



On Site Completion of Construction of Manufactured Homes

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What a Manufacturer needs to know

On September 8, 2015 the final rule was published in the Federal Register that established an On Site Construction procedure (Subpart M - 3282) that allows Manufactured Housing manufactures to build a manufactured home that is substantially completed at the plant and complete the remaining construction at the home site. The effective date for this procedure is March 7, 2016. All AC letters that expire after March 7, 2016 that are to be transitioned to an SC Approval will need to have a DAPIA approved SC Approval prior to each AC letter expiration date or September 7, 2016, whichever comes earliest.

HUD defines, “Substantial Completion” as, “A manufactured home is substantially completed if all aspects of construction that can be finished in the manufacturer’s plant are completed, except as provided in 3280.603.” (3282.7(kk)).

What does substantially complete really mean? A manufactured home is substantially complete if all construction to the home is completed except for work that would be difficult to complete in the plant. Areas of difficulty mentioned by HUD are: 1) Transportation limitations, 2) Design requirements and/or 3) Delivery of an appliance that was ordered by the homeowner. Examples of homes that are substantially complete but would require an On Site Construction Approval are:

- Homes with appliances, such as fireplaces, that are provided by the manufacturer, installer, retailer or home owner to be installed at the home site.
- Homes with roof extensions, such as dormers, site installed windows in the roof, sidewall bay windows, and removable or open floor sections for basement stairs that need to be completed on site.
- Homes with exterior applications, such as brick siding, stucco wall treatment or tile roof systems that need to be completed on site.
- Homes with manufacturer “authorized add-on’s” (3282.602(a)(2) that during the course of construction would take the home out of conformance with 24 CFR 3280 but when on site construction is completed the home would be brought back into conformance with 24 CFR 3280. This does not include site installed garages, which still require an Alternate Construction Letter granted by HUD.
- Homes with components or parts that are shipped loose with the manufactured home and that will be installed on site, unless exempted as installation by the installation standards. 3282.602(a)(4).
- Homes with hinged roof and eave assemblies built for Wind Zone 2 and 3. 3282.602(a)(1)
- Homes with hinged roofs with roof jack/vent assemblies that are located in the hinged portion of the roof will require an On Site Construction Approval.



Section 3285.801(f) was amended to include as exterior close up, hinged roofs that are designed for Wind Zone 1 that have a roof pitch less than 7/12 with Peak Cap sections or Peak Flip construction and no roof penetrations through the hinged area of the roof. The definitions for both of these terms are given in 3285.801(f):

- **Peak cap construction** means any roof peak construction that is either shipped loose or site constructed and is site installed to complete the roof ridge/peak of a home.
- **Peak flip construction** means any roof peak construction that requires the joining of two or more cut top chord members on site. The cut top chords must be joined at the factory by straps, hinges, or other means.

The main difference between an On Site Construction Approval and an Alternate Construction Letter is when a home is built to an On Site Construction Approval the manufactured home when completed is in full compliance with 24 CFR 3280 (i.e. 7:12 hinged roof or 6' foot deep sidewall bay window). A manufactured home that is built to an Alternate Construction Letter when completed on site will not be in compliance with 24 CFR 3280 (i.e. handicapped shower AC approval). See the Federal Register/Vol. 80, No. 173, Page 53723 Item (c) for HUD's explanation.

Each On Site Construction Approval will be place in your eDAPIA "SC" section by ICC NTA, LLC. All On Site Construction Approvals will be reviewed at least every three years or more frequently when the Manufactured Homes Construction and Safety Standards are revised, to assure continued compliance to the Standards.

Manufacturer's Responsibilities

A manufacturer must obtain an On Site Construction Approval from ICC NTA, LLC prior to placing homes that require an On Site Construction Approval into production (3282.608). A summary of the responsibilities of the manufacturer follows:

1. Prepare and submit in writing an On Site Construction Approval request (SC Approval) for review and approval to ICC NTA, LLC. as required by 3282.603(a). The SC Approval shall consist of the following documents (See Federal Register/Vol. 80, No. 173, Page 53724 Item 8):
 - a. QA manual for on site work completed on site;
 - b. On site construction instructions for completion of the home;
 - c. On site inspection checklist;
 - d. Procedure for maintaining documentation on site until completion and acceptance by IPIA;
 - e. A copy of the written completion certification to be provided to the homeowner/lessor;
 - f. Procedure for tracking the status of all homes built under the SC Approval;
 - g. A sample of the site inspection completion report that clearly states site inspection shall be completed and provided to the home owner/lessor PRIOR to occupancy.
 - h. Procedure of notification of IPIA that homes are ready for Site Inspection.
 - i. Procedure for providing the site inspection completion report to the IPIA within 5 business days of completion of report for review and approval. After IPIA approval providing a copy within 5 business days to the home owner/lessor, retailer and to the SAA upon request.



2. Obtain a written agreement from the IPIA to perform on site inspections per 3282.603(d)(5). State IPIA's may delegate this responsibility to ICC NTA, LLC. See the Federal Register/Vol. 80, No. 173, Page 53716 – "HUD Response: HUD agrees with the commenter's. As previously indicated, only IPIA's or representatives of IPIA's are authorized to perform on site completion inspections under this final rule."
3. Receive the written concurrence of the manufacturer's IPIA with regard to its acceptability and applicability to the onsite completion of the affected manufactured homes and placed in the on site quality assurance manual.
4. Complete all the following items in reference to On Site Construction and Inspection:
 - a. Complete required on site construction through a licensed contractor or qualified person.
 - b. Prepare a SC Approval Inspection Report upon completion of the report to the IPIA for final approval within 5 business days. Final approval by the IPIA must occur PRIOR to occupancy of home.
 - c. Notify the IPIA that each home built to the SC Approval is ready for inspection.
5. Provide a written certification to the home owner /lessor that has been approved by the DAPIA and IPIA that all work has been completed and the home now conforms to the Federal Construction and Safety Standards.
6. Provide a copy of the approved SC Approval Inspection Report within 5 business days of IPIA approval to the home owner/lessor, the retailer, the DAPIA and the SAA upon request. This must occur PRIOR to occupancy by the homeowner.
7. The manufacturer's monthly 302 production report that is submitted to NTA using "Web Labels" software, created by IBTS, must include:
 - a. Serial numbers containing the prefix or suffix, "SC".
 - b. A brief description of the work to be completed on site (3282.552).
8. Provide a cumulative quarterly production reports to HUD or its agent (3282.608(p). **NTA Clients will have the benefit of their Cumulative Quarterly Production Report automatically being generated by NTA's tracking system.**
9. Maintain the following information for each home built under the SC Approval in each home file for 5 years 3282.606(d):
 - a. DAPIA approval notification of the SC Approval.
 - b. Manufacturer's final SC inspection report, approved by the IPIA.
 - c. Manufacturers Certification of completion.
 - d. All documents used in the on site completion of the home.
10. Manufacturers need to notify HUD in writing once an SC Approval has been approved by NTA that replaces an existing AC letter. The new SC Approval identification number issued by the DAPIA and the AC letter identification number must be included in the correspondence to HUD. (HUD Presentation dated 02-01-2016, Slide 54)



Documents and Procedures Required of the Manufacturer

The following is a summary of the documents that a manufacturer will need to provide ICC NTA, LLC for review and approval of each On Site Construction Approval:

1. **Data Plate** - 3280.5(c) - A data plate with the following language, “This manufactured home has been substantially completed in accordance with an approved design and has been inspected (except for the components specifically identified in the instructions for completion on site) in accordance with the Federal Manufactured Home Construction and Safety Standards and the requirements of the Department of Housing and Urban Development (HUD) in effect on the date of manufacture.”
2. **Serial Number** – 3282.605 – A statement must be added to the DAPIA that describes the serial numbering procedure for each home completed in conformance with On Site Construction Approval that includes the prefix or suffix “SC”.
3. **Model List** – 3282.603(d)(3) – Provide in the On Site Construction Approval a list of all models to which the approval applies, or indicated that the On Site Construction Approval is not model specific.
4. **Consumer Information Notice** – 3282.606 and 3282.603(d) (10) and (11) – A temporary notice that explains the on site completion process, identifies the work to be completed on site, explains that the home will comply with the requirements of the Construction and Safety Standards only after all of the site work has been completed and inspected; and any other requirements and limitations that ICC NTA, LLC. deems necessary or appropriate. This notice must be displayed in a conspicuous and prominent location within the home and in a manner to assure that it is not removed except by the homeowner. 3282.606(b). The notice must read as stated in 3282.606 and must be legible and typed, using letters at least 1/4 inch high in the text of the notice and 3/4 inch high for the title. **A template of this notice meeting these requirements is available to NTA Clients.**
5. **Tracking System** – 3282.603(d) (7) - The tracking system shall track the status of homes built under the On Site Construction Approval until the on site work and necessary inspections have been completed, to assure that work is being performed properly. See 3282.608(p) for information that needs to be included. **NTA Clients will have the benefit of using NTA's tracking system.**
6. **IPIA Agreement** - 3282.603(d) (5) – A written agreement, signed by the IPIA, to accept responsibility for completion of the necessary on site inspections and accompanying records.
7. **Plant QA Manual Checklist** – 3282.603(d) (8) – A QA manual checklist to verify that all required components, materials, labels, and instructions needed for site completion are provided in each home prior to shipment.
8. **On Site Construction Instructions** – 3282.603(d) (6) – Instructions detailing how the authorized manufacturer representative is to complete all on site construction.



9. **On Site QA Manual** - 3282.603(e) – This manual must describe the processes needed for completion of the on site construction. It must include: an on site inspection checklist, a commitment by the manufacturer to prepare a final site inspection report that will be submitted to the IPIA for its review and written concurrence from the IPIA of acceptance and applicability to the on site completion of the affected homes produced under the On Site Construction Approval.

10. **On Site Inspection Checklist** – 3282.603(d) (9) – An on site inspection checklist specific to each SC Approval is to be used by the authorized manufacturer representative to complete all on site construction and the IPIA inspectors to complete the on site final inspection. It should include all components, materials, labels needed for site completion of the home and are to be shipped with the home. The manufacturer has two options concerning the completion of the On Site Inspection. The manufacturer and the IPIA can concurrently conduct the On Site Inspection OR the manufacturer can complete their On Site inspection report and provide a copy of the completed On Site Inspection Report to the IPIA within 5 business days. The On Site Inspection checklist must include the following:
 - a. Name and address of the manufacturer.
 - b. Serial number of the manufactured home.
 - c. Address of the home site.
 - d. Name of the person and /or agency responsible for the manufacture’s final site inspection
 - e. Name of each person and/or agency who performs the on site inspections on behalf of the IPIA, the name of the person responsible for acceptance of the manufacture’s final on site inspection report on behalf of the IPIA, and the IPIA’s name, mailing address, and telephone number.
 - f. Description of the work performed on site and the inspections made.
 - g. When applicable, verification that any problems noted during inspections have been corrected prior to certification of compliance.
 - h. Certification by the manufacturer of completion in accordance with the DAPIA-approved instructions and that the home conforms with the approved design or, as appropriate under 3282.362(a)(1)(iii).

11. **Final Site Inspection Report** – The Final Site Inspection report must be prepared by the manufacturer and provide a copy to the IPIA within 5 business days of completing the report. Within 5 business days after the date that the IPIA notifies the manufacturer of the IPIA’s approval of the final site inspection report, the manufacturer must provide a copy of the approved report to the lessor or purchaser **PRIOR** to occupancy and, as applicable, the appropriate retailer and any person or entity other than the manufacturer that performed the on site construction work. The report must include the following as required by 3282.605(d):
 - a. The name and address of the manufacturer;
 - b. The serial number of the manufactured home;
 - c. The address of the home site.
 - d. Name of the person and /or agency responsible for the manufacture’s final site inspection.
 - e. The name of each person and/or agency who performs on site inspections on behalf of the IPIA, the name of the person responsible for acceptance of the manufacturer’s final on site inspection report on behalf of the IPIA, and the IPIA’s name, mailing address, and telephone number;
 - f. A description of the work performed on site and the inspections made;
 - g. When applicable, verification that any problems noted during inspections have been corrected prior to certification of compliance.
 - h. Certification by the manufacturer of completion in accordance with the DAPIA-approved instructions and that the home conforms with the approved design or, as appropriate under 3282.362(a)(1)(iii), the construction and safety standards.
 - i. The On Site Inspection Checklist that is completed by the manufacturer **and** the IPIA per 3282.605(d)(3).



- j. IPIA statement notifying the manufacturer of acceptance of the Final Site Inspection Report per 3282.607(e).
- k. Manufacturer's statement certifying to the lessor/purchaser that all site construction work is completed per 3282.608(g).

The Final Site Inspection Report, approved by the IPIA, must be provided to the lessor or purchaser and as applicable, the appropriate retailer and to the SAA upon request per 3282.608(m) AND kept by the manufacturer in the home file for five years from the date of sale or lease per 3282.606(d).

Disclaimer:

This White Paper was prepared by ICC NTA, LLC. based on information released in the Federal Register entitled, "On-Site Completion of Construction of Manufactured Homes" on September 8, 2015. Every attempt has been taken to accurately summarize the requirements to secure an On Site Construction Approval from ICC NTA, LLC.