



MANUFACTURED HOUSING

What You Need to Know Before Buying a Manufactured Home

Buying a home is one of the largest investments you will make—and it can be a formidable task for many families. If you are considering the purchase of a manufactured home, there are some points you should know to protect yourself and your investment. Whether you pay cash or finance your home, it is essential that you:

- 1) Buy from a licensed retailer and use a licensed installer to install your home;
- 2) Properly prepare the site and ensure that it's suitable for your home;
- 3) Inspect your home thoroughly as soon as you move in, and;
- 4) Understand your warranties.

Licensed Retailers and Installers

Tennessee State Law requires that you to purchase a manufactured home from a retailer licensed by the state and to use an installer licensed by the state. Manufactured home retailers and installers must attend a 15-hour installation education class and obtain the proper bonds and insurance prior to becoming licensed (A 5-hour continuing education class must also be attended annually prior to license renewal). Otherwise, the buyer risks having the home improperly installed.

Faulty installation can result in unsafe conditions, structural deterioration, accelerated depreciation and higher utility costs. The bonding and insurance requirements protect you in the event that a *licensed* retailer or installer goes out of business before the warranty period expires. If you use an *unlicensed* retailer or installer and that retailer or installer goes out of business, you will not be eligible to get utilities turned on or occupy the home.

Site Preparation and Placement

If you place your new manufactured home on land that you intend to rent or buy, it is important to consider zoning requirements, restrictive covenants, and electrical, water, and sewer connections. Make sure that all permits have been obtained, especially in low lying areas. Not only will you be responsible for your utility connections, but you are also responsible for the preparation of your site, except in rental communities. Proper site preparation includes the removal of all debris, sod, tree stumps and other organic material from the area where footings will be located. You should take special care to trim organic material to a maximum height of eight inches in the area where the manufactured home will be placed, and remove all debris. It is important to ensure that the exterior grade slopes away from the home to prevent surface runoff from settling under the home. Another issue to consider is whether there is adequate access to the site to prevent damage to the home during transportation.

Move-In Inspection

Carefully inspect your new home, both inside and out, as soon as possible after you move in. In some cases, the manufacturer and/or retailer will provide you with a checklist to make this task easier. For example, make it a point to open and close all interior and exterior doors, because problems with doors may indicate that the home is not installed properly and is not level. Examine walls, floors and ceilings for damage, and verify that all windows, faucets and appliances are in good working order. If you find any problems or damage, immediately notify the manufacturer and/or retailer in writing by certified mail, and request a return receipt.

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Warranties

Your new home should come with a homeowner's manual and manufacturer, retailer and appliance warranties. The homeowner's manual usually contains important general maintenance and safety guidelines. The manufacturer's warranty usually covers defects in the workmanship of the structure and plumbing, heating and electrical systems installed at the factory. Appliances installed at the factory are also covered. The retailer's warranty typically explains the terms of the warranty and the services the retailer will provide. Appliances may be covered by separate warranties that include use and care manuals if they are not covered by the manufacturer's warranty. It is important that you read and understand all warranties so you know what is and isn't covered. You should also find out how to obtain warranty service, and learn how to properly maintain your new manufactured home and its appliances to ensure that your warranties will be honored.

Manufactured housing can be an economical and efficient way to get into a home, but it's important that the consumer be aware of the steps involved to ensure a quality product. These tips can help make sure the buyer is satisfied for years to come.

The Do's and Don'ts of Buying a New Manufactured Home

DO use licensed professionals

DO include ALL promised work in your contract

DO prepare your site properly

DO inspect your manufactured home after you move in

DO read your warranties

DON'T use an unlicensed retailer or installer

DON'T sign anything without reading it first

DON'T place your home where water could collect

DON'T forget to report problems within the warranty period