



Bulletin 8/00

RE: Alterations/Modifications to HUD Coded Structures

To: All N.A.S. System Subscribers

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Attached please find an explanation for any manufactured home alterations/modifications to HUD coded structures.

THIS BULLETIN IS EFFECTIVE IMMEDIATELY.

This applies to all NAS appraisals on HUD coded structures.

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ALTERATIONS/MODIFICATIONS To HUD Coded Structures

PRE-CONSUMER SALE (Wholesale transaction from a manufacturer to a retailer or distributor)

After a structure built to the regulation passes inspection, it is then issued a numbered HUD construction code label (one per section), and compliance certificate by the IPIA or SAA.

The retailer or distributor holding (new structures) must comply with the following:

Any alteration, modifications, additions, or the removal of equipment (components) that effects the occupancy, construction, fire safety, plumbing, heat producing, or electrical systems is **prohibited** by the HUD Title VI regulation effective June 15, 1976.

Prior to a consumer (new) sale a retailer/distributor may request changes by submitting individual change plans (with fees for permits/inspections) to the appropriate manufacturer, PIA, or state administrative agency (SAA) responsible for the issuance of the HUD construction label(s) with compliance (data plate) certificate.

In essence, the retailer or distributor cannot change anything in or on the home without prior DIPIA approval, after it has left the factory.

POST-CONSUMER SALE (Retail transaction from a retailer, distributor, or broker to a purchaser/owner)

At this point the HUD regulation is rather hazy, not specifically preventing the owner/consumer from making their own alterations or modifications.

In N.A.D.A.'s opinion this can have serious liability consequences for all parties involved (lenders, insurance firms, sellers, retailers, RE brokers, appraisers, etc.) with the **subsequent re-sale** of a structure with non-reported or inspected owner completed alterations that may cause, at a later date, the structures destruction or worse, a loss of life.

NOTICE: Some states, by regulation and with monitoring agencies (SAA's) require owners to submit plan approval, with fees for permits and inspections, before changes can be made to the (used) structure thus superceding the national HUD Title VI construction regulation.

Some states may also require permits/inspections for the following:

- Steps
- Porches
- Skirting
- Awnings
- Installation
- Transportation
- Retrofits To or Add-Ons (i.e. Roof, Siding, Insulation, Windows, etc.)

IT IS YOUR RESPONSIBILITY TO KNOW YOUR STATE CODE LAWS!