

THIS MODEL DOCUMENT PROVIDES LANGUAGE THAT MAY BE USED TO REMAIN CONSISTENT WITH THE APPLICABLE MANUFACTURED HOUSING STATUTES AND REGULATIONS.

MANUFACTURED HOUSING COMMISSION MODEL LICENSE/PERMIT BOND

Bond # _____

I/We _____, to be licensed as a manufactured home installer
(Name of Owner, Partner, or Corporate Officer as "Principal")
Manufacturer () Retailer () or Installer (), doing business as _____
(Assumed or Corporate Name)
at _____,
(Street Address or Mailing Address, if Different) (Telephone Number)
and _____ of _____
(Surety Company Name) (Surety Company Address)

a business duly licensed to transact a surety business in the State of _____, does provide this Bond in the aggregate penal sum of an amount that will cover the cost of repairing all damage to the home and its supports caused by the installer during the installation up to and including replacement of the home, but, in no case shall such amount be less than \$ _____ dollars as surety for the purpose of consumer protection and to enable the Principal to obtain or renew an annual license/certification from the U.S. Department of Housing and Urban Development (HUD), Office of Manufactured Housing Programs, as Obligee. This bond shall be open to successive claims up to the face value of the Bond. Provided, however, that the penalty of the bond may not be cumulative from year to year, and the total liability of the surety shall in no event exceed the bond amount regardless of the number of years the bond is in force.

We do hereby jointly, severally bind ourselves, our heirs, legal representatives, successors, and assigns firmly to provide surety to designated consumers as directed by the Administrator of the Office of Manufactured Housing Programs in writing.

WHEREAS, the original Bond shall be provided to the U.S. Department of Housing and Urban Development (HUD), Office of Manufactured Housing Programs by the Principal before a license is issued to the Principal.

WHEREAS, if the Principal and all of its agents and employees shall faithfully and honestly perform all of their obligations in accordance with the laws, rules, and regulations governing manufactured homes (mobile homes) during the period covered by this Bond, this obligation shall be null and void. Otherwise, it shall remain in full force and effect.

NOW, THEREFORE, any consumer/homeowner who owns a manufactured home in a state in which HUD acts as the administrator for the installation program per 24 CFR 3286.5, who sustains loss or damage by reason of any act or omission covered by this Bond may, in addition to any other remedy, bring a claim on this Bond for the recovery of damages sustained by said consumer/homeowner, for an installation that fails to comply with National Manufactured Housing Construction and Safety Standards found in 24 CFR parts 3280 (Manufactured Home Construction and Safety Standards), 3282 (Manufactured Home Procedural and Enforcement Regulations), 3285 (Model Manufactured Home Installation Standards), and 3286 (Manufactured Home Installation Program). Said claim must be brought before said Obligee, who may validate the claim and determine the amount of loss or damage, if any, sustained by the consumer/homeowner. Upon determination of loss or damage, the Obligee may make a claim, to include reasonable administrative costs, against the Bond up to the penal sum of the Bond. It is further provided that upon any demand or claim against the bond the Surety shall give notice to the Administrator of the Office of Manufactured Housing Programs by registered mail of any such demand or claim and of any judgment, recovery, or settlement made prior to the payment thereof. The Surety Company must provide written notice, by certified mail, at least sixty (60) days prior to the cancellation, termination, or change of this Bond to the Administrator, Office of Manufactured Housing Programs, U.S. Department of Housing and Urban Development, 451 7th Street SW, Rm. 9252, Washington DC, 20410. The Obligee may bring a claim against this Bond for any liabilities accrued while the Bond was in force, for up to twelve (12) months after the Bond has been terminated or cancelled.

IN WITNESS WHEREOF, said Principal and Surety have jointly executed this Bond this _____ day of _____, 20____, to be effective on the _____ day of _____ 20____, until _____.
(Expiration Date or Continuous)

(Signature of Surety)

(Printed Name of Surety)

(Title)

(Signature of Principal)

(Printed Name of Principal)

(Title)