Idaho AN No. 1892 (HB-1-3550)

November 18, 2016

SUBJECT: Manufactured Housing

TO: State Office Housing Staff
SFH Specialists
USDA Rural Development, Idaho

Purpose/Intended Outcome:

The purpose of the Administrative Notice (AN) is to provide information and guidance in the processing of Rural Housing 502 Direct loan requests for manufactured housing. Guaranteed 502 Lenders may also choose to use this as a guide.

Comparison with Previous AN:

This Administrative Notice (AN) replaces ID AN No. 1879 (HB-3550), which has expired.

All statements and/or certifications required in Attachment 1 have been incorporated into Exhibit A, Attachment 3. This was done to streamline the process.

Implementation Responsibilities:

Exhibit A and the attachments to this AN have been prepared for your use in working with Lenders, Dealer-Contractors, Developers, Realtors and others participating in this program.

Exhibit A will serve as a guide for each manufactured home loan and the attachments will be completed and become part of the 502 direct loan file, as appropriate.

If you have any questions concerning this AN, please contact the Rural Housing Division.

WALLY HEDRICK
State Director

Attachments

EXPIRATION DATE: November 30, 2017

FILING INSTRUCTIONS:
Preceding RD Instruction 1924-A, and HB-1-3550 Chapter 9 & Appendix 7

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MANUFACTURED HOMES-NEW UNITS ONLY RURAL HOUSING PROCESSING GUIDE

Following is a list of the information necessary for the financing of manufactured homes under the 502 Direct Rural Development loan program. This is a guide for loan specialists in the processing of 502 direct loans for manufactured housing.

The financing of manufactured homes is restricted to new units, unless the unit is already financed with a Section 502 Direct Rural Housing loan or a Guaranteed Rural Housing loan.

1. Floor Plan: Dealer-Contractor to provide a schematic floor plan. Detailed floor plans and specifications are not required.

2. Description of Materials: Attachment 2 should be completed by dealer/contractor.

3. Site Development Information: A plot plan including all items must be provided. Dealer-Contractor to provide specifications and plans for the site development and any appendages proposed, such as driveways, patios, steps, porches, garages, etc. Refer to Exhibit A, Attachment 4.

4. Manufactured Home Foundation: A foundation plan is required that adapts the manufacturer's design to the specific site conditions. Specific site conditions that may require modification may include slope, soils type, frost depth and requirements of RD adopted code, and/or local codes. (Reference Exhibit A, Attachment 4)

The manufactured home must be attached to a site-built continuous masonry or concrete perimeter foundation. The manufactured home must be permanently attached to the foundation by anchoring devices adequate to resist all loads identified in the Idaho code. This includes resistance to ground movements, seismic shaking, potential shearing, overturning and uplift loads caused by wind. Anchoring straps or cables affixed to ground anchors other than footings will not meet these requirements.

Form RD 1924-25, "Plan Certification" will be completed by the Dealer-Contractor to show the site and foundation designs.

The unit must be installed in accordance with the manufacturer's installation instructions and all applicable codes. The installation must be performed by a Dealer-Contractor or subcontractor who has a Manufactured Dwelling Installer's License issued by the State of Idaho.

6. Itemized Cost Breakdown: Total package price including the base unit, options, land costs, installation/set up, site development, garage, landscaping, permits and fees, and any credit for wheels and axles. The dealer-contractor will ensure that this breakdown matches the order confirmation as applicable. **Models that include such items as big screen televisions, home theatre systems, etc., are not eligible for Rural Development financing.**

Note: Statements in 7a-h are included in Exhibit A, Attachment 3 to this Administrative Notice.

7. (a) A Statement Signed by the Dealer-Contractor that any cash payment or rebate as a result of the purchase of the manufactured home will be deducted from the price of the unit and not paid to the applicant.

7. (b) A Statement signed by the Dealer-Contractor that this is the full price of the unit and all development. If furniture is included in the purchase price, the Dealer-Contractor agrees a lien will not be filed against the security property.

7 (c) Address responsible people in the following areas:
Who is the authorized dealer?
Who will sign the construction contract on behalf of the dealer-contractor?
Who is the site contractor?
Who is responsible to take care of any defects?

7 (d) Dealer-Contractor must provide the Manufacturer's Unit Model, Serial Number, Style, etc.

7 (e) The Dealer-Contractor must certify that the manufactured home property substantially complies with the plans and specifications and the manufactured home sustained no hidden damage during transportation and, the manufacturer certificate of encumbrance is in place, if manufactured in separate sections that the sections were properly joined and sealed according to the manufacturer's specifications, the FMHSCSS Label is in place, the Comfort Heating and Cooling Certificate is in place, the Thermal Design Certification is in place, and the proper form has been filed with the local County Recorder's Office declaring the manufactured home as real property. All of these items are explained in further detail below.

7 (f) Manufacturer Certificate of Encumbrance: The manufacturer of the unit must furnish an executed manufacturer's certificate of origin that the unit is free and clear of all legal encumbrances.

7 (g) FMHCSS Label: "Federal Manufactured Home Construction and Safety Standards" (FMHCSS), a 1976 Federal Standard commonly known as the HUD standards for the construction, design and performance of a manufactured home which meets the needs of the public, including the need for quality, durability and safety. Units conforming to the FHMCSS are certified by an affixed label that reads as follows:

AS EVIDENCED BY THIS LABEL NO. _____THE MANUFACTURER CERTIFIES TO THE BEST OF THE MANUFACTURER'S KNOWLEDGE AND BELIEF THAT THIS MANUFACTURED HOME HAS BEEN INSPECTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND IS CONSTRUCTED IN CONFORMANCE WITH THE FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS, IN EFFECT ON THE DATE OF MANUFACTURE. SEE DATA PLATE.

The appraiser/inspector must verify and document that the FMHCSS data plate is affixed to the manufactured home.

7. (h) Thermal Design Certification: All new manufactured homes built to the FMHCSS are provided with a Comfort Heating and Cooling Certificate. This certificate, (which may be combines with the data plate) is affixed in a permanent manner near the main electrical panel or other readily accessible and visible location inside the unit. The certificate specified to FMHCSS UO Value zone of the home as Zone 1, 2, or 3. The Lender must provide certification (See Attachment 7) that the "Heating and Cooling Certificate" is in place. Based on the winter degree-days for Idaho the unit must be built to the Federal Manufactured Home Construction and Safety Standards (FMHSCC) **Uo Value Zone 3** or higher.

7. (i) Statement of Intent to Declare a Manufactured Home as Real Property: This form will need to be completed. It requires the owner, local Building and Zoning Department, the County Assessor, and the lien holder to sign verifying that all work is compliant with Idaho Code Section 63-304, which includes verifying that running gear has been removed, home is on a permanent foundation, and that ownership of the land and manufactured home are the same. RD will add the completion and filing of this form as a loan condition. Evidence that it has been completed will be needed before the final payment.

15. Form AD 1048: The Lender/Borrower must obtain the signature of the Dealer-Contractor on Form AD 1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Transactions".

16. Copies of all inspection reports. The inspections must be performed by a qualified inspector as determined by the Lender. Note: Stage 2 and 3 inspections may be combined when the criteria of RD Instruction 1924-A, Exhibit J, Part D, II, A is met.

17. Copy of the Certificate of Occupancy or final inspection report.

18. Dealer-Contractor Warranty: The Dealer-Contractor must provide a builder's warranty on Form RD 1924-19, "Builder's Warranty" or an approved 10-year warranty. The Dealer-Contractor will also furnish the owner with a copy of all manufacturers' warranties. All manufacturers' warranties will be described on Form RD 1924-19.

19. Construction Contract or Subcontract in Excess of $10,000: Executive Order 11246 provides for equal opportunity without regard to race, color, religion, sex, or national origin and the elimination of all facilities segregated on the basis of race, color, religion, or

national origin on construction work financed or guaranteed by Rural Development involving a construction contract of more than $10,000.

a. Applicant to execute Form RD 400-1, "Equal Opportunity Agreement."
b. Contractor to be delivered the attached Form RD 400-3, "Notice to Contractors and Applicants," and non-discrimination poster. This is prepared and provided by Rural Development.
c. Contractor to complete and execute Form RD 400-6, "Compliance Statement."
d. A copy of the written construction contract between applicant/borrower and the Dealer-Contractor.

MANUFACTURED HOME
DESCRIPTION OF MATERIALS
TO BE COMPLETED BY THE DEALER CONTRACTOR

SUPPLY HOUSE DIMENSIONS AND INDIVIDUAL ROOM DIMENSIONS

EXTERIOR WALL FRAMING: ____2X4 ____2X6 _Other (Describe)_____

SIDING MATERIALS: ____Vinyl _____Metal _____Wood (Describe)_____

FLOOR JOIST SIZE: ____2X4 _____2X6 _____2X8 _____Other (Describe)_____

SPACING _____

SUBFLOORING: Material _____ Size _____Type _____

PARTITION FRAMING:

Studs: size _____1 x3 _____2x4_____ Other (Describe) _____

ROOFING

Liveload rating in PSI 30_____ 40_____ Other _____

Materials Composition _____Metal _____Other _____

Gutters & Downspouts describe: _____

INSULATION _____ FMHCSS Uo Value Zone 3 is acceptable for all counties in Idaho.

EQUIPMENT INCLUDED

_____Range Hood & Fan
_____Range
_____Dishwasher
_____Doorbell

Exhaust Fans_____Bath _____Utility _____
Smoke Detectors _____All Bedrooms _____
_____Hallway

INTERIOR WALL FINISH:

Rooms	Foyer	Living	Dining	Kitchen
Tape & Texture				
Panelized Sheetrock				
Paneling				
Other Describe				

Rooms	Family Room	Bedrooms	Baths	Laundry
Tape & Texture				
Panelized Sheetrock				
Paneling				
Other Describe				

INTERIOR DOORS AND TRIM

Briefly describe: Hollow Core, Veneer, Oak, etc._____

_____

WINDOWS

U-Rating _____
Frame _____Vinyl _____Alum _____Wood _____Other _____

EXTERIOR DOORS:

U-Rating _____or R-Value _____

CABINETS:

Briefly describe: Veneer, oak, etc.

_____

_____

FLOOR COVERING:

Carpeting	Grade_____	Style _____
Carpet Pad	Grade _____	Thickness _____
Vinyl	Grade _____	Style _____

BATHROOM ACCESSORIES:

(__) Toilet paper holder (__) Towel Bar (__) Shower rod (__) Shower Doors

HOT WATER HEATER:

Size 18 gallons 40 gallons 52 gallons Other (explain)

_____Electric _____Gas

PLUMBING FIXTURES:

Sink: PVC ____Fiberglass _____Enamel Coated Metal _____Stainless Steel _____
Bathtub: PVC ____Fiberglass _____Enamel Coated Metal _____
Shower: PVC ____Fiberglass _____Tile _____

2 Outside Faucets required _____

HEATING SYSTEM:

Type: Gas _____Electric _____ Other (Explain) _____

Distribution: Forced Air _____Radiant _____

Air Conditioning: Yes _____ No_____

Central Air_____ Wall _____ Evaporative _____None _____

ELECTRICAL:

Circuit Breaker

Capacity: 100 _____200_____ Other (Describe) _____

Number of Circuits _____

LIGHTING FIXTURES:

Mark the rooms that have light fixtures with switches.

Foyer	Living	Laundry	Family Room	Bedrooms					Baths				
				1	2	3	4	5	1	2	3	4	5

Will the dining room have a ceiling light or a chandelier? ceiling light_____ chandelier____

_____ _____

Date Signature -Approved Dealer Contractor

DEALER- CONTRACTOR CERTIFICATION FOR MANUFACTURED HOMES-IDAHO

Applicant: _____ Manufacturer: _____

Property Address:_____ Serial Number:_____

Model/Style:_____ Plan Number: _____

Design Package Number: _____ Authorized Dealer/Contractor:_____

Name of Individual authorized to sign the construction contract on behalf of the dealer contractor?

_____

Who is the site contractor? _____

Who is responsible to take care of any defects? _____

We hereby certify that:

1. This is the full price of the unit and all development. If furniture is included in the purchase price, the Dealer-Contractor agrees a lien will not be filed against the Rural Development security property.

2. Any cash payment or rebate as a result of the purchase of the manufactured home will be deducted from the price of the unit. It will not be paid to the homebuyer.

3. The manufactured home property substantially complies with the plans and specifications and the manufactured home sustained no hidden damage during transportation and, if manufactured in separate sections, the sections were properly joined and sealed according to the manufacturer's specifications.

4. I certify that the FMHCSS (Federal Manufactured Home Construction and Safety Standards) data place is affixed to the manufactured home.

I have inspected the FMHCSS (Federal Manufactured Home Construction and Safety Standards) "Heating Certificate" and/or "Comfort Cooling Certificate" for the manufactured home identified above. Based upon this inspection, the thermal design conforms to (FMHCSS (HUD Code)
Uo Value Zone_____.

5. The "Statement of Intent to Declare a Manufactured Home as Real Property" has been completed and recorded in the appropriate county. Recorded copy attached.

_____ _____
Date (Name of Dealer-Contractor)

_____ _____
Date Authorized Representative of the Dealer-Contractor

PLOT PLAN REQUIREMENTS

Plot Plan. Refer to Example Plot Plans No.1 and 2, Exhibit B, Attachments 3 and 4. Ratio: 1:240 (1" = 20' or 1/16" = l' 0" minimum):

1. Lot and Block number.

2. Dimensions of plot and north point.

3. Dimensions of front, rear and side yards.

4. Location and dimensions of garage, carport and other accessory buildings.

5. Location and sizes of walks, driveways and approaches.

6. Location and sizes of steps, terraces, porches, fences and retaining walls.

7. Location and dimensions of easements and established setback requirements, if any.

8. Elevations at the following points: (a) first floor of dwelling and floor of garage, carport and other accessory building; (b) finish curb or crown of street at points of extension lot lines; (c) finish grade elevation at each principal corner of structure; (d) finish grade at bottom of drainage swales at extension of each side of structure as feasible; (e) crawl area.

9. The following additional elevations, as applicable, if the topography of the site or the design of the structure is such that special grading, drainage or foundations may be necessary. Examples are irregular or steeply sloping sites, filled areas on sites, or multi-level structure designs; (a) finish and existing grade elevations at each comer of the plot; (b) existing and finish grade at each principal corner of dwelling; (c) finish grade at both sides of abrupt changes of grade such as retaining walls, slopes, etc.; (d) other elevations that may be necessary to show grading and drainage.

10. Indication of type and approximate location of drainage swales.

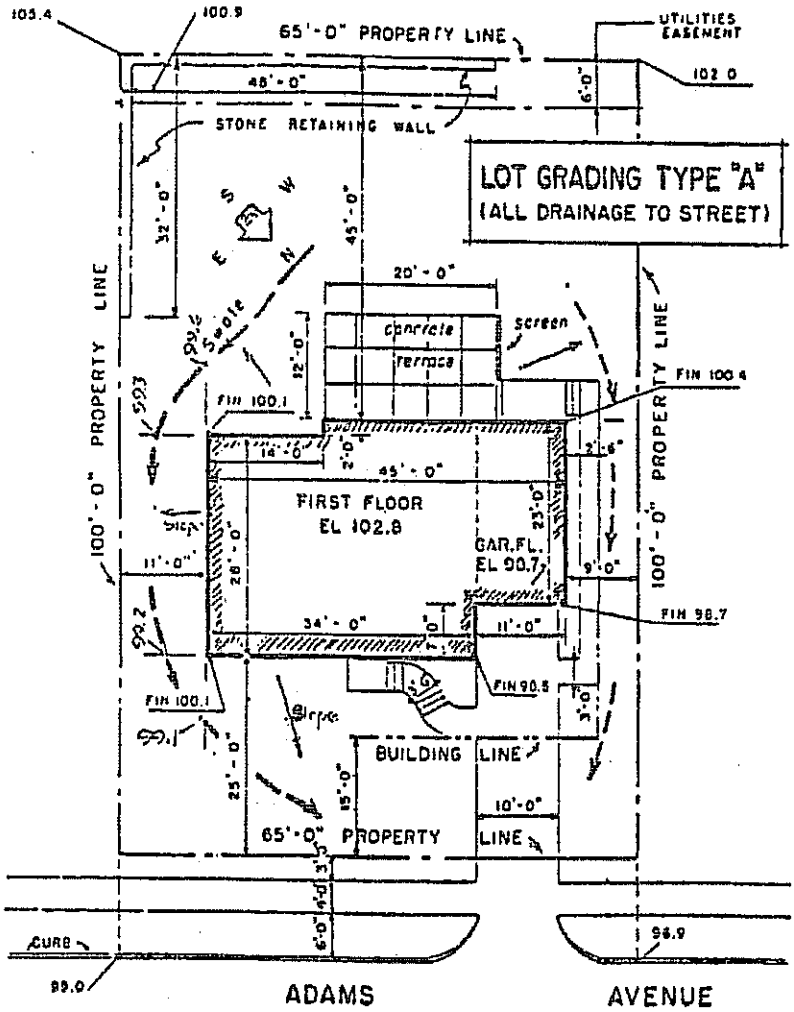
11. When an individual water supply and/or sewage system is proposed, drawings, specifications, and other items to prescribe in Paragraph V of Exhibit C to RD Instruction 1924-A, Section 1924.107 of RD Instruction 1924C, and paragraphs V and VI of Exhibit B to RD Instruction 1924-C must by submitted. Individual systems must also meet all applicable state and local codes and design requirements.

12. Show locations of water and sewer service lines.

13. Show location of crawl area drain line connecting to street drainage system.

14. Show roof drain lines connecting to street drainage system.

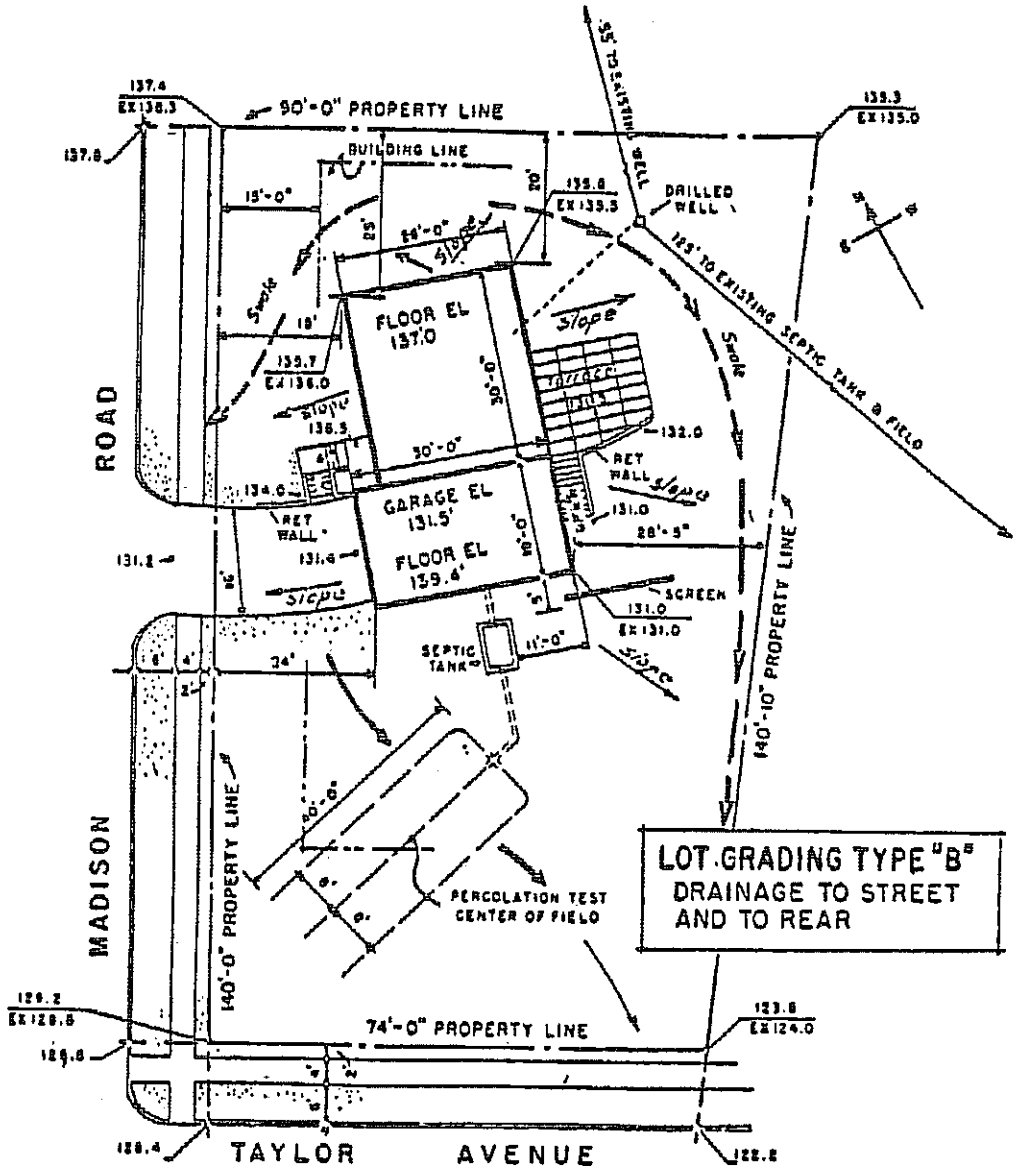
EXAMPLE PLOT PLAN No 1



Lot 4 Block 7
CHESTNUT HILL - BRAINARD, COLUMBIA

Scale 1/16" = 1'-0"

EXAMPLE PLOT PLAN NO. 2



LOT 29. BLK. 2 HEALTH AUTHORITY
HOMESTEAD ADDITION, LINCOLN COUNTY, COLUMBIA

Scale 1" = 20'