

**ADOPTED REGULATION OF THE ADMINISTRATOR
OF THE MANUFACTURED HOUSING DIVISION OF
THE DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R203-01

Effective July 18, 2002

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §1, NRS 489.231 and 489.7152; §§2-4 and 6-11, NRS 489.231; §5, NRS 489.7152.

Section 1. Chapter 489 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this regulation.

Sec. 2. *“Administrator” means the administrator of the division.*

Sec. 3. *“Department” means the department of business and industry.*

Sec. 4. *“Division” means the manufactured housing division of the department.*

Sec. 5. *1. The following form of contract for the sale of a new manufactured home, mobile home or commercial coach must be used in the sale of any new manufactured home, mobile home or commercial coach. A formatted copy of this form is available, free of charge, by contacting the division at 2501 East Sahara Avenue, Suite 204, Las Vegas, Nevada 89104, telephone number (702) 486-4135.*

(DEALER HEADER INFORMATION TO BE INSERTED HERE)

<i>NEW HOME PURCHASE CONTRACT</i>

<input type="checkbox"/> WITH LAND <input type="checkbox"/> WITHOUT		PHONE		DATE	
LAND					
BUYER					
ADDRESS				SALESPERSON	
DELIVERY ADDRESS					
MAKE	SERIAL #	SIZE	YEAR/MANUFACTURE	BEDROOM	BATHS
			R	S	
OPTIONAL EQUIPMENT, LABOR & ACCESSORIES (for additional items or services, see page 9)	PRICE				PRICE
		BASE PRICE OF HOME			
		OPTIONAL EQUIPMENT			
		TOTAL PAGE 2			
		TOTAL PAGE 3			
		TOTAL PAGE 9			
		DOCUMENT FEES			
		SUBTOTAL			
		SALES TAX			
		NONTAXABLE ITEMS			
		FEES AND INSURANCE			
		1. CASH PRICE			

		<i>TRADE ALLOWANCE</i>	
		<i>LESS LOAN BALANCE</i>	
		<i>NET ALLOWANCE</i>	
		<i>CASH DOWN PAYMENT</i>	
		<i>CASH AS AGREED</i>	
		<i>2. LESS TOTAL CREDITS</i>	
		<i>3. UNPAID BALANCE OF CASH SALE PRICE</i>	
<i>BALANCE CARRIED TO OPTIONAL EQUIPMENT</i>			
<p><i>This contract contains the entire agreement between Dealer and Buyer, and no other representation or inducement has been made that is not contained in this contract. By initialing each page of this contract, Buyer confirms he has reviewed ALL NINE (9) PAGES of this purchase contract and has obtained any legal, tax or other professional advice Buyer may desire. Buyer and Dealer agree that each portion of this contract is independent of any other portion and that if any portion of this contract is found to violate the law or to be unenforceable, the remainder of this contract is valid. Do not sign this contract if it contains blank spaces. Buyer acknowledges receipt of a copy of this contract.</i></p>			
<i>DESCRIPTION OF TRADE-IN</i>			<i>AMOUNT OWING</i>
<i>LIEN HOLDER</i>			<i>SIZE</i>
<i>TITLE #</i>	<i>BEDROOMS</i>	<i>BATHS</i>	<i>COLOR</i>

<i>SERIAL #</i> _____		
<i>LICENSED DEALER OR LICENSED REPRESENTATIVE</i> _____		
<i>DATE</i> _____		
<i>BUYER</i> _____	<i>SSN</i> _____	<i>DATE</i> _____
<i>BUYER</i> _____	<i>SSN</i> _____	<i>DATE</i> _____

Initials _____ *Initials* _____

<i>IMPROVEMENTS CONTRACTED FOR BY DEALER (See page 1)</i>

<i>A. Skirting</i>	\$ _____	<i>F. Installation</i>	\$ _____	<i>K. Septic Tank</i>	\$ _____	\$ _____
<i>B. Site Prep.</i>	\$ _____	<i>G. Gas</i>	\$ _____	<i>L. Concrete Work</i>	\$ _____	\$ _____
<i>C. Compaction</i>	\$ _____	<i>H. Electric</i>	\$ _____	<i>M. Walls/Fencing</i>	\$ _____	\$ _____
<i>D. Patios</i>	\$ _____	<i>I. Water</i>	\$ _____	<i>N. On-site Inspection</i>	\$ _____	\$ _____
<i>E. Landscaping</i>	\$ _____	<i>J. Well</i>	\$ _____	_____	\$ _____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____	\$ _____
					<i>Total</i>	\$ _____

CHANGE ORDERS: Any change orders relating to the construction of the premises must be the subject of a separate written agreement between Buyer and Dealer.

BUYER'S SELECTION: Within ____ days after execution of this contract, Buyer must finalize selection of flooring, draperies, cabinetry, countertops and all other selections

necessary or appropriate to complete construction, from color and material samples provided by Dealer, and communicate all Buyer's selections to Dealer within _____ calendar days after Dealer's acceptance of this contract or _____ calendar days after Buyer's receipt of samples. Buyer's selections are final and binding. If Buyer has not made selections within the period allowed, Buyer authorizes Dealer, at Dealer's discretion, to make such color and material selections for Buyer and Buyer agrees, understands and accepts that in such case, Dealer's selections are binding upon Buyer. Alternatively, Buyer may select certain color schemes, upgrades and appliances not included among the standard selections provided by Dealer, which are known as "cash extras." If this transaction fails to close for any reason (including, without limitation, the failure of Buyer to obtain a loan, if applicable, or to satisfy any other contingencies), other than a default by Dealer, all amounts paid to Dealer by Buyer for cash extras will be nonrefundable and Buyer will have no claim or right thereto. Buyer will be liable to promptly reimburse Dealer any sums advanced on Buyer's behalf.

BUYER'S WALK-THROUGH: *Before possession, Buyer and Dealer, or their agents, shall inspect the home and complete the "Walk-Through Checklist" form. Upon conclusion of this inspection and within 30 days after possession, Buyer will notify Dealer in writing of any claim by Buyer for any deficiencies in workmanship or materials and any cosmetic items (such as drywall cracking, scratches, chips, dents, etc.) that need to be corrected. Buyer understands that Dealer cannot be held responsible for minor drywall cracking due to the settling of the soil or home. Dealer shall correct, either directly or indirectly, within a reasonable period, any items noted by Buyer that are, in the good faith judgment of Dealer, deficient in workmanship*

or materials according to the standard in the industry or the requirements of the Manufactured Housing Division of the Department of Business and Industry.

CLOSING DATE OF MORTGAGE LOAN: If Buyer is obtaining a mortgage loan, Buyer shall comply with all terms and conditions of such mortgage loan, including payment of all closing costs, and Buyer shall close escrow on the mortgage loan within two (2) days after completion of the premises. Buyer and Dealer hereby agree that escrow on the mortgage loan is closed when the mortgage lien documents are recorded.

CLOSING DATE OF CONSTRUCTION LOAN: If Buyer is obtaining a construction loan, Buyer shall comply with all terms and conditions of such construction loan, including payment of all closing costs, and Buyer shall close escrow on the construction loan before Dealer becomes obligated to commence construction. Buyer and Seller hereby agree that escrow on the construction loan is closed when the mortgage lien documents are recorded.

OWNERSHIP: Buyer understands that Buyer is not the legal owner of the home until closing. Buyer shall not enter the premises or allow any other person to enter the premises during the course of construction or at any other time before the close of escrow. Buyer shall indemnify and hold Dealer and subcontractors harmless for any and all injuries or damages resulting from entry on the premises by Buyer or Buyer's representatives and guests.

POSSESSION AND KEYS: Possession and occupancy will be delivered to Buyer upon completion of construction and final funding of Buyer's loan. Dealer shall provide keys and/or a means to operate all locks.

BUYER AND DEALER COOPERATION: After closing and throughout the warranty period, Buyer and Dealer agree to cooperate in scheduling appointments and making the home accessible to contractors during regular business hours (8 a.m. to 5 p.m., Monday through Friday) at the times agreed upon. Unless otherwise required by law, Dealer has no obligation to correct any item not caused by deficient workmanship or materials. Buyer understands that Dealer may encounter delays in correcting certain deficiencies because the primary responsibility for correcting such deficiencies may be that of the manufacturer, a subcontractor or a supplier whose time schedule is not controlled by Dealer. Dealer's obligation to correct any deficiencies noted by Buyer will not delay the closing of the transaction or demand any conditions upon the closing not specified in this contract.

SPECIFICATIONS OF THE HOME: Buyer understands that, because of changes in specifications, unavailability of materials, model year changes, etc., the home as delivered may not be exactly the same as any model home or as in any sales literature Buyer may have previously seen. The manufacturer has the right, without notification, to substitute any materials or fixtures specified with those of comparable or of better quality. The manufacturer must comply with the factory order sheet signed by Buyer, which is hereby made a part of this contract.

Initials _____ Initials _____

<i>BUYER'S FINANCING REQUEST: NO DEALER LIABILITY</i>

BUYER REQUESTS THAT THE FOLLOWING CONTRACT ITEMS BE INCLUDED IN THE LOAN AMOUNT, SOLELY FOR PURPOSES OF ASSISTING BUYER WITH FINANCING, WITHOUT LIABILITY TO DEALER. Buyer will SEPARATELY CONTRACT for these items and will look ONLY to the contractor with regard to these items. We recommend you hire only CONTRACTORS LICENSED AND BONDED by the proper licensing authority for the work that they will be doing. (Check box if nontaxable.)

- | | | |
|----------------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------|
| <i>A. Skirting</i> \$ _____ <input type="checkbox"/> | <i>F. Patios</i> \$ _____ <input type="checkbox"/> | <i>M. Concrete Work</i> \$ _____ <input type="checkbox"/> |
| <i>B. Site Prep.</i> \$ _____ <input type="checkbox"/> | <i>G. Gas</i> \$ _____ <input type="checkbox"/> | <i>N. Installation</i> \$ _____ <input type="checkbox"/> |
| <i>C. Compaction</i> \$ _____ <input type="checkbox"/> | <i>H. Electric</i> \$ _____ <input type="checkbox"/> | <i>O. Landscaping</i> \$ _____ <input type="checkbox"/> |
| <i>D. Termite Test</i> \$ _____ <input type="checkbox"/> | <i>I. Water</i> \$ _____ <input type="checkbox"/> | <i>P. Awnings</i> \$ _____ <input type="checkbox"/> |
| <i>E. Land Cost</i> \$ _____ <input type="checkbox"/> | <i>J. Septic Tank</i> \$ _____ <input type="checkbox"/> | <i>Q. Electric Pedestal</i> \$ _____ <input type="checkbox"/> |
| * <i>Impact Fees</i> \$ _____ <input type="checkbox"/> | <i>K. Well</i> \$ _____ <input type="checkbox"/> | <i>R. TV/Phones Jacks</i> \$ _____ <input type="checkbox"/> |
| * <i>Points in \$</i> \$ _____ <input type="checkbox"/> | <i>L. Utility Fees</i> \$ _____ <input type="checkbox"/> | <i>S. Walls/Fencing</i> \$ _____ <input type="checkbox"/> |
| * <i>Closing Fees</i> \$ _____ <input type="checkbox"/> | _____ \$ _____ <input type="checkbox"/> | _____ \$ _____ <input type="checkbox"/> |

TOTAL FINANCING REQUESTED \$ _____

CHANGE ORDERS: Any change order for this section relating to the construction of the premises must be contained within a separate written agreement between Buyer and his contractor and does not involve Dealer.

Buyer agrees to have this work completed before (date) _____. Buyer understands that Dealer will incur additional costs if completion of any change order is delayed. Therefore, Buyer agrees to pay a LATE CHARGE OF \$ _____ PER DAY until work is completed. Buyer's time and his contractor's time to complete any improvements will be extended automatically for the length of any delays resulting from matters outside of Buyer's control that make timely completion impossible, including, without limitation, labor strikes, slowdowns, lockouts, material or labor shortages, any action of the federal, state or local authorities having jurisdiction over the premises which may affect Buyer's ability to perform, civil disorder, fire, unusual weather conditions or any acts of God. Buyer must notify Dealer of any such delay within 24 hours before Dealer is to arrive to begin his work.

SITE IMPROVEMENT: The construction of the site improvements must be completed in compliance with the plans and specifications in any addendum referenced and the applicable governmental regulations.

CONSTRUCTION SCHEDULE: Dealer makes no representation as to the specific completion date or schedule of construction other than as set forth herein. The time by which the premises must be completed may be extended by written agreement of Dealer and Buyer and will be extended automatically for the length of any delays resulting from matters outside Dealer's control that make timely completion impossible, including, without limitation, labor strikes, slowdowns, lockouts, material or labor shortages, any action of the federal, state or

local authorities having jurisdiction over the premises which may affect Dealer's ability to perform, civil disorder, fire, unusual weather conditions or any acts of God.

RECEIPT FOR DEPOSIT

Received by _____ *Date* _____
Dealer

Print name(s) as it should appear on title:

DEPOSIT: Upon acceptance of this contract by Dealer, Dealer may deposit Buyer's money into a trust account. Unless otherwise provided in this contract, all deposited money is considered a part of the purchase price. Buyer agrees that, if Buyer breaches this contract, any deposited money may be subject to forfeiture. In the event any check is dishonored for any reason, Dealer may, at his option, be immediately released from any further obligation under this contract.

Amount of deposit: \$ _____ *Dealer's Receipt #* _____

Form of deposit: Personal check Cash: \$ _____ *Other: \$*

Received by _____
Salesperson's Name Salesperson's Signature License # Date

Firm Name

Firm License #

CASH SALE: If Buyer is paying in cash for this transaction, all money must be deposited with Dealer before delivery.

_____	_____	_____	_____
<i>Buyer</i>	<i>Date</i>	<i>Buyer</i>	<i>Date</i>
_____		_____	
<i>Licensed Dealer or Representative</i>		<i>Date</i>	
		<i>Initials</i> _____	<i>Initials</i> _____

<p align="center"><i>“DISPLAY MODEL” ADDENDUM AND RELEASE</i></p>

If Buyer is purchasing a Display Model, the following terms and conditions are made a part of this contract:

Buyer acknowledges and understands that the home being purchased is not in the same condition as if it had been delivered new from the manufacturer. Rather, the home has been previously set up on the premises of Dealer, a manufactured housing show or at some other location and has been used as a Display Model. As such, the home has been subject to some cosmetic wear and tear, including, without limitation, carpet wear, scratches, dents, nicks, paint chips, fading, etc., as more fully described below.

Buyer acknowledges paying a reduced purchase price of \$ _____ for the Display Model and Dealer agrees to warrant cosmetic items only for a period of _____ days after the date of closing, subject to the terms of any addenda and the delivery and installation

provisions of this contract, if any. All applicable manufacturer's warranties will still apply as set forth in the manufacturer's warranty materials received by Buyer. As a material part of this contract, Buyer represents that Buyer is voluntarily giving up certain warranty rights in exchange for a substantial reduction in the price Buyer is paying for the home.

By accepting the discounted price, Buyer has specifically and voluntarily chosen to waive Buyer's rights to object to any matter concerning the cosmetic condition of the home after the limited warranty period set forth herein expires. Buyer will be responsible for any and all cosmetic items after that date, and therefore agrees to release and indemnify Dealer, its principals, agents and employees from any and all liability or complaints whatsoever for cosmetic items after the limited warranty expires.

Buyer agrees that this contract is a complete defense to any complaint, civil or administrative, regarding any cosmetic items arising after the limited warranty for this home expires. Buyer has been advised that Dealer has granted Buyer a right to have a professional inspection performed on the home before delivery and encourages Buyer to have such an inspection performed.

Buyer specifically acknowledges that there have been no representations or warranties of any kind made by Dealer or any of its representatives regarding the applicable warranty, the condition of the home, its systems or any of the appliances that may be contained therein, other than as set forth in writing in this purchase contract and any addenda thereto.

Buyer acknowledges that Dealer may have furnishings, wall decorations and similar display items in the Display Model that are not included in the purchase of the home unless listed separately on page 1.

Except for any written repairs noted below, Buyer is accepting the home in "AS IS" condition with regard to each of the following initialed items:

Initials:

_____ *Exterior Paint* _____
_____ *Wear and Tear on Linoleum* _____
_____ *Scratches on Cabinets* _____
_____ *Wear and Tear on Carpet* _____
_____ *Scratches and Dents on Appliances* _____
_____ *Ordinary Wear and Tear on Roof* _____
_____ *Cosmetic Defects (Cuts, Chips and Cracks)* _____
_____ *Dents, Scratches and Discoloration of Interior and Doors* _____

_____ *Buyer* _____ *Date* _____ *Buyer* _____ *Date*

_____ *Licensed Dealer or Representative* _____ *Date*

Initials _____ *Initials* _____

DELIVERY AND INSTALLATION

This contract contains all essential services and elements to complete the installation of the home and meets all requirements to pass inspections required by state laws and regulations unless otherwise noted in this contract. To help ensure prompt delivery and proper installation of your home, there are certain responsibilities that must be fulfilled by both you and your Dealer for the work to be done properly. Please read the following provisions carefully. If you have any questions, please ask your sales representative.

WE, AS YOUR DEALER, ARE RESPONSIBLE FOR THE FOLLOWING:

- 1. Blocking and leveling of the home to state's code or manufacturer's code.*
- 2. The connection of above-ground utilities, as agreed upon in the contract, up to a maximum of _____ feet of materials, to existing codes.*
- 3. Any applicable inspections.*

You, as Buyer, agree that if MORE than the maximum of _____ feet of above-ground utility materials are needed for proper installation of the home, you will pay, at the time of installation, the following charges or allow them to be included in your financing request:

<i>A. Electrical, 100 AMP</i>	<i>\$_____ Per Ft.</i>	<i>E. Water</i>	<i>\$_____ Per Ft.</i>
<i>B. Electrical, 200 AMP</i>	<i>\$_____ Per Ft.</i>	<i>F. Gas</i>	<i>\$_____ Per Ft.</i>
<i>C. Sewer</i>	<i>\$_____ Per Ft.</i>	<i>G. Telephone</i>	<i>\$_____ Per Ft.</i>
<i>D. Television cable</i>	<i>\$_____ Per Ft.</i>	<i>H. Required flood-plain or perimeter blocking</i>	<i>\$_____ Actual Cost</i>

This contract DOES DOES NOT contain a line-item charge, in the amount of \$_____, for “materials.” Any unused portion of this money will be returned to Buyer after the installation is completed and the installation crew is paid. If Buyer believes that the utility or other costs will exceed this amount, Buyer should advise the salesperson immediately so this figure may be adjusted. Buyer understands that Dealer cannot be held responsible for delays caused by weather, accidents, strikes, fires, equipment failure, delays by the manufacturer or any other cause beyond Dealer’s control.

YOU, AS BUYER, ARE RESPONSIBLE FOR THE FOLLOWING:

- 1. Arranging for utility service to be turned on at the time of installation, as set forth below.*
- 2. (A) Obtaining the necessary permit for the placement of your home; or
(B) Authorizing Dealer to obtain the permit. I hereby agree to pay for the permit and any tap-on development fees.*
- 3. Verifying that your home is compatible with the lot, CC&Rs, deed restrictions, zoning laws and the available utilities based on approved plans. You are responsible for the cost of cutting trees, excess site-preparation costs not included in this contract and excessive trenching for utilities, as necessary. You are also responsible for any additional expenses, such as a loader, bulldozer or similar heavy equipment that may be needed to properly install your home on your site. For your protection, Dealer advises you to have a compaction test done on the soil to determine compatibility.*

Dealer can arrange for this test to be done, at your expense. If you act against Dealer's advice and choose not to have a compaction test done, you agree that YOU will be responsible for any problems that a compaction test would have revealed. Improper soil compaction can lead to such problems as unlevelled conditions, settling, tape or texture cracking, etc.

- 4. Making sure there is adequate access for the home to be properly installed. If the lot is not ready for installation of your home and the workers are required to wait, there will be a charge of \$ _____ per hour for each worker.*
- 5. Making sure the electrical power pedestal is installed with meter base, breaker box and necessary (size _____ AMP) breaker, within ____ feet of the home's electrical service, unless otherwise agreed upon.*
- 6. Making sure the water, septic tank or sewer connection is within _____ feet of the home's connection point, and your portion must be preinstalled to the proper code. For assistance, please contact your licensed contractor.*
- 7. Contracting with and paying a licensed contractor for gas plumbing, testing of appliances and gas hookup if Dealer or installation company is not licensed for gas plumbing, testing of appliances and gas hookup. It is not the responsibility of Dealer to complete such work under this contract. Dealer is not responsible for any work done by outside contractors.*
- 8. Arranging for phone service and the installation of phone and television jacks.*
- 9. Obtaining written approval of tenancy from the park management where applicable.*
- 10. Being available to assist in placing the home to your requirements and to accept delivery. Rental community installation sets are usually assisted by the manager and*

must be installed to the community standards. Make sure that you inquire about these requirements.

11. *Allowing _____working days after delivery (_____ additional days for drywall homes) before planning to move into your new home. A land or home purchase may take up to _____ days after delivery for move-in.*

Licensed Dealer or Representative _____ Date _____

Buyer _____ Date _____

Buyer _____ Date _____

Home Phone _____ Work Phone _____ Other _____

Delivery Address _____

Directions _____

Initials _____ Initials _____

<i>FINANCING OPTIONS</i>

NEW CONVENTIONAL FIRST LOAN

This sale is contingent upon Buyer qualifying for Permanent First Loan Permanent First Loan and Interim Loan

Permanent Loan Amount: \$ _____ Interim Loan Amount: \$ _____ Term of Loan: _____

TYPE OF LOAN: Conventional Fixed Rate Conventional Adjustable Rate

Other

INTEREST RATE: The interest rate must not exceed _____% as an annual rate for a fixed rate or an initial rate for an adjustable rate loan. Buyer agrees to establish the interest rate and “points” by separate written agreement with Lender at the time of the loan application. If Buyer does not “lock” rate at time of application and is unable to obtain terms described herein at close of escrow, earnest money may be forfeited.

INTERIM LOAN: If an interim loan is required, within ten (10) calendar days or _____ calendar days after execution of this contract, Buyer or Lender must provide a written interim loan approval from Lender based on a completed loan application and credit report. Buyer agrees to supply all documentation required by Lender. Buyer instructs Lender to send copies of such approval to Dealer. Buyer authorizes Lender to provide loan status updates to Dealer.

CONDITIONAL LOAN APPROVAL: Within ten (10) calendar days or _____ calendar days after execution of this contract, Buyer or Lender must provide a written conditional loan approval from Lender based on a completed loan application and credit report. Buyer agrees to supply all documentation required by Lender. Buyer instructs Lender to send copies of such approval to Dealer. Buyer authorizes Lender to provide loan status updates to Dealer.

LOAN COSTS: Private Mortgage Insurance is required for certain types of loans. Buyer shall pay the cost in a manner acceptable to Lender. Buyer shall be responsible for any costs in obtaining loan.

Discount points not to exceed: _____ total points (Does not include origination fee).

A.L.T.A. Lender Title Insurance Policy _____ Loan Origination Fee (Not to exceed __ % of loan amount).

Appraisal Fee _____ Paid by Buyer _____ Paid by Dealer and reimbursed by Buyer at closing.

Buyer shall pay any additional loan costs not set forth herein.

APPRAISAL: This sale is contingent upon an appraisal of the premises by an appraiser acceptable to Lender for at least the sales price of \$ _____. The party responsible for paying for the appraisal shall do so within five (5) calendar days after execution hereof.

NEW FHA OR VA LOAN

This sale is contingent upon Buyer qualifying for a new FHA or VA Loan.

Loan Amount: \$ _____ (excluding MIP or Funding Fee) Term of Loan: _____

Type of Loan: FHA VA

FHA Mortgage Insurance Premium (MIP) or VA funding fee of \$ _____ to be financed by Buyer, which will increase the loan amount to \$ _____ or to be paid by Buyer in cash at close of escrow.

INTEREST RATE: The interest rate must not exceed ____ % as an annual rate for a fixed rate loan or an initial rate for an adjustable rate loan. Buyer agrees to establish the interest rate and “points” by separate written agreement with Lender at the time of the loan approval.

CONDITIONAL LOAN APPROVAL: Within ten (10) days or ____ calendar days after execution of this contract, Buyer or Dealer must provide a written conditional loan approval from Lender based on a completed loan application and credit report. Buyer agrees to supply all documentation required by Lender. Buyer instructs Lender to send copies of such approval to Dealer. Buyer authorizes Lender to provide loan status updates to Dealer.

LOAN COSTS: When maximizing Buyer’s loan amount under the FHA “acquisition method,” Buyer’s new loan amount may be reduced and additional cash may be required at closing from Buyer if Dealer pays for any of the loan costs. Either party may pay the following:

FHA Discount points paid by: Buyer Discount points must not exceed: _____ total points (Does not include origination fee).

VA Discount points paid by: Dealer

A.L.T.A. Lender Title Insurance Policy Buyer Loan Origination Fee _____ Buyer

Appraisal Fee _____ Buyer Paid by Dealer and reimbursed by Buyer at closing

OTHER LOAN COSTS: Dealer agrees to pay for document preparation, tax service and underwriting fees. In addition, in VA loans, Dealer agrees to pay any escrow fees. Buyer shall pay any additional loan costs not otherwise agreed upon by Dealer.

APPRAISAL: The party responsible for paying for the appraisal shall do so within five (5) calendar days after execution hereof.

Initials _____ Initials _____

FINANCING OPTIONS (continued)

VA AMENDATORY CLAUSE: It is expressly agreed that notwithstanding any other provision of this contract, Buyer will not incur any penalty by forfeiture of deposit or otherwise be obligated to complete the purchase of the property described herein if the contract purchase price or cost exceeds the reasonable value of the property established by the Veterans Administration. Buyer will, however, have the option to proceed with the consummation of this contract without regard to the amount of the reasonable value established by the Veterans Administration.

FHA AMENDATORY CLAUSE: It is expressly agreed that notwithstanding any other provision of this contract, Buyer will not be obligated to complete the purchase of the property

described herein or to incur any penalty by forfeiture of deposit or otherwise unless Buyer has been given, in accordance with HUD/FHA or VA requirements, a written statement by the Federal Housing Commissioner, Veterans Administration or a direct Endorsement Lender setting forth the appraised value of the property of not less than \$_____. Buyer will have the option to proceed with consummation of the contract without regard to the amount of the appraised valuation. The appraised valuation must be arrived at to determine the maximum mortgage the Department of Housing and Urban Development (HUD) will insure. HUD does not warrant the value or condition of the property. Buyer should satisfy himself that the price and condition of the property are acceptable.

FHA NOTICE TO BUYER: HUD does not warrant the condition of the property. It is important for Buyer to have a home inspection performed on the property he wishes to purchase in order to identify any possible defects. Up to \$200 of the cost to perform the inspection may be financed into Buyer's mortgage. The names of home inspection companies can be found in the yellow pages of a telephone directory under the heading "Home Inspections Services."

RELEASE OF DEALER: Any loan described in this contract will be independently investigated and evaluated by Buyer, who hereby acknowledges that any decision to enter into a loan arrangement with any person or entity will be based solely upon such independent investigation and evaluation. Buyer further holds harmless and releases Dealer from any liability based on any loan obtained by Buyer. Buyer acknowledges that Dealer is in no way

responsible for Buyer's decisions concerning the desirability or acceptability of any loan or any terms therein.

INSURANCE

CUSTOMER MAY CHOOSE THE AGENT AND COMPANY FROM WHICH INSURANCE IS TO BE OBTAINED		
INSURANCE COVERAGE NO COVERAGE EXCEPT AS SHOWN BELOW	TERM _____ Months	
<input type="checkbox"/> FIRE AND THEFT—CAP		\$
<input type="checkbox"/> FIRE AND THEFT—COMPREHENSIVE		
<input type="checkbox"/> PERSONAL EFFECTS		
<input type="checkbox"/> MANUFACTURED HOMEOWNER		
<input type="checkbox"/> OTHER INSURANCE (describe)		
TOTAL PREMIUM for insurance coverage on the commodity if obtained from or through Dealer		\$

REMEDIES

DEFAULT AND REMEDIES: If either party defaults in any respect on any material obligation under this contract, the nondefaulting party may elect to be released from all obligations under this contract by canceling the contract. The nondefaulting party may thereafter proceed against the party in default upon any claim or remedy, which the nondefaulting party may have in law or equity. In the event of Buyer's default, the amount of the deposit, not to exceed the actual costs expended by Dealer, may be forfeited, at Dealer's option, as Dealer's sole right to damages.

ATTORNEY'S FEES: In any action, proceeding or arbitration arising out of this contract, the prevailing party, on trial and on appeal, will be entitled to receive reasonable attorney's fees and any other related expenses as awarded by the court.

TIME: Time is of the essence in the performance of obligations contained in this contract.

NEVADA LAW: Nevada law governs this contract.

Initials _____ Initials _____

<p><i>HOME WARRANTY AND ARBITRATION AGREEMENT</i></p>

MANUFACTURER'S WARRANTIES: I understand that there may be written warranties covering the unit purchased or any appliance(s) or component(s) which has been provided by the manufacturer of the unit or manufacturer of the appliance(s) or component(s). You will

give me copies of any and all written warranties supplied by a manufacturer. Delivery by you to me of the warranties by a manufacturer covering the unit purchased or any appliance(s) or component(s) does not mean that you adopt the warranties of any such manufacturer. I acknowledge that the express warranties made by a manufacturer have not been made by you even if the warranties say you made them or say you made some other express warranty. You are not an agent of the manufacturer for warranty purposes even if you complete, or attempt to complete, repairs for the manufacturer.

EXCLUSION OF WARRANTIES: I understand that the implied warranties of merchantability and fitness for a particular purpose and all other warranties, expressed or implied, are excluded by Dealer from this transaction and will not apply to the home sold. I understand that you make no warranties whatsoever regarding the unit, appliance or component contained therein, except as may be required under applicable state law.

LIMITATIONS ON DAMAGES: If the manufacturer's warranty is limited to repair or replacement and such warranty fails because an attempt at repair is not completed within a reasonable time or the manufacturer has gone out of business, I agree that, if I am entitled to any damages at all against you, my damages are limited to the lesser of either the cost of needed repairs or reduction in the market value of the unit caused by the lack of repairs. In any case, you will not be required to pay me any incidental or consequential damages. I also agree that once I have accepted the unit, even though the manufacturer's warranty does not accomplish its purpose, I cannot return the unit to you and seek a refund for any reason.

I agree that my home comes with a warranty provided by the manufacturer of the home. I agree to read this warranty. All appliances are covered under separate warranty. The Manufactured Housing Division of the Department of Business and Industry provides a “Manufactured Housing Homeowner Information Bulletin” that outlines the state’s assistance in handling warranty claims should any arise. I agree to read and sign this form. Dealer warranties the leveling of the home upon initial installation only. It is Buyer’s responsibility to maintain the leveling of the home.

In addition to seeking assistance from the Manufactured Housing Division, I further agree, covenant and consent that any and all controversies arising out of or in any way relating to this contract may be settled by arbitration in accordance with the applicable rules of the American Arbitration Association then in effect. A judgment upon the award rendered by the arbitrators may be entered in, and be enforceable by, any court of competent jurisdiction.

If arbitration is used, it is further provided that all parties to this contract hereby covenant and agree that each of them shall submit to, and be bound by, the decision of the arbitrator appointed by the applicable national panel of arbitrators in accordance with the rules for appointment of such panels by the American Arbitration Association. In accordance with the rules and provisions of the American Arbitration Association, all parties hereto specifically agree that all arbitration proceedings arising hereunder will be held in _____ County. All costs relating to arbitration are to be shared equally by all parties.

RUNNING GEAR (TIRES, WHEELS, AXLES AND SPRINGS)

The value of running gear (tires, wheels, axles and springs) has been given as a reduction in the base price of the home on page 1.

Dealer will retain running gear. Value \$ _____

Buyer will return running gear to Dealer Value \$ _____

Buyer will retain running gear per contract on page 1.

_____ *Buyer* _____ *Date*

_____ *Buyer* _____ *Date*

_____ *Dealer* _____ *Dealer's License #* _____ *Date*

Initials _____ *Initials* _____

Additional Equipment, Labor & Accessories (See page 1)

<i>Description of Items or Services</i>	<i>Amount</i>

2. A licensee who fails to comply with this section is subject to disciplinary action by the division pursuant to NRS 489.381.

Sec. 6. NAC 489.010 is hereby amended to read as follows:

489.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 489.015 to 489.170, inclusive, *and sections 2, 3 and 4 of this regulation* have the meanings ascribed to them in those sections.

Sec. 7. NAC 489.460 is hereby amended to read as follows:

489.460 As used in NAC 489.460 to 489.485, inclusive:

1. “Attached” means the fastening of an awning, carport, steps or porch to a manufactured home or mobile home in such a manner that it:

(a) Is dependent upon the manufactured home or mobile home for any part of its structural support; and

(b) May be removed with any household tool without degrading the structural integrity of the manufactured home or mobile home.

2. ~~“Division” means the manufactured housing division of the department of business and industry.~~

~~—3.]~~ “Manufactured home” has the meaning ascribed to it in NRS 489.113.

~~[4.]~~ 3. “Mobile home” has the meaning ascribed to it in NRS 489.120.

Sec. 8. NAC 489.500 is hereby amended to read as follows:

489.500 As used in NAC 489.500 to 489.515, inclusive, unless the context otherwise requires, “enforcement agency” means the county or city building department or the ~~[manufactured housing]~~ division.

Sec. 9. NAC 489.610 is hereby amended to read as follows:

489.610 As used in NAC 489.610 to 489.662, inclusive, unless the context otherwise requires, the words and terms defined in NAC ~~489.612~~ **489.614** to 489.622, inclusive, have the meanings ascribed to them in those sections.

Sec. 10. NAC 489.628 is hereby amended to read as follows:

489.628 1. The administrator will not approve an instructor for a course unless he is of good moral character and, except as otherwise provided in subsection 2:

- (a) Holds a bachelor's degree or graduate degree in the area of instruction;
- (b) Teaches at a college or university within the University and Community College System of Nevada or any other accredited college or university in the area of instruction;
- (c) Is approved by the real estate division of the department ~~[of business and industry]~~ to teach courses relating to real estate; or
- (d) Has at least 5 years of full-time experience, other than clerical experience, in the area of instruction.

2. The administrator may approve an employee of the division or any other person as an instructor of a course if the administrator is satisfied that he has the knowledge and experience required to teach that course.

Sec. 11. NAC 489.612 and 489.616 are hereby repealed.

TEXT OF REPEALED SECTIONS

489.612 “Administrator” defined. “Administrator” means the administrator of the manufactured housing division of the department of business and industry.

489.616 “Division” defined. “Division” means the manufactured housing division of the department of business and industry.

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R203-01**

On June 13, 2002, the Manufactured Housing Division of the Nevada Department of Business and Industry adopted regulations assigned LCB File Nos. R203-01, R204-01, and R205-01 which pertain to Chapter 489 of the Nevada Administrative Code. A copy of the regulations as adopted is attached hereto.

Notice date: April 10, 2002
Hearing date: May 20, 2002

Date of adoption by agency: June 13, 2002
Filing date: June 18, 2002

**ADOPTION OF REGULATION
LCB File Nos. R203-01, R204-01, R205-01**

Pursuant to Nevada Revised Statutes 233B, the Manufactured Housing Division proposed changes to Nevada Administrative Code chapter 489. Required notices were posted and mailed for a workshop held on May 20, 2002. Required notices were posted and mailed for a hearing held on May 20, 2002, in Las Vegas and in Carson City (teleconference). Small businesses were consulted regarding the impact of the changes.

Pursuant to NRS 489.211 the Administrator hereby adopts the permanent regulations assigned LCB File Nos. R203-01, R204-01, R205-01. Written comments received and oral comments made at the workshops and hearings have been considered. A copy of the regulations as adopted is attached hereto.

INFORMATIONAL STATEMENT

The following statement is submitted for adopted amendments and additions to Nevada Administrative Code (NAC) 489

1. A description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

On April 10, 2002, the Division mailed a notice of Workshop to Solicit Comments on Proposed regulations to affected small businesses as required by law and to those individuals or entities requesting notice of proposed regulations. On April 10, 2002, the Division mailed Notice of Intent to Act Upon A Regulation to affected small businesses as required by law and to those individuals or entities requesting notice of proposed regulations.

However, the Division also posted the above-referenced notices for public review and comment at:

- a. Manufactured Housing Division 2501 East Sahara Avenue, Suite 204, Las Vegas, Nevada 89104;
- b. Manufactured Housing Division, 59 East Winnie Lane, Carson City, Nevada 89701;
- c. Department of Business and Industry, 788 Fairview Drive, Carson City, Nevada 89701;
- d. Office of the Attorney General, 100 North Carson Street, Carson City, Nevada 89701;
- e. Office of the Attorney General, 555 East Washington Avenue, Suite 3900, Las Vegas, Nevada 89101;
- f. Washoe County Library, 301 South Center Street, Reno, Nevada 89701;
- g. Carson City Library, 900 South Center Street, Carson City, Nevada 89701;
- h. Clark County Library, 833 Las Vegas Blvd. North, Las Vegas, Nevada 89101.

In addition, the Division mailed copies of the Notice of Intent to Adopt Regulation (which invited public comment) to the Carson City Library, the Churchill County Library, the Las Vegas Library, the Douglas County Library, the Elko County Library, the Goldfield Public Library, the Eureka Branch Library, the Humboldt County Library, the Lincoln County Library, the Lyon County Library, the Mineral County Library, the Tonopah Public Library, the Pershing County Library, the Storey County Library, the Washoe County Library, the White Pine County Library, and the Battle Mountain Branch Library.

In addition, a hearing was held on May 20, 2002, wherein members of the public and affected businesses were invited to speak.

The oral and written comments centered on the following areas of concern:

- a. The regulations do not provide enough consumer protection because consumers will not read the contracts due to length, walk-through requirements are not stringent enough and arbitration clause should be clarified;
- b. The regulations should not be required of Limited Dealers because their current forms used for real estate sales and multiple listing services are more comprehensive and causes duplication of work for Limited Dealers;
- c. The regulations should not be required of corporate and other dealers who utilize their own contract formats in Nevada and other states where they conduct business;
- d. In the New Home Contract (R203-01) the seller line should be omitted because there is no seller to sign other than the dealer who represents the manufacturer;

e. A statement requiring the buyer to obtain park approval where applicable should be added to the New Home Contract (R203-01).

A copy of the written comments may be obtained by calling Jerry Holmes, Manufactured Housing Division, (702) 486-4115, or by writing to Mr. Holmes at the Manufactured Housing Division, 2501 East Sahara Avenue, Suite 204, Las Vegas, Nevada 89104.

2. The number of persons who:

a. Attended each hearing: The May 20, 2002 Workshop was attended by 16 people; the May 20, 2002 Public Hearing was attended by 21 people.

b. Testified at each hearing: At the May 20, 2002 Workshop, 6 people testified; at the May 20, 2002 Public Hearing, there was no additional testimony, however the Administrator of the Division ruled that all testimony at the Workshop would be included in the official record of the hearing.

c. Submitted to the agency written comments: Written comments were received from Marshall Schultz, Brent Tyler, Gub Mix (Nevada Manufactured Housing Association), Oakwood Acceptance Corp., Michael Cirac, Jan Baldwin Realty.

3. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation of how interested persons may obtain a copy of the summary.

The Division mailed the notices for the workshop held on May 20, 2002, to all manufactured housing dealer and limited dealers, within the State of Nevada as well as and persons on the list maintained by the Division interested in receiving a notice of hearings on regulations that affect the Manufactured Housing Division. Said notices requested comments in writing and invited business owners to attend the workshops. The notice for the public hearing scheduled on May 20, 2002, was also mailed to all dealers and limited dealers within the State of Nevada as well as persons on the list of interested parties and also requested written comment and invited business owners to the public hearing. In addition, the workshop notices and the public hearing notice were posted as specified in #1 above. In addition, if dealers notified the Division that they had an attorney, a copy of the notices was mailed to the attorney. General comments received are listed in section number one of this statement.

A copy of the written comments may be obtained by calling Jerry Holmes, Manufactured Housing Division, (702) 486-4115, or by writing to Mr. Holmes at the Manufactured Housing Division, 2501 East Sahara Avenue, Suite 204, Las Vegas, Nevada 89104.

4. If the regulation was adopted without changing any part of the proposed regulation, a summary for the reasons for adopting the regulation without change.

The Division made multiple changes to the regulation after the initial draft after it carefully considered the concerns of the members of the Nevada Manufactured Housing Association

which is made up of dealers, manufacturers and other licensees. The draft prepared by the Legislative Counsel Bureau reflected the changes made by the Division. The only changes made to the draft prepared by the Legislative Counsel Bureau can be found in the following:

- R203-01 page 4 delete seller signature lines; page 17 insert new number 9 for approval of tenancy in a park; on page 18 renumber numbers 9 & 10 following to numbers 10 & 11; page 18 delete second blank line for “Directions” at bottom of page;
- R204-01 no changes;
- R205-01 page 3 split cell delete “water heater” & add #BDRMS & #BATHS; split cell delete “gas” “electric” and leave blank; delete “storm protection” and insert “water heater”; delete “yes and no” insert “gas” and “elect”.

No other changes were made to the draft prepared by the Legislative Counsel Bureau as the Division had already made major revisions based upon public and business comment prior to submission to the Legislative Counsel Bureau.

5. The estimated economic effect of the adopted regulation on the businesses that it is to regulate and on the public. These must be stated separately, and each case must include:

- a. Both adverse and beneficial effects; and**
- b. Both immediate and long-term effects.**

ADVERSE EFFECTS ON THE PUBLIC: There are no anticipated adverse effects on the public as the regulation seeks to standardize contracts in sales transactions.

ADVERSE EFFECTS ON BUSINESSES: The economic impact will be minimal because dealers already use printed non-standardized contracts and switching to contracts adopted by the regulations will not be onerous. The Division will further reduce the impact on business by providing electronic means of reproducing the forms adopted by the regulation

BENEFICIAL EFFECTS ON BUSINESSES AND THE PUBLIC: Standardized contracts will benefit both because it provides full disclosure and itemization, which should help resolve contract disputes.

6. The estimated cost to the agency for enforcement of the adopted regulation.

There will be no additional costs of enforcing the regulations because staff is currently in place to enforce them.

7. A description of any regulations of other state or government agencies that the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The regulation does not duplicate, and is not more stringent than existing state or federal laws. The Division does not believe that the regulation is more stringent than local laws.

8. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

The regulation does not include provisions that are more stringent than a federal regulation that regulates the same activity.

9. If the regulation provides a new fee or increases an existing fee, the total amount the agency expects to collect and the manner in which the money will be used.

This regulation does not provide or involve a new fee, and hence since no fee is involved, there is not a total amount expected to be collected or used.