Addendum to Consumer Manual for compliance with 24 CFR § 3282.207(e)

Dispute Resolution Process/Dispute Resolution Information

Many states have a consumer assistance or dispute resolution program that homeowners may use to resolve problems with manufacturers, retailers, or installers concerning defects in their manufactured homes that render part of the home unfit for its intended use. Such state programs may include a process to resolve a dispute among a manufacturer, a retailer, and an installer about who will correct the defect. In states where there is not a dispute resolution program that meets the federal requirements, the HUD Manufactured Housing Dispute Resolution Program will operate. These are "HUD-administered states." The HUD Manufactured Housing Dispute Resolution Program is not for cosmetic or minor problems in the home. You may contact the HUD Manufactured Housing Program Office at (202) 708-6423 or (800) 927-2891, or visit the HUD website at www.hud.gov to determine whether you have a state program or should use the HUD Manufactured Housing Dispute Resolution Program. Contact information for state programs is also available on the HUD website. If you have a state program, please contact the state for information about the program, how it operates, and what steps to take to request dispute resolution. When there is no state dispute resolution program, a homeowner may use the HUD Manufactured Housing Dispute Resolution Program to resolve disputes among the manufacturer, retailer, and installer about responsibility for the correction or repair of defects in the manufactured home that were reported during the 1-year period starting on the date of installation. Even after the 1year period, manufacturers have continuing responsibility to review certain problems that affect the intended use of the manufactured home or its parts, but correction of these problems may no longer be required under federal law.

Additional Information – HUD Manufactured Housing Dispute Resolution Program

The steps and information outlined below apply only to the HUD Manufactured Housing Dispute Resolution Program that operates in HUD-administered states, as described under the heading "Dispute Resolution Information" in this manual. Under the HUD Manufactured Housing Dispute Resolution Program, homeowners must report defects to the manufacturer, retailer, installer, a State Administrative Agency, or HUD within 1 year after the date of the first installation. Homeowners are encouraged to report defects in writing, including but not limited to email, written letter, certified mail, or fax but may also make a report by telephone. To demonstrate that the report was made within 1 year after the date of installation, homeowners should report defects in a manner that will create a dated record of the report: for example, by certified mail, fax, or email. When making a report by telephone, homeowners are encouraged to make a note of the phone call, including names of conversants, date, and time. No particular format is required to submit a report of an alleged defect, but any such report should at a minimum include a description of the alleged defect or problem, the name of the homeowner, and the address of the home.

Homeowners are encouraged to send reports of an alleged defect first to the manufacturer, retailer, or installer of the manufactured home, or a State Administrative Agency. Reports of alleged defects may also be sent to HUD at: HUD, Office of Regulatory Affairs and Manufactured Housing, Attn: Dispute Resolution, 451 Seventh Street, SW, Washington, DC 20410-8000; faxed to (202) 708-4213; emailed to mhs@hud.gov; or reported telephonically at (202) 708-6423 or (800) 927-2891.

If, after taking the steps outlined above, the homeowner does not receive a satisfactory response from the manufacturer, retailer, or installer, the homeowner may file a dispute resolution request with the dispute resolution provider in writing, or by making a request by phone. No particular format is required to make a request for dispute resolution, but the request should generally include the following information:

- (1) The name, address, and contact information of the homeowner;
- (2) The name and contact information of the manufacturer, retailer, and installer of the manufactured home;
- (3) The date or dates the report of the alleged defect or problem notification was made:
- (4) Identification of the entities or persons to whom each report of the alleged defect was made and the method that was used to make the report;
- (5) The date of installation of the manufactured home affected by the alleged defect; and
 - (6) A description of the alleged defect.

Information about the dispute resolution provider and how to make a request for dispute resolution is available at http://www.hud.gov or by contacting the Office of Manufactured Housing Programs at (202) 708-6423 or (800) 927-2891.

A screening agent will review the request and, as appropriate, forward the request to the manufacturer, retailer, installer, and mediator. The mediator will mediate the dispute and attempt to facilitate a settlement. The parties to a settlement include, as applicable, the manufacturer, retailer, and installer. If the parties are unable to reach a settlement that results in correction or repair of the alleged defect, any party or the homeowner may request nonbinding arbitration. Should any party refuse to participate, the arbitration shall proceed without that party's input. Once the arbitrator makes a non-binding recommendation, the arbitrator will forward it to the parties and the Secretary of HUD. The Secretary of HUD will have the option of adopting, modifying, or rejecting the recommendation when issuing an order requiring the responsible party or parties to make any corrections or repairs in the home. At any time before the Secretary of HUD issues a final order, the parties may submit an offer of settlement to the Secretary of HUD that he or she may, at his or her discretion, incorporate into the order.

In circumstances where the parties agree that one or more of them, and not the homeowner, is responsible for the alleged defect, the parties will have the opportunity to resolve the dispute outside of the HUD Mediation and Arbitration process by using the Alternative Process. Homeowners will maintain the right to be informed in writing of the

outcome when the Alternative Process is used, within 5 days of the outcome. At any time after 30 days of the Alternative Process notification, any participant or the homeowner may invoke the HUD Manufactured Housing Dispute Resolution Program and proceed to mediation.

The HUD Manufactured Housing Dispute Resolution Program is not a warranty program and does not replace the manufacturer's or any other warranty program.