

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

**LCB File No. R204-01**

Effective July 18, 2002

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

AUTHORITY: §1, NRS 489.7152.

**Section 1.** Chapter 489 of NAC is hereby amended by adding thereto a new section to read as follows:

*1. The following form of contract for the sale of a used manufactured home, mobile home or commercial coach must be used in the sale of any used 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>USED HOME PURCHASE CONTRACT</i>		
<i>PHONE</i>	<i>DATE</i>	<i>SALESPERSON</i>
<i>BUYER</i>		
<i>ADDRESS</i>		

<b>DELIVERY ADDRESS</b>					
<b>MAKE</b>	<b>SERIAL #</b>	<b>SIZE</b>	<b>YEAR/MANUFACTURER</b>	<b>BEDROOMS</b>	<b>BATHS</b>
<b>OPTIONAL EQUIPMENT, LABOR &amp; ACCESSORIES (for additional items or services, see page 6)</b>		<b>PRICE</b>			<b>PRICE</b>
			<b>BASE PRICE OF HOME</b>		
			<b>OPTIONAL EQUIPMENT</b>		
			<b>TOTAL PAGE 2</b>		
			<b>TOTAL PAGE 3</b>		
			<b>TOTAL PAGE 6</b>		
			<b>DOCUMENT FEES</b>		
			<b>SUBTOTAL</b>		
			<b>SALES TAX</b>		
			<b>NONTAXABLE ITEMS</b>		
			<b>FEES AND INSURANCE</b>		
			<b>1. CASH PRICE</b>		
			<b>TRADE ALLOWANCE</b>		
			<b>LESS LOAN BALANCE</b>		
			<b>NET ALLOWANCE</b>		
			<b>CASH DOWN PAYMENT</b>		
			<b>CASH AS AGREED</b>		

		<b>2. LESS TOTAL CREDITS</b>	
		<b>3. UNPAID BALANCE OF CASH SALE PRICE</b>	
<b>BALANCE CARRIED TO OPTIONAL EQUIPMENT</b>			

*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. Buyer confirms he has reviewed ALL SIX (6) 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 agreement if it contains blank spaces. Buyer acknowledges receipt of a copy of this contract.*

<b>DESCRIPTION OF TRADE-IN</b>			<b>AMOUNT OWING</b>
<b>MANUFACTURER</b>			<b>SIZE</b>
<b>TITLE #</b>	<b>BEDROOMS</b>	<b>BATHS</b>	<b>COLOR</b>
<b>SERIAL #</b>		<b>LIEN HOLDER</b>	

**LICENSED DEALER OR LICENSED REPRESENTATIVE** \_\_\_\_\_

**DATE** \_\_\_\_\_

<i>BUYER</i> _____	<i>SSN</i> _____	<i>DATE</i> _____
<i>BUYER</i> _____	<i>SSN</i> _____	<i>DATE</i> _____
<i>SELLER</i> _____	<i>DATE</i> _____	
<i>SELLER</i> _____	<i>DATE</i> _____	

<i>DISCLOSURES AND ESTIMATED MONTHLY COSTS</i>
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<i>ESTIMATED MONTHLY HOME PAYMENT</i>	\$
<i>CURRENT PARK or LAND RENT</i>	\$
<i>TAXES ON HOME</i>	\$
<i>HOME INSURANCE</i>	\$
<i>OTHER MONTHLY COSTS</i>	\$
<i>TOTAL MONTHLY COSTS</i>	\$

*PARK APPROVAL OF BUYER: This transaction is contingent upon the approval of Buyer by the park management where applicable. All deposits will be refunded in the event that the park management does not approve of Buyer.*

*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 the mortgage loan escrow 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.*

*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.*

**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 or proceeding to enforce any provision of this contract or for the damages sustained by reason of its breach, the prevailing party, on trial and on appeal, shall 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 \_\_\_\_\_*

**RECEIPT FOR DEPOSIT**

Received by \_\_\_\_\_ Date \_\_\_\_\_  
Dealer

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

\_\_\_\_\_  
\_\_\_\_\_

**Note: IT IS SOLELY THE BUYER'S RESPONSIBILITY TO DETERMINE THE FORM OF TITLE. NEITHER SELLER NOR SELLER'S AGENT IS AUTHORIZED TO RENDER ANY ADVICE AS TO THE MANNER IN WHICH TITLE IS TO BE TAKEN. THE DECISION AS TO HOW TO TAKE TITLE HAS IMPORTANT LEGAL CONSEQUENCES, INCLUDING, WITHOUT LIMITATION, THE DETERMINATION OF TAXES, INHERITANCE AND COMMUNITY PROPERTY. IF BUYER NEEDS ADVICE REGARDING THIS QUESTION, BUYER SHOULD CONSULT WITH HIS OWN ATTORNEY OR OTHER PROFESSIONAL.**

**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.*

\_\_\_\_\_  
Buyer      Date      Buyer      Date

\_\_\_\_\_  
Licensed Dealer or Representative      Date

**WALK-THROUGH AND POSSESSION RECEIPT**

YEAR/MANUFACTURER \_\_\_\_\_ SIZE \_\_\_\_\_

COMPLETE SERIAL # \_\_\_\_\_

*Buyer hereby stipulates that he has personally inspected the home with Dealer or his representative and that it complies with all the terms and conditions of the offer to purchase, including all amendments submitted to the above Seller's agent. Buyer further stipulates that he accepts the home in its present condition and at its present location and that he has not received any expressed or implied warranties from Seller or from his agent with only the following exceptions:*

*The implied warranty by Dealer of the working order of the essential systems in the home as prescribed by NRS 489.751.*



*The following items are in working order at the time of sale:*

<i>Item or System</i>	<i>Working</i>	<i>Not Working</i>	<i>Buyer's Initials</i>	<i>Dealer's Initials</i>
<i>Heating System</i>				
<i>Air-Conditioning System</i>				
<i>Electrical System</i>				
<i>Plumbing System</i>				
<i>Drainage System</i>				

*Other Exceptions and Additional Warranties:*

*(Repairs or replacements must be completed within 30 days by the responsible party unless otherwise noted and agreed upon.)*

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**SEE ATTACHED SHEET**

*I, the Purchaser of the above property, have, on this date, personally inspected the home and assured myself regarding the condition of the home.*

Date \_\_\_\_\_

Buyer \_\_\_\_\_

Buyer \_\_\_\_\_

Dealer \_\_\_\_\_

License # \_\_\_\_\_

**Supplement "A" DELIVERY AND INSTALLATION (if applicable)**

*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. 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.

10. 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 \_\_\_\_\_

\_\_\_\_\_

<p><i>Supplement "B" Additional Equipment, Labor &amp; Accessories (See page 1)</i></p>
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*Description of Items or Services*

*Amount*


<i>TOTAL (Transfer to page 1)</i>	

*Date* \_\_\_\_\_

*Buyer* \_\_\_\_\_

*Buyer* \_\_\_\_\_

*Dealer* \_\_\_\_\_

*License #* \_\_\_\_\_

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

**NOTICE OF ADOPTION OF PROPOSED REGULATION  
LCB File No. R204-01**

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: July 19, 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.