input type="checkbox"/> Range			
<input type="checkbox"/> Stove top only			
<input type="checkbox"/> Microwave			
<input type="checkbox"/> Washer			
<input type="checkbox"/> Dryer			
<input type="checkbox"/> Trash Compactor			
<input type="checkbox"/> Dishwasher			
<input type="checkbox"/> Other			

**Home:** *Any item present that does not describe any known defects is assumed to have no known defects.*

Interior	Describe Any Known Defects
Living room:	
Kitchen:	
Bedroom 1	
Bedroom 2	
Bedroom 3	
Bathroom 1	
Bathroom 2	
Laundry/utility room:	
Other rooms (list):	
General Home Exterior	Describe Any Known Defects
Roof decking	
Roof covering	
Floor underside	
Walls	
Other	
Systems	Describe Any Known Defects
Electrical system	
Water Heater	
Air Conditioner	
Plumbing system	

**BLOCK 3: Signatures**

*I certify that the above information is, to the best of my knowledge, complete and accurate.*

\_\_\_\_\_

*(Seller's Signature)*

\_\_\_\_\_

*(Printed Name of Seller or Seller's authorized representative)*

\_\_\_\_\_

*(Date)*

*I acknowledge receipt of the Warranty and Disclosure for the purchase of a used manufactured home.*

\_\_\_\_\_

*(Consumer/Purchaser's Signature)*

\_\_\_\_\_

*(Printed Name of Consumer/Purchaser)*

\_\_\_\_\_

*(Date)*

(13) Manufacturer's Certificate of Origin.

## MANUFACTURER'S CERTIFICATE OF ORIGIN TO A MANUFACTURED HOME

**THE UNDERSIGNED MANUFACTURER HEREBY CERTIFIES THAT THE NEW MANUFACTURED HOME DESCRIBED HEREIN, THE PROPERTY OF SAID MANUFACTURER, HAS BEEN TRANSFERRED ON THE DATE SET FORTH HEREIN, SUBJECT TO THE TERMS AND CONDITIONS OF THE INVOICE OR OTHER APPLICABLE AGREEMENT TO:**

NAME OF RETAILER		REG. NO.	ADDRESS OF RETAILER		CITY	STATE	ZIP	
TRANSFER DATE	MODEL DESIGNATION		DATE OF MANUFACTURE		NUMBER OF SECTIONS	TOTAL SQUARE FEET		
LABEL/DECAL NUMBER		SERIAL NUMBER			WEIGHT	SIZE	EXCLUDING HITCH	
LABEL/DECAL NUMBER		SERIAL NUMBER			WEIGHT	SIZE	EXCLUDING HITCH	
LABEL/DECAL NUMBER		SERIAL NUMBER			WEIGHT	SIZE	EXCLUDING HITCH	
LABEL/DECAL NUMBER		SERIAL NUMBER			WEIGHT	SIZE	EXCLUDING HITCH	
<b>FIRST ASSIGNMENT (FOR RETAILERS ONLY)</b>					<b>DATE</b>			
<b>TO:</b>					<b>CONSTRUCTED FOR:</b>			
NAME OF RETAILER		REGISTRATION NO.			ENERGY ZONE _____		WIND ZONE _____	
ADDRESS					ROOF LOAD ZONE _____			
CITY		STATE	ZIP		<p style="text-align: center;"><b>THE MANUFACTURER WARRANTS THAT A GOOD AND MARKETABLE TITLE IS BEING TRANSFERRED AND THAT NO OTHER VALID MANUFACTURER'S CERTIFICATE OF ORIGIN IS ISSUED AND OUTSTANDING ON THE MANUFACTURED HOME DESCRIBED HEREIN.</b></p>			
TYPE NAME AND TITLE OF PERSON AUTHORIZED TO SIGN FOR TRANSFERENCE TO RETAILER								
AUTHORIZED SIGNATURE								
ADDRESS OF MANUFACTURER								
<b>SECOND ASSIGNMENT (FOR RETAILERS ONLY)</b>					<b>DATE</b>			
<b>TO:</b>					CITY		STATE	ZIP
NAME OF RETAILER		REGISTRATION NO.			<p style="text-align: center;"><b>AUTHORIZED SIGNATURE/TITLE</b></p>			
ADDRESS								
CITY		STATE	ZIP					
TYPE NAME AND TITLE OF PERSON AUTHORIZED TO SIGN FOR TRANSFERENCE TO RETAILER								
AUTHORIZED SIGNATURE					INVOICE # _____			
<b>NOTE: AT FIRST RETAIL SALE THIS CEASES TO EVIDENCE OWNERSHIP OF THE HOME.</b>								

(b) Optional Forms. Spanish Version of Consumer Disclosure Statement.

## **Declaración de Divulgaciones para el Consumidor**

Al comprar una vivienda prefabricada, hay varias consideraciones importantes, incluyendo el precio, la calidad de construcción, las características, el plano de piso, y las alternativas para financiamiento. El Departamento de Vivienda y Desarrollo Urbano de EE.UU. (HUD) ayuda a proteger los consumidores a través de la regulación y ejecución de normas de HUD para el diseño y la construcción de viviendas prefabricadas. Las viviendas prefabricadas construidas de acuerdo con las normas de HUD se conocen como “HUD-code manufactured homes”.

El Departamento de Viviendas y Asuntos Comunitarios reglamenta los fabricantes, minoristas, agentes, vendedores, instaladores, y reconstructores de viviendas prefabricadas en Texas.

Si usted desea colocar una vivienda prefabricada en terreno que le pertenece o que comprará, usted debe considerar detalles como los siguientes:

**“RESTRICCIONES Y CONVENIOS RESTRICTIVOS”** Municipalidades o subdivisiones pueden restringir la colocación de viviendas prefabricadas en ciertos lotes, restringir su colocación a cierta distancia de linderos de propiedad, requerir que sean de cierto tamaño, y establecer ciertos requisitos para su tamaño y construcción. Puede que usted tenga que obtener permisos de construcción y aprobación de una asociación de propietarios antes de colocar una vivienda prefabricada en un lote en particular. Comuníquese con el gerente de la municipalidad, el condado, y la subdivisión local para determinar si la vivienda prefabricada que usted prefiere se puede colocar en un lote en particular.

**“AGUA”** Asegurase de que su lote tiene acceso al agua. Si tiene que perforar un pozo, comuníquese con varios perforadores para ofertas. Si agua está disponible a través de una municipalidad, un distrito de servicio público, un distrito de agua, o una cooperativa, usted debe preguntar sobre las tarifas que tendrá que pagar y los costos de ingresar con el sistema de agua.

**“ALCANTARILLA”** Si su lote no es servido por un sistema alcantarilla municipal o un distrito de servicio público, usted tendrá que instalar un sistema para aguas cloacales (conocido como una fosa séptica). Hay varias consideraciones o restricciones que determinarán si su lote es adecuado para soportar una fosa séptica. Para determinar los requisitos que se aplican a su lote y el costo de instalar tal sistema, comuníquese con el condado o un instalador privado que tiene licencia.

**“HONORARIOS PARA UNA ASOCIACION DE DUEÑOS”** Muchas subdivisiones tienen tasas y cuotas obligatorias que los propietarios de lotes tienen que pagar. Comuníquese con el gerente de la subdivisión donde está localizado su lote para determinar si hay honorarios asociados con su lote.

**“IMPUESTOS”** Su vivienda será evaluada y sujeto a impuestos “*al valórem*” igual que otras estructuras residenciales para una sola familia. Estos impuestos se tienen que poner en plica con su pago mensual las primas para seguridad, honorarios, u otros cobros en conexión con los préstamos asegurados por los bienes raíces residenciales, excepto que su prestamista no está obligado a imponer un requisito de plica en una transacción de bienes raíces que incluyen una vivienda prefabricada si el prestamista es una institución financiera asegurada por el gobierno

federal y de otros modos no requiere la plica de los impuestos. En el cierre, le notificarán de todas las divulgaciones requeridas por el gobierno federal para préstamos honestos.

**“ASEGURANZA”** Su prestamista puede requerir que usted obtenga aseguranza que satisface los requisitos del prestamista y que protege su inversión. Usted debe de pedir cotización del agente que usted prefiere para obtener aseguranza.

**“TIPOS DE HIPOTECAS DISPONIBLES”** La compra de una vivienda prefabricada se puede financiar con una hipoteca para bienes raíces o con una hipoteca prendaria. Una hipoteca para bienes raíces puede tener una tasa de interés mas baja que una hipoteca prendaria.

**“DERECHO A RESCINDIR”** Si usted adquiere una vivienda prefabricada, por medio de una compra, un intercambio, o un contrato para la compra tras arrendamiento, usted puede, hasta el TERCER DIA después de la fecha en que se firma el contrato pertinente, rescindir el contrato SIN PENA NI COBRO.

Esta **Divulgación** fue proveída por el minorista y/o el prestamista indicado abajo en esta fecha y me(nos) fue proveído antes de que completara(mos) una aplicación para crédito o antes de firmar un contrato para la compra de una vivienda prefabricada.

\_\_\_\_\_  
Nombre y # de licencia del minorista o prestamista      Fecha

\_\_\_\_\_  
Consumidor      Fecha

\_\_\_\_\_  
Dirección

\_\_\_\_\_  
Consumidor      Fecha

\_\_\_\_\_  
Ciudad    Condado    Estado    Código Postal

\_\_\_\_\_  
Dirección

\_\_\_\_\_  
Ciudad    Condado    Estado    Código Postal

**Antes de completar una aplicación para crédito, el minorista o su agente tiene que dar al consumidor esta declaración en texto tipográfico de por lo menos tamaño 12, y no puede estar adjunto con, ni incluido en, ninguna otra divulgación u otro documento.**