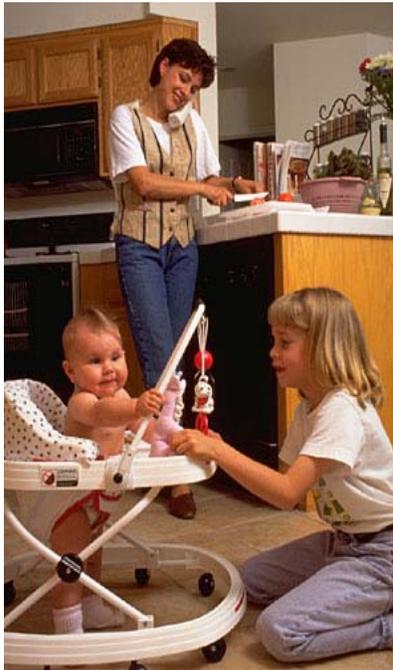


Oregon Manufactured Housing Association



Home Buyers Guide

Oregon Manufactured Housing Association
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www.omha@omha.com



Why a Manufactured Home?

Manufactured homes offer a solid foundation for your investment – whether it is your first home or your next. They are built in factories under one roof to ensure quality control, cost savings, and timely completion – with no adverse weather conditions.

Manufactured homes are the only housing in America built to a national building code.

Manufactured homes offer all the quality and amenities you want at a price you can afford. In other words, a manufactured home offers you value.

As you plan your “dream” home, your local manufactured home centers can help you match options with your desires. Manufactured homes offer custom plans with the most deluxe amenities, all at less than the cost of a site-built house.



Your home is probably the single most important purchase you will make in your lifetime.

If you have ever shopped for a major investment, you know how important, yet confusing, it can be to get the most for your money and stay within your budget. Shopping for just the right house to turn into your dream home is no different.

Whether you are in the initial stages of learning all about the advantages of manufactured homes, are ready to purchase a home right now, or have already purchased, we hope that much of the information in this brochure will prove useful to you. We know that the more facts and information you have, the easier that choice will become.

Owning a home provides pride of ownership, and an opportunity to build equity rather than pouring money down the rent drain. Give yourself the investment and tax advantages that can only come with owning your own manufactured home.

Manufactured Home

vs.

Site-Built Home

We believe that today's manufactured homes represent better construction and better value than most new homes built on-site. New manufactured homes are:

1. Built indoors, so rain and cold doesn't affect the quality of the building materials being used.
2. Constructed with equal or better quality building products; such as, all kiln-dried lumber (often Grade #2 or better), Class A composition roofing shingles, and wood siding.
3. Stronger, with integral steel frames.
4. Appointed with brand name appliances, like General Electric, Magic Chef or Jenn-Aire.
5. Complete with floor covering and window treatments.

When you consider value, a new manufactured home is far superior because:

1. Cost per square foot is often one half of site-built homes due to more efficient factory construction techniques and mass purchasing of materials.
2. Even when site improvements are added, you may have a substantial savings over building the same floor plan on site.

So, if you get a stronger home built with better materials, out of the elements, complete with appliances and floor coverings for less initial investment and lower finance costs, then isn't a manufactured home a better value?

Terms Defined _____

Manufactured Homes – homes built inside a factory to a federal code and inspected by state agencies which are federally certified (HUD).

Modular Homes – homes built inside a factory to state and local codes and inspected by state agencies (UBC).

Site-Built Houses – Homes constructed by a builder or contractor on site that must meet the standards set by a local building code.

Mobile Homes – A single-family residence, transportable in one or more sections and constructed before June 15, 1976. Mobile homes are no longer built.

Types and Sizes _____

The old “Mobile homes” originally were 8 feet wide, then 10, later 12. **Now** 14,16 and 18-foot wide models and multi sectioned **manufactured homes** (24 feet plus) are available in most areas.

- **Single section:** The most common and economical is the single section unit, usually 14 feet wide by as much as 70 feet long. This offers about 1,000 square feet, of living area.
- **Multi sections:** These are multiple units that are built and towed separately to the site and then joined together at the site to make one living unit. Multi sections greatly increase the amount of living space available. Double section and triple sections are the norm. Quadruple sections are also available from some manufacturers. Multi section manufactured homes offer from approximately 850 sq. ft. to over 2,700 sq. ft. of living space.

Selecting a Site

When you begin thinking about living in a manufactured home, you should also begin to think about where your home will be located. Shopping for a location goes hand-in-hand with shopping for your home. This may turn out to be a simple task, or it may bring up questions that will strongly influence your choice of the home itself.

Manufactured Home Communities

When choosing a community, find out about rules and regulations of the community. Become familiar with the community's rent policies. Ask, for example, if children are allowed; whether you can have pets and what improvements are required and the times frames required for completion.

Look beyond such obvious factors as appearance, size of lots, and landscaping. Find out in advance who is responsible for yard maintenance, garbage removal, and whether this is covered in your rent.

Don't be in a hurry to select a community. Visit possible communities or sites on several occasions, at different times of the day, and in bad weather, as well as good.

And finally, talk to residents for their opinions about the community. Talk to the manager. Ask yourself if you are prepared to live up to the rules, and also find out if the rules are lived up to by other tenants. Find out exactly what is included in your rent and what is not.

Locating on Private Property

Perhaps you want to place your home on your own lot. This depends entirely on the regulations and restrictions of the town and county where you want to locate.

As a first step, go to your county court house, or city hall, and obtain a copy of the zoning ordinances that apply to the area in which you are interested. In any event, do not buy property until you know you can satisfy the local restrictions.

After you find a private site that suits you, and know you can obtain any necessary approval, there are some other considerations:

- Does the property have restrictive covenants or other deed restrictions that may limit your use of the property?
- How far away are utilities? How much will you have to pay in property taxes?
- You will have to arrange for certain site preparations. They include: properly prepared concrete strips or a slab to support the necessary piers on which the home will sit, or an approved foundation, depending on local conditions; adequate anchorage provisions; and connections to electric, gas and telephone lines, and to water and sewer mains, if available.
- In some areas the utility companies require that connections be made by their own technicians. In any case, be sure that the connecting is done by a qualified professional. If water and/or sewer hook-ups are not available, then you may have to dig your own well and install your own septic system. Check local regulations concerning these points.

Remember that your manufactured home retailer may be able to give you valuable guidance about locating on private property.

Relocating

If you later want to relocate your home, you will need to find a moving company. Firms specializing in the moving of manufactured homes have offices in major cities, and are listed in the yellow pages.

After the move, spot-check the home to see if any damage has occurred, including such hidden damage as the settling of insulation material behind wall panels. It is a good idea to carefully examine the home for damage after every move, including the one to your initial site. Consult the warranty issued for your home to determine any limitations or requirements for secondary moves.



Homeowner's Manual Tips

- ◆ HUD requires home manufacturers to provide a consumer manual with each home built on, or after, June 30, 1977. While there is no precise format for the manual, the purpose of the rule is to assure that home purchasers are given information concerning proper home maintenance, avoidance of potential safety hazards, and remedies available under the National Manufacturing Housing Construction and Safety Standards Act of 1974.
- ◆ The information in the Homeowners Manual must be presented in a clear and understandable manner, with an index to enable homeowners to readily locate any information provided as part of the home package.
- ◆ The manual must cover the following topics: an explanation of the Act, the federal home construction and safety standards, and the remedies available to the consumer. Also it must state the location of the data plate and explain the significance of the information printed on it, list the approved or conditionally approved state administrative agencies; and indicate any questions concerning the Act or consumer's rights may be directed to the local, or Washington, D.C., HUD office.
- ◆ Also, the manual must state: whether, or not, a written warranty covering the home is provided, and describe its terms, conditions, and exclusions; recommend procedures for setting up and anchoring; explanations and cautions about fire, wind and systems safety factors; proper maintenance, when specialized knowledge or skills are required; factors to be considered when relocating the home, recommending professional assistance; and advice to consider for acquiring adequate and appropriate insurance from an insurance company of choice.

How to Determine Which Home to Purchase

When you have answered the following questions, it will be easy to decide which manufactured home will meet the needs of your family:

1. How much area, and how many bedrooms will your family require?
2. Will your family require a living room and family room, or just a great room?
3. Will your family require large closets, linen and storage areas?
4. What features are important in the kitchen, such as a work center or a pantry?
5. Do you prefer bathtubs, showers or both?
6. Is a large utility room, laundry sink, or clothes folding area needed?
7. How will the view be on your property?
8. Are sliding glass doors for patio access desired?
9. Bedrooms at one end, or would a split arrangement be best?
10. Any window additions, enlargements, exchanges, etc?
11. Will your home be all electric, or will you require natural gas?
12. Should the bathroom sinks have overflow safety drains?
13. Will the home have a 20 lb. or a 30 lb. or heavier roof construction?
14. Will the roof have a high wind resistant application?
15. Should you have 25-year fiberglass shingles?
16. Do you prefer wallpaper or textured walls?
17. Will you require larger passage doors than the standard 28"?
18. Will you upgrade the quality of carpeting and pad in your home?
19. Will the standard appliances be adequate?
20. What exterior features do you require?
21. How much money will your budget allow?

Quality and features are not free! But, there are homes with fewer features and lower quality materials that will cost less!

Manufactured Home Sales Centers

One great advantage of buying a manufactured home is the ability to actually walk through a similar model before you order your home to be built. With most site-built homes, you can look at drawings, but you have to imagine being inside the finished house. You don't buy a car from just drawings, you test drive it, right? You can purchase your new manufactured home with the same confidence.

Because there is a manufactured home for nearly every lifestyle and budget, model home sales centers encourage you to look at as many homes as possible. The homes are already built and available for you to see for real. Go ahead, stand in the kitchen and see how well you can see and reach everything! Walk from the bedroom to the bathroom! Check out the closet space! Compare the construction quality and price of different models.

Manufactured home retailers have experience you can use and advice you can trust. They can help you determine what features you really want in your home, decide which floor plans make the most sense for your family, and help you choose a lender who can best meet your needs.

Generally, your home retailer also takes care of the transportation and installation or set up of your house. But, be sure to ask whether this service is included in the cost of the home.

If you already have property in mind, you can also ask your retailer to inspect it to spot any potential difficulties.

Choosing A Retailer

You should choose a retailer as carefully as you choose your manufactured home. Ask the retailer for names and addresses of former customers you may contact. Contact these customers and ask if their homes are as good as they were represented to be, and determine whether after-sale service, if needed, was readily provided.

Avoid a retailer who will not quote the overall cost of the home, but instead says you can buy a home for so many dollars per month.

Also avoid a retailer who uses high pressure sales tactics. If you have doubts about a retailer, contact the local Better Business Bureau to find out if there have been any complaints lodged against the firm.



How to Estimate Your New Home Budget

While considering financial arrangements available through retailers, a home buyer should shop around for other loan sources. Investigate the financial arrangements that can be made through other sources, including commercial finance companies, banks, credit unions, and savings and loan associations. Many of these organizations have home loan programs.

In some situations, the Federal Housing Authority, or the Veterans Administration, will guarantee a loan for your home. A federal loan guarantee may result in a lower interest rate for you.

The federal Truth-in-Lending Law requires that lenders disclose the annual percentage rate being applied on loans. The lender must tell you the annual percentage rate you are being charged in simple interest terms.

Be sure to check all financing arrangements available. Make certain the finance costs are clear. **Do not** sign any contract until you understand exactly what you will receive and what it will cost. **Do not** sign any contract with blank spaces. **Do not** rely on any oral agreement. Have all terms put in writing and save a completed copy for your records.

Ordinarily, there will be no closing costs or attorney's fees to pay in financing and insuring a home. Title searches are not required. However, if you are purchasing your own property on which to place your home, there may be closing costs. Also you should have a title search performed to be certain the ownership of the land is clearly defined and there are no prior liens, or claims on it. Title insurance offers additional protection against unexpected claims.

Insurance (fire, theft and physical damage) is required by the lending institutions and may be included in the financing package. Typical manufactured home loans are for terms of 15 to 30

years. During the entire term of the loan the borrower will be required to maintain physical damage (property-casualty) insurance on the manufactured home. Most lenders will allow the borrower to finance one to five years of insurance.

Do not assume, however, that the insurance required by the lending institution is all that you need for your own protection. The required insurance may be just enough to protect the lender's interest in your property; you may want to add extra protection to cover its full value.

If you pay cash for the full purchase price of your home, and do not have a lender requiring insurance, you still should obtain a policy for your own protection. In addition to fire, theft and physical damage insurance on the home itself, you may want a personal effects policy for your belongings.



IMPORTANT PHONE NUMBERS

Building Codes Division-State of OR	503-378-4133
Construction Contractors Board	503-378-4621
Department of Energy -Information	503-378-6893
Department of Justice	503-378-4732
Building Codes Division-State of Oregon- Titling	503-378-4133
Department of Transportation – Transport	503-378-6192
Housing & Community Services – Information	503-986-2000
LCDC – Land Use Issues	503-373-0088
Manufactured Dwelling – Consumer Assistance	503-378-5975
Manufactured Housing Association	503-364-2470
Manufactured Parks Ombudsman– Park Issues	503-986-2016

WORKSHEETS _____

Land/Home Package – Expense Summary

(Worksheet #1)

PACKAGE COST

Total home price, including options and taxes \$ _____

Total land price, including loans fees and
escrow costs \$ _____

Total costs for land improvements, including
fees permits and taxes \$ _____

TOTAL COST \$ _____

INITIAL MONEY REQUIRED

Down Payment required \$ _____

Discount points \$ _____

Escrow and closing costs \$ _____

TOTAL INITIAL MONEY REQUIRED \$ _____

ESTIMATED MONTHLY PAYMENTS

Total cost \$ _____

Minus initial money \$ _____

Equals total to be financed \$ _____

The total to be financed \$ _____ at _____
percent interest paid monthly over a term of _____
_____ mo/yrs = \$ _____ est. monthly payments

Home Option Checklist (Worksheet #2)

Your home will come with many standard features and you will have the opportunity to add more options. Some to consider are listed below.

Energy Savings

- _____ Gas appliances where natural gas is available
- _____ Heat pump _____ Fireplace
- _____ Wood Stove _____ Window options
- _____ Additional insulation _____ SGC Package
Super Good Cents (electric)
- _____ NC Package
Natural Choice (natural gas)

Exterior

- _____ 4/12, 6/12 or higher roof pitches
- _____ Extended eaves _____ Garage ready
- _____ High wind shingles _____ Outside water faucets
and electrical outlets
- _____ Optional siding materials and treatments, including
dormers, window trim, etc.

Doors, windows and walls

- _____ Many manufacturers offer a variety of door and
window styles and sizes. Ask your retailer.
- _____ Window treatments – blinds, curtains, drapes, etc.
- _____ Tape-and texture drywall construction
- _____ Easy care vinyl wallpaper
- _____ Baseboards and accent molding

(Worksheet #2 Continued)

Appliances

- _____ A larger water heater may be needed for bigger families
- _____ Dishwasher
- _____ Built-in microwave oven
- _____ Self-cleaning oven
- _____ Frost-free refrigerator

Lighting

- _____ Optional chandeliers or ceiling fans may be available
- _____ Overhead lighting in family rooms and some other rooms may be optional

Carpet and floor treatments

- _____ Carpet and carpet pad options
- _____ Vinyl, hardwood, slate or tile flooring choices

Bathrooms

- _____ Number of sinks _____ Fixture options
- _____ Shower and tub choices, including garden tubs, combined tub/showers, etc.

Cabinetry

- _____ Solid hardwood cabinets, or other selections

Terminology ---

Appraisal – A professional estimate of the property value.

Base Price – Selling price of a home with standard specifications as determined by the factory and national code requirements.

Delivery – Transportation of a home to a predetermined location.

Earnest Money – A term commonly applied to the real estate sales agreement that acknowledges partial payment agreement of the purchase price and binds the parties to the stated terms.

Escrow – A legal relationship between a buyer, seller and third party in which the third party holds money or papers until all conditions of a sales agreement have been fulfilled.

Factory – The establishment that constructs the home in accordance with HUD codes and under HUD inspection, in other words the builder.

Floors – A term referring to the individual sections of a home. (a double is two floors, a triple is three floors).

Foundation – The permanent base under a home providing stability and disbursement of weight, usually made of concrete, at the site, to meet state and local code requirements

HUD – Housing and Urban Development. The agency of the federal government responsible for national building code enforcement in manufactured housing.

Land Package – A method of financing a manufactured home, land and site improvements with one loan.

Letter of Commitment – A letter from a bank or other lender that agrees to loan a set sum to buy a specific property on certain terms.

Lender – The financial institution which provides the borrowed funds to purchase a home or land/home.

Marriage Line – The area where multiple section homes join together.

Options – Features and amenities added to the home, at the buyer's discretion, for comfort, convenience or ambiance.

Percolate – A measure of the ability of the land to absorb water in determining provisions for a sanitation system and drainfield.

Permits – City or County authorization to install homes, sewage disposal systems, electrical connections, outbuildings, etc.

Personal Property – Cars, TVs and other transitory property are personal property. A manufactured home is considered personal property unless the owner eliminates the home's title and permanently affixes it to land owned by the owner of the home.

Piers – Columns of concrete blocks or metal stands spaced intermittently beneath a home for support.

Pit Set – See residential set.

Plot Plan – Detailed scale drawing showing locations of home, outbuildings, septic systems, as well as set backs and dimensions. Usually required to obtain permits.

Real Property – Real property is a term applied to real estate – land and homes and other structures permanently affixed to land.

Retailer – A company licensed and bonded with the appropriate local and state authorities, holding an agreement with factory builders to sell homes.

Residential Set – Sometimes referred to as pit set or low profile. Requires excavation of site prior to construction of foundation.

Septic Design – A plan drawn by a licensed septic contractor and approved by the local health department that shows the type and location of a septic tank and drainfield on a piece of property.

Set Backs – Distances buildings must be located from property lines, as required by code or zoning ordinances.

Set-Up – Final stages of the construction of a home which must be completed on site; i.e. join sections together, complete roofing, finish taped and textured surfaces, paint exterior trim and interior and install carpeting.

Skirting – Materials used to enclose the foundation and crawl space beneath a home. This perimeter may be concrete block, pressure treated wood, matching wood siding or other building products depending on the particular application needs and zoning codes.

Site – Property address or location of the home.

Site Improvements – Construction work necessary to prepare for the home and to complete it after set-up, i.e. excavation, foundation, garage, well, septic system, driveway, sidewalks, electrical poles and meter base, etc. Clearly each situation will vary.

Taped – The enclosing of seams on the interior walls of a home that has been sheetrocked.

Textured – Additional material applied to sheetrock walls to give a traditional surface suitable for painting.

Manufacturers

Most manufacturers provide factory tours to consumers. To arrange for a tour, contact any of the following companies.

Champion/Redman Home Builders

1425 Sunnyside Rd.
Weiser, ID 83672
208-549-1410

Fleetwood Homes of Oregon

2655 Progress Way
Woodburn, OR 97071
503-981-3136

Golden West Homes

2445 Pacific Blvd. S.
Albany, OR 97321
541-926-8631

Homebuilders NW, Inc.

1650 Salem Industrial Dr.
Salem, OR 97303
800-391-8936

Kit Manufacturing Co.

210 S. Kit Ave.
Caldwell, ID 83606
208-459-1575

Palm Harbor Homes

3737 Palm Harbor Drive
Millersburg, OR 97321
541-926-2626

Western Homes/Silvercrest

109 Pioneer Ave.
Woodland, CA 95776
800-264-0010

The Karsten Co. of Oregon

PO Box 537
Stayton, OR 97383
503-769-6333

Modern Building Systems (Modular Mfg.)

9493 Porter Rd.
Aumsville, OR 97325
503-749-4949

Fleetwood of Idaho

PO Box 1550
Nampa, ID 83653
800-334-8958

Fuqua Homes, Inc.

20495 Murray Rd.
Bend, OR 97701
800-336-0874

Guerdon Enterprises

5556 Federal Way
Boise, ID 83716
208-345-5100

Liberty Homes Inc.

888 SE Sheridan Rd.
Sheridan, OR 97389
503-843-2255

Marlette Homes

400 W. Elm
Hermiston, OR 97838
541-567-5546

Nashua Homes of Idaho

PO Box 170008
Boise, ID 83717
208-345-0222

Skyline Corporation

PO Box 388
McMinnville, OR 97128
800-235-2003

Blazer Industries (Modular Mfg.)

PO Box 489
Aumsville, OR 97325
503-749-1900

The Oregon Manufactured Housing Association requires all members of the association to subscribe to the OMHA Code of Conduct as a condition of their membership. **Ask your retailer if they are a member of OMHA.**

THE OMHA CODE OF CONDUCT

- 1. We shall operate and maintain business practices, which reflect the high standards, set forth by the Association.**
- 2. We will comply with all State and Federal laws, including dealer and builder laws and installer registration requirements, and shall endeavor to keep ourselves informed of those laws governing our business.**
- 3. In the conduct of our individual business, we pledge to refrain from any act that would bring discredit to our industry, or association, or any individual member thereof.**
- 4. We have a duty of integrity, honor, and fair dealings toward the public.**
- 5. We will not intentionally injure the business reputation of another member or competitor.**
- 6. We will employ truth and accuracy in advertising and selling.**
- 7. We pledge that all obligations to our customers, contained in guarantees or warranties offered in connection with the manufacture, sale, and installation of our homes will be properly fulfilled within a reasonable time.**
- 8. We will expose or halt, where found, any scheme designed to deceive or defraud the manufactured housing buying public and aid in prosecuting those guilty of such acts.**
- 9. We will constantly strive to improve business methods to the end that the public will be better served.**
- 10. We will encourage the American system of free enterprise.**

I agree to be bound by the above Code of Conduct as a condition of the acceptance of this application. I further agree to submit to arbitration, by the Association, any grievance reported to the Association, that is not a matter of litigation.



This consumer publication
is provided to you
compliments of the

Oregon Manufactured Housing Association

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