which may consist of outdoor sitting areas, playfields, tot lots and play equipment.

General Requirements

303-1 Materials and Construction—All materials and their installation in a LH facility shall meet the applicable development standard. Any exceptions to these requirements for materials and their installation must be obtained with the approval of the FmHA or its successor agency under Public Law 103-354 National Office. Material should be selected that is durable and easily cleaned and maintained.

303-2 Fire Protection—Fire protection and egress shall be provided to comply with the applicable development standard.

303-3 Light, Ventilation, Screening—Natural light and ventilation requirements as specified in the applicable development standard shall be followed. Screening of all exterior openings is required.

303-4 Ceiling Heights—Ceiling heights of habitable rooms shall be a minimum of seven feet six inches clear, and seven feet in halls or baths in dwelling units. Public rooms shall have a minimum of eight feet clear ceiling height. Sloping ceilings shall have at least seven feet six inches for ½ the room with no portion less than five feet in height.

303-5 Heating and Cooling—Heating and cooling and/or air circulation equipment shall be installed as needed for the comfort of the tenants, considering the climate and time of year the facility will be in operation. Maximum feasible use of passive solar heating and cooling techniques shall be required. All equipment installed will be in accordance with the applicable development standard to protect the health and safety of occupants.

303-6 Plumbing—Plumbing materials and their installation shall meet the applicable development standard. Hot water will be required to all living units, baths, kitchens and laundry facilities.

303-7 Insulation, Thermal Standards, Winterization—Insulation will be required where either heating or cooling is provided as per paragraph 303-5 above or when climatic conditions dictate a need for insulation. Insulation Standards will comply with exhibit D, paragraph IV C 3, of this subpart, or the state insulation standards, whichever are the more stringent.

303-8 Electrical—Electrical design, equipment and installation shall comply with the requirements of the latest edition of the National Electrical Code, and the applicable development standard for materials and their installation. Individual family units may be separately metered; other types of dwelling units may be separately metered as required.

303-9 Security and Winterization—Adequate management and physical measures will be provided as necessary to protect the facility during off-season periods, including adequate heating and insulation as required.


EXHIBIT J TO SUBPART A OF PART 1924—MANUFACTURED HOME SITES, RENTAL PROJECTS AND SUBDIVISIONS; DEVELOPMENT, INSTALLATION AND SET-UP

Part A—Introduction

Part B—Construction and Land Development

Part C—Drawings, Specifications, Contract Documents and Other Documentation

Part D—Inspection of Development Work

Purpose and Scope. This exhibit describes and identifies acceptable site development, installation and set-up practices and concepts for manufactured homes. It is intended for FmHA or its successor agency under Public Law 103-354 field personnel, builders, developers, sponsors, and others participating in FmHA or its successor agency under Public Law 103-354 housing programs.

This exhibit applies to all manufactured homes (except those referenced in exhibit B of this subpart) on scattered sites or in rental projects and subdivisions and covers the requirements for design and construction of manufactured home communities. FmHA or its successor agency under Public Law 103-354 may approve alternatives or substitutes if it finds the proposed design satisfactory for the proposed use, and if the materials, installation, device, arrangement, or method of work is at least equivalent to that prescribed in this exhibit considering quality, strength, effectiveness, durability, safety and protection of life and health.

FmHA or its successor agency under Public Law 103-354 will require satisfactory evidence to be submitted to substantiate claims made regarding the use of any proposed alternative.

II. Background. FmHA or its successor agency under Public Law 103-354 has authority to make (1) section 502 Rural Housing (RH) loans with respect to manufactured homes and lots, and (2) section 515 Rural Rental Housing (RHR) loans with respect to manufactured home rental projects.

The manufactured home must be constructed in conformance with the Federal Manufactured Home Construction and Safety Standard (FMHCSS) and be permanently attached to a site-built permanent foundation which meets or exceeds the Minimum Property Standards (MPS) for One- and Two-Family Dwellings or Model Building Codes acceptable to FmHA or its successor agency under Public Law 103-354. The manufactured home must be permanently attached to that
foundation by anchoring devices adequate to resist all loads identified in the MPS. This includes resistance to ground movements, seismic shaking, potential shearing, over-turning and uplift loads caused by wind. Note that anchoring straps or cables affixed to ground anchors other than footings will not meet these requirements.

Subpart G of part 1940 of this chapter applies on scattered sites, in subdivisions and rental projects to the development, installation and set-up of manufactured homes. To determine the level of environmental analysis required for a particular application, each manufactured home or lot involved shall be considered as equivalent to one housing unit or the respective units are used in §§ 1940.310-1940.312 as well as in any other sections of subpart G of part 1940 of this chapter. The implementation of FmHA or its successor agency under Public Law 103–354 environmental policies and the consideration of important land use impacts are of particular relevance in the review of proposed manufactured home sites and in achieving the two purposes highlighted below. Because the development, installation and set-up of manufactured home communities, including scattered sites, rental projects, and subdivisions, differ in some requirements from conventional site and subdivision development, two of the purposes of this exhibit are to:

A. Encourage economical and orderly development of such communities and nearby areas, and

B. Promote the safety and health of residents of such communities.

Therefore, this exhibit identifies those required standards and regulations and suggested guidelines for eliminating and preventing health and safety hazards and promoting the economical and orderly development and utilization of land for planning and development of manufactured home communities. The exhibit also provides the requirements for meeting the following:

A. Resistance to Wind. Foundations and anchorages shall be designed to resist wind forces specified in American National Standards Institute (ANSI) A–58.1–1982 for the geographic area in which the manufactured home will be sited;

B. Proper Installation. The manufacturer’s installation instructions provided with each manufactured home shall contain instructions for at least one site-built foundation with interior and/or perimeter supports. FmHA or its successor agency under Public Law 103–354 field office personnel shall review to determine its adequacy as security for an FmHA or its successor agency under Public Law 103–354. The foundation design concept for compliance with this exhibit, the FmHA or its successor agency under Public Law 103–354 MPS and any Model Building Code acceptable to FmHA or its successor agency under Public Law 103–354 in that particular geographic area; and

C. Proper Foundation Design. Manufactured homes shall be installed on a foundation system which is designed and constructed to sustain, within allowable stress and settlement limitations, all applicable loads. Any foundation and anchorage system or method of construction to be used should be analyzed in accordance with well-established principles of mechanics and structural engineering.

III. Definitions. For the purpose of this exhibit the following definitions apply:

Accessory Building or Structure. A subordinate building or structure which in the traveling mode is ten body feet or more in width, and when erected on site is four hundred or more square feet, and which is an addition to or supplements the facilities provided by a manufactured home.

Anchoring Systems. An approved system for securing the manufactured home to the ground or foundation system or method of construction to be used should be analyzed in accordance with well-established principles of mechanics and structural engineering.

Federal manufactured Home Construction and Safety Standards (FMHCSS). A 1976 federal standard, commonly known as the HUD Standard, for the construction, design and performance of a manufactured home which meets the needs of the public including the need for quality, durability and safety. Units conforming to the FMHCSS are certified by an affixed label that reads as follows:

AS EVIDENCED BY THIS LABEL NO.

THE MANUFACTURER CERTIFIES TO THE BEST OF THE MANUFACTURER’S KNOWLEDGE AND BELief THAT THIS MANUFACTURED HOME HAS BEEN INPECTED IN ACCORDANCE WITH THE REQUIREMENTS OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND IS CONSTRUCTED IN CONFORMANCE WITH THE FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS IN EFFECT ON THE DATE OF MANUFACTURE. SEE DATA PLATE.

Manufactured Home. A structure which is built to the Federal Manufactured Home Construction and Safety Standards and FmHA or its successor agency under Public Law 103–354’s thermal requirements. It is transportable in one or more sections, which in the traveling mode is ten body feet or more in width, and when erected on site is four hundred or more square feet, and which is built on a permanent foundation when connected to the required utilities. It is designed and constructed for permanent occupancy by a single family and contains permanent eating, cooking, sleeping and sanitary facilities. The plumbing, heating, and
electrical systems are contained in the structure.

Manufactured Home Community. A parcel or contiguous parcels of land which contains two or more manufactured home sites available to the general public for occupancy. Sites and units may be for rent, or sites may be sold for residential occupancy (as in a subdivision).

Manufactured Home Rental Project. A parcel or multiple parcels of land which have been so designated and improved to contain manufactured homes with sites available for rent.

Manufactured Home Site. A designated parcel of land in a manufactured home rental project, subdivision or scattered site designed for the accommodation of a unit and its accessory structures for the exclusive use of the occupants.

Manufactured Home Subdivisions. Five or more contiguous (developed or undeveloped) lots, or building sites that meet the requirements of subpart C of part 1924 of this chapter.

Permanent Perimeter Enclosure. A permanent perimeter structural system completely enclosing the space between the floor joist of the manufactured home and the ground. If separate from the foundation system, the permanent perimeter enclosure shall be secured to the perimeter of the manufactured home, properly ventilated and accessible and constructed of materials that conform to the FMHA or its successor agency under Public Law 103-354 adopted MPS requirements for foundations.

Pier Support System. Consists of footings, piers, caps, leveling spacers, or approved prefabricated load bearing devices.

Related Facilities. Any nonresidential structure or building used for rental housing related purposes.

Site-Built Permanent Foundation System. A foundation system (consisting of a combination of footings, piers, caps and shims and anchoring devices or required structural connections) which is designed and constructed to support the unit and sustain, within allowable stress and settlement limitations, all applicable loads specified in ANSI A58.1–1982. All loads shall be transferred from the manufactured home to the earth at a depth below the established frost line without exceeding the safe bearing capacity of the supporting soil.

Set-Up. The work performed and operations involved in the placement of a manufactured home on a foundation system, to include installation of accessories or appurtenances and anchoring devices, and when local regulations permit, connection of utilities, but excluding preparation of the site.

IV. Compliance with Local Regulations. These requirements do not replace site development standards established by local law, ordinances, or regulations. Whenever such local standards contain more stringent provisions than any of the site development, installation and set-up minimums of FMHA or its successor agency under Public Law 103-354, the more stringent standards shall govern.

V. Applicable Standards, Regulations and Manuals. A manufactured housing to be financed by FMHA or its successor agency under Public Law 103-354 must comply with the following standards:


2. Foundation requirements of the Minimum Property Standards as adopted by FMHA or its successor agency under Public Law 103-354 or a Model Building Code acceptable to FMHA or its successor agency under Public Law 103-354.

3. [Reserved]


B. Manufactured housing to be financed by FMHA or its successor agency under Public Law 103-354 shall comply with all applicable FMHA or its successor agency under Public Law 103-354 regulations, including but not limited to the following:

1. Subpart C of part 1924 of this chapter, “Planning and Performing Development Work.”


4. 7 CFR part 3550, “Direct Single Family Housing Loans and Grants.”

5. Subpart E of part 1944, “Rural Rental Housing Loan Policies, Procedures, and Authorizations.”

The requirements of the above references have not been repeated in this exhibit. Those requirements contained above are either mandatory or minimums and every effort should be made by the applicant, builder-developer or dealer-contractor to utilize higher standards, when appropriate.

Part B—Construction and Land Development

I. General Acceptability Criteria. The following criteria apply to development on scattered sites, in subdivisions and in rental project communities.

A. A manufactured home development including a site, rental project or subdivision shall be located on property designated for that use, where designations exist, by the local jurisdiction.

B. Conditions of soil, ground water level, drainage, flooding and topography shall not
create hazards to the property and health or safety of the residents.

C. The finished grade elevation beneath the manufactured home or the first floor elevation, whichever is lower, shall be above the 100-year return frequency flood elevation. This requirement applies wherever manufactured homes may be installed in accordance with sound engineering design designated by the National Flood Insurance Program as areas of special flood hazards. The use of fill to accomplish this is a last resort. However, as stated in §1940.304 of subpart G of part 1940 of this chapter, it is FmHA or its successor agency under Public Law 103-354’s policy not to approve or fund any proposal in a 100-year floodplain area unless there is no practicable alternative to such a floodplain location.

D. Essential service such as employment centers, shopping, schools, recreation areas, police and fire protection, and garbage and trash removal shall be convenient to the development and any site, community, or subdivision must meet the environmental and location requirements contained in subpart G of part 1940 of this chapter.

E. Manufactured home sites, rental projects and subdivisions shall not be subject to any adverse influences of adjacent land uses. An adverse influence is considered as one that is out of the acceptable level or range of a recognizable standard or where no standard exists is considered a nuisance irrespective of a site being zoned for manufactured home use. Health, safety and aesthetic consequences of location shall be carefully assessed by inspection of the site prior to selection of development. Undesirable land uses such as deteriorated residential or commercial areas and noxious industrial properties shall be avoided to ensure compatibility. Other undesirable elements such as heavily traveled highways, airport runways, railroad, or fire hazards and other areas subject to recognizably intolerable noise levels shall be avoided.

F. The requirements for streets shall be those found in part 1924 of this chapter.

G. The site design and development shall be in accordance with and architectural practices and shall provide for all utilities in a manner which allows adequate, economic, safe, energy efficient and dependable systems with sufficient easements for their required installation and maintenance.

H. Utilities for each manufactured home site, rental project or subdivision shall be designed and installed in accordance with subpart C of part 1924 of this chapter; and the State health authority having jurisdiction, and all local laws and regulations requiring approval prior to construction.

I. Exhibit C, section V of this subpart shall be complied with by the applicant, dealer-contractor or builder-developer for manufactured home projects with individual water supply and sewage disposal systems. This exhibit shall be used by the FmHA or its successor agency under Public Law 103-354 approved MPS’s. Requirements shall be made for the installation and connection of on-site water, gas, electrical and sewer systems, which are necessary for the normal operation of the manufactured home. Water and sewer system hookups shall be adequately protected from freezing.

II. Development on Scattered Sites and in Subdivisions.—A. General. Scattered sites and subdivision developments will be planned and constructed in accordance with specific requirements of this subpart, subpart C of part 1924, and subpart G of part 1940 of this chapter, and the applicable FmHA or its successor agency under Public Law 103-354/MPS’s or Model Building Codes acceptable to FmHA or its successor agency under Public Law 103-354. Manufactured homes for development in a manufactured home community shall:

1. Be erected with or without a basement on a site-built permanent foundation that meets or exceeds applicable requirements of the FmHA or its successor agency under Public Law 103-354/MPS’s for One- and Two-Family Dwellings or Model Building Codes acceptable to FmHA or its successor agency under Public Law 103-354.

2. Be permanently attached to that foundation by anchoring devices adequate to resist all loads identified in the FmHA or its successor agency under Public Law 103-354 adopted MPS (this includes resistance to ground movements, seismic shaking, potential shearing, overturning and uplift loads caused by wind, etc.);

3. Have had the towing hitch or running gear, which includes tongues, axles, brakes, wheels, lights and other parts of the chassis that operate only during transportation removed;

4. Have any crawl space beneath the manufactured home properly ventilated and enclosed by a continuous permanent perimeter enclosure. If it is not the supporting foundation, designed to resist all forces to which it may be subject without transmitting to the building superstructure movements or any effects caused by frost heave, soil settlement (consolidation), or shrinking or swelling of expansive soils; and be constructed of materials that conform to FmHA or its successor agency under Public Law 103-354 adopted MPS requirements for foundations;

5. Have the manufactured home insulated to meet the energy conserving requirements contained in exhibit D of this subpart;

6. Have a manufactured home site, site improvements, and all other features of the


RHS, RBS, RUS, FSA, USDA
mortgaged property not addressed by the Federal Manufactured Home Construction and Safety Standards, meet or exceed applicable requirements of this subpart and sub-
parts of part 1924 of this chapter, the FmHA or its successor agency under Public Law 
103-354 adopted MPS except paragraph 31-2.2 or a Model Building Code acceptable to 
FmHA or its successor agency under Public Law 103-354;
7. Have had the manufactured unit itself 
braced and stiffened where necessary before it 
leaves the factory to eliminate racking 
and potential damage during transportation; and
8. Be eligible for financing in accordance with 
the requirements of either section 502, 
or section 515 of FmHA or its successor agen-
cy under Public Law 103-354’s Housing Pro-
gram, for which purpose the beginning of 
construction will be the commencement of 
on-site work even though the manufactured 
home itself may have been produced and 
temporarily stored prior to the date of ap-
lication for financing.
B. Site Planning and Development. The site 
planning and development of manufactured 
home scattered sites and subdivisions shall also comply with the following:
1. Arrangement of Structures and Facilities. 
The site, including the manufactured home, 
accessory structures, and all site improve-
ments shall be harmoniously and efficiently 
organized in relation to topography, the 
shape of the plot, and the shape, size and po-
sition of the unit. Particular attention shall 
be paid to use, appearance and livability.
2. Adaptation to Site Assets. The manufac-
tured home shall be fitted to the terrain 
with a minimum disturbance of the land. Ex-
isting trees, rock formations, and other nat-
ural site features shall be preserved to the 
extent practicable. Favorable views or out-
looks shall be emphasized by the plan.
3. Site Plan. The site plan shall provide for 
a desirable residential environment which is 
an asset to the community in which it is lo-
cated.
4. Lot Size. The size of manufactured home 
lots (scattered sites and subdivision) shall be 
determined by 7 CFR part 3550 and subpart C 
of part 1924 of this chapter.
C. Foundation Systems, Anchoring and Set-
up. 
1. The foundation system shall be con-
structed in accordance with this subpart and one of the following: (a) The foundation sys-

tem included in the manufacturer’s installa-
tion instructions meeting FmHA or its suc-
cessor agency under Public Law 103-354/MPS requirements, (b) the FmHA or its successor 
as a Model Building Code acceptable to 
FmHA or its successor agency under Public Law 103-354/MPS design 
requirements for foundations and the general 
requirements above.
3. The applicant’s responsibility for proper 
design and installation of the permanent 
foundation system, anchoring and set-up 
shall be in accordance with §1924.5(f)(1), of 
this subpart.
4. The builder/developer of the manufac-
tured home property, for proposed construc-
tion, shall submit with the application for fi-
nancing by the applicant or for a conditional 
commitment design calculations, details and 
drawings for the installation, anchorage and 
construction of permanent foundation and 
perimeter enclosure to be used.
III. Rental Housing Project Development. A. 
General. Manufactured housing rental devel-
opments shall be planned and constructed in 
accordance with requirements of subpart C 
of part 1944; this subpart; subpart G of part 
1940, the FmHA or its successor agency under 
Public Law 103-354/MPS; and the require-
ments of subpart E of part 1944 of this chap-
ter.
B. Site Planning and Development. Site planni-
g and development shall adapt to indi-
vidual site conditions and the type of market 
to be served, reflect advances in site plan-
ning and development techniques, and be 
adaptable to the trends in design of the man-
ufactured home. Site planning and develop-
ment shall utilize existing terrain, trees, 
shrubs and rocks formations to the extent 
practicable. A regimental style site plan de-
sign should be avoided.
C. Foundation Systems, Anchoring and Set-
up. Foundation systems, anchoring and set-
ups for manufactured home rental projects 
(site and home) developed under FmHA or its 
successor agency under Public Law 103-354/MPS section 515 Rural Rental Housing program 
shall comply with the requirements of para-
graphs II A and II C above.
IV. Accessory Structures and Related Facili-
ties. A. General. Accessory structures and re-
lated facilities are dependent upon the man-
ufactured home and its environment.
1. Accessory structures and related facili-
ties shall be planned, designed and con-
structed in accordance with the applicable 
provisions of this subpart; the FmHA or its 
successor agency under Public Law 103-354/ 
MPS; and local criteria of the authority hav-
ing jurisdiction.
2. Accessory structures and related facili-
ties shall be designed in a manner that will 
eliminate and prevent health and safety haz-
ards and enhance the appearance of the man-
ufactured home and its environment.
3. Accessory structures and related facilities shall not obstruct required openings for light and ventilation of the manufactured home and shall not hamper installation and utility connections of the unit.

B. Accessory Structures. 1. Accessory structures shall not include spaces for pantries, bath, toilet, laundries, closets or utility rooms.

2. Accessory structures shall be carefully designed and constructed for the convenience and comfort of the manufactured home occupant. These features significantly affect the visual appearance of the community and influence livability.

C. Related Facilities (Rental Housing Projects). 1. This includes those facilities as defined in §§ 1944.205(i) and 1944.212(f) of subpart E of part 1944 of this chapter.

2. Related facilities built on-site must meet the FmHA or its successor agency under Public Law 103-354/MP5 and subpart A of part 1924 of this chapter or other building codes approved by FmHA or its successor agency under Public Law 103-354.

3. Workmanship shall be of a quality equal to good standard practice. Material shall be of such kind and quality as to assure reasonable durability and economy of maintenance, all commensurate with the class of building under consideration.

4. All members and parts of the construction shall be properly designed to carry all loads imposed without detrimental effect on finish or covering materials.

5. The structure shall be adequately braced against lateral stresses and each member shall be correctly fitted and connected.

6. Adequate precautions shall be taken to protect against fire and accidents.

7. All related facilities which require accessibility to the handicapped must comply with the Uniform Federal Accessibility Standard (UFAS).

V. Fire Protection and Safety. A. The design of the site plan for each manufactured community and scattered site shall meet the fire protection and safety requirements of the local authority responsible for providing the necessary fire protection services.

B. All fire detection and alarm systems, and water supply requirements for fire protection for manufactured communities shall be in accordance with the local authority responsible for providing the necessary fire protection services.

C. Any portion of a manufactured home shall not be closer than the local separation requirements of the development standard for side to side, end to end, and end to side siting. If the exposed composite wall and roof of two or more manufactured homes are proposed to be joined they shall be without openings and constructed of materials which will provide a minimum one-hour fire rating each, or the manufactured homes are separated by a one-hour fire rated barrier designed and approved for such installation and permitted by the authority having jurisdiction.

D. Manufactured homes shall not be positioned vertically (stacked) with one over the other in whole or in part without the specific approval of the authority having jurisdiction.

Part C—Drawings, Specifications, Contract Documents and Other Documentation

I. General. Adequate site development and foundation installation drawings and specifications shall be provided by the applicant or dealer-contractor to FmHA or its successor agency under Public Law 103-354 to fully describe the construction and other development work. These documents shall be provided according to the requirements of §1941.4(f)(1) of this subpart. Contract documents will be prepared in accordance with §1941,6 and, in the case of multiple family housing construction and development, §1941.13 of this subpart.

A. The documents recommended shall be used as a guide for drawings and specifications to be submitted in support of all types of loan and/or grant applications involving manufactured homes. Adequate and accurate drawings and specifications are necessary to:

1. Determine the acceptability of the physical environment and improvements,

2. Determine compliance with the applicable standards and codes,

3. Review cost estimates, and

4. Provide a basis for financing, inspections, and the warranty.

B. Detailed floor plans, drawings and specifications are not required for any manufactured home to be installed on a scattered site, in a subdivision or rental housing project. However, a schematic floor plan should be submitted by the applicant when applying for FmHA or its successor agency under Public Law 103-354 financing. The unit must have an affixed label as specified in exhibit D of this subpart indicating that the unit is constructed to the FmHA or its successor agency under Public Law 103-354 Thermal Performance Construction Standard.

C. For proposed construction, the builder or dealer-contractor shall submit with the loan or grant application design calculations, details and drawings for the installation, anchorage and construction of the permanent foundations and perimeter enclosure to be used. Drawings and specifications for
foundation systems will be reviewed and examined by either the FmHA or its successor agency under Public Law 103–354 County Supervisor, District Director, or State Architect for investigating support locations, loads and connection requirements specified by the manufacturer as a basis for evaluating foundation compliance with the FmHA or its successor agency under Public Law 103–354/MPS or Model Building Code, and for determining design suitability for soil conditions. Drawings and specifications will also be examined by FmHA or its successor agency under Public Law 103–354 to determine compliance with all other on-site features not covered by the FMHCSS.

D. Foundation design sections and details of all critical construction points systems, anchorage methods, and structural items shall be scaled as necessary to provide all appropriate information 1:30 (3/8”=1'-0") minimum.

II. Scattered Sites. Drawings for single family manufactured housing shall be submitted by the applicant in addition to the requirements of paragraphs I above and the requirements of paragraphs II A and D–7 of exhibit C of this subpart.

III. Subdivisions. Subpart C of part 1924 of this chapter will be used in preparing and providing supporting documents.

IV. Rental Housing Projects. Subpart C of part 1924 of this chapter will be used in preparing and providing supporting documents.

V. Specifications. A. Form FmHA or its successor agency under Public Law 103–354 424–2, “Description of Materials,” or other acceptable and comparable descriptions of all materials used for site development, foundation installation, and the permanent perimeter enclosure shall be submitted with the drawings by the applicant. B. The borrower should be encouraged to make enough periodic visits to the site to be familiar with the progress and performance of the work in order to protect the borrower’s interest. If the borrower observes or otherwise becomes aware of any fault or defect in the work or nonconformance with the contract documents, the borrower should give prompt written notice thereof to the dealer-contractor and a copy of the notice to the appropriate County Supervisor or District Director.

D. During inspection, it will generally be infeasible to determine whether a manufactured home is properly braced and stiffened during transportation. Inspectors should examine these units to determine that there is no obvious damage or loosening of fastenings that may have occurred during transportation. The dealer-contractor must warrant these units against such damage, which should protect FmHA or its successor agency under Public Law 103–354’s interest.

III. Warranty Plan Coverage. The warranty requirements for all development work shall be in accordance with §1924.9(d) of this subpart and 7 CFR part 550, subpart B.

EXHIBIT K TO SUBPART A OF PART 1924—CLASSIFICATIONS FOR MULTI-FAMILY RESIDENTIAL REHABILITATION WORK

I. General

This exhibit distinguishes between what FmHA or its successor agency under Public Law 103–354 considers maintenance and repair work, moderate rehabilitation and substantial rehabilitation. In all cases, the building or project to be rehabilitated shall be structurally sound. The applicant shall have a structural analysis of the existing building made to determine the adequacy of all structural systems for the proposed rehabilitation.