

## ARBITRATION AGREEMENT

This Arbitration Agreement ("Agreement") is executed contemporaneously with, and as additional consideration for, an installment or sales contract ("Contract") for the purchase of a manufactured home ("Home") as described in the Contract by the purchaser ("Purchaser") from the selling retailer ("Retailer"). In addition to the Purchaser and Retailer, their successors and assigns, this Agreement inures to the benefit of the manufacturer of the Home and of the lender or mortgagee, if any, which provides the financing for the purchase of the Home, their successors and assigns. This Agreement is subject to the requirements and limitations in regulations adopted by the Texas Department of Housing and Community Affairs, Manufactured Housing Division ("TDHCA MH Div."), as set forth in Title 10, Chapter 80, Texas Administrative Code.

All claims, disputes, and controversies arising out of or relating in any way to the sale, purchase, or occupancy of the Home including, but not limited to, any negotiations between the parties, the design, construction, performance, delivery, condition, habitation, installation, financing, repair or servicing of the Home and any warranties, either express or implied, pertaining to the Home, and including claims for equitable relief or claims based on contract, tort, statute, or any alleged breach, default, or misrepresentation, will be resolved by binding arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules. All Arbitration hearings will be heard in the Supplementary Procedures for Consumer-Related Disputes and the Consumer Due Process Protocol. Copies of the rules may be obtained by writing the AAA at 13455 Noel Rd., Suite 1440, Dallas, TX 75240. Any contests to the validity or enforceability of this agreement by the Provisions of the Federal Arbitration Act.

Arbitration may be initiated by any party by sending written notice if its intention to arbitrate ("Notice") to the other parties, to the AAA office set forth above, and to TDHCA MH Div., P. O. Box 12489, Austin, TX 78711. The Notice will contain a description of the claim, dispute, or controversy and the remedy requested. The manufacturer, the lender, or mortgagee may elect to initiate and be bound by the arbitration by giving the Notice, each, in its sole discretion, may opt out of, and elect not to be bound by, the arbitration by giving written notice of the election to all parties within twenty (20) days after receipt of the Notice from another party. In no event may any demand for arbitration be made after the date when the institution of a legal or equitable proceeding based on the claim, dispute, or controversy question would be barred by the applicable statute of limitations. The arbitration will be conducted by a panel of three arbitrators, one of whom is appointed by the Purchaser and another by the Retailer with the third selected by the two appointees.

The decision or award shall be final and binding on all parties, their successors and assigns, and judgment on the decision or award may be entered by any court having jurisdiction. This Agreement shall not supercede nor interfere with the informal dispute resolution process of TDHCA MH Div., and all disputes involving warranties must be submitted to TDHCA MH Div., for processing.

This Agreement does not constitute a waiver of any substantive rights or remedies available to any party under applicable law, but rather is an election to resolve claims, disputes, and controversies by arbitration rather than the judicial process. **THE PARTIES KNOWINGLY WAIVE ANY RIGHT TO A JURY TRIAL.** The arbitration will be held at a time and place set by either the arbitrator in panel in \_\_\_\_\_ County, Texas.

\_\_\_\_\_  
(Date of Agreement)

\_\_\_\_\_  
(Purchaser(s) name(s))

\_\_\_\_\_  
(Name of Retailer)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

\_\_\_\_\_  
(City, State, Zip)

\_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

**PERFORMANCE AGREEMENT / CONTRACT**  
**for**  
**SUB-CONTRACTORS**

**PARTIES TO THE CONTRACT:**

_____ (Contractor) and _____ (Sub-Contractor)
_____ (address) _____ (address)
_____ (address) _____ (address)

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

In exchange for monetary compensation, the Contractor agrees to hire Sub-Contractor to perform the work as outlined below. Such agreement is subject to the following conditions, covenants, and obligations:

- 1) **COMMERCIAL AUTO INSURANCE REQUIREMENT** – When an auto is used in the course and scope of any actions performed by the Sub-Contractor for the Contractor, the Sub-Contractor shall carry commercial auto insurance with a per occurrence liability limit of at least \$1,000,000. The Sub-Contractor will provide the Contractor with a certificate of insurance and name the Contractor as an “additional insured” on the Sub-Contractor’s commercial auto insurance policy;
  
- 2) **GENERAL LIABILITY INSURANCE REQUIREMENT** - The Sub-Contractor shall carry general liability insurance with a per occurrence liability limit of at least \$1,000,000. The Sub-Contractor will provide the Contractor a certificate of insurance and name the Contractor as an “additional insured” on the Sub-Contractor’s general liability insurance policy;
  
- 3) **WORKERS COMPENSATION INSURANCE REQUIREMENT** - The Sub-Contractor is solely responsible for carrying the workers compensation insurance for Sub-Contractor and all of Sub-Contractor’s employees. The Sub-Contractor will defend and indemnify the Contractor against all claims against the Contractor by the Sub-Contractor or its employees relating to on-the-job-injuries. The Sub-Contractor further agrees to sign all workers compensation-related forms which designate the Sub-Contractor as an independent contractor and/or indemnify Contractor against any claims made by the Sub-Contractor or his employees. Finally, the Sub-Contractor agrees that if for any reason the Contractor is held liable by Sub-Contractor’s workers compensation insurance company for any workers compensation payable to Sub-Contractor’s employee, then Sub-Contractor shall reimburse to Contractor any insurance premium charged to the Contractor by its own workers compensation insurance. If the Sub-Contractor cannot provide proof of workers compensation insurance via a valid certificate of insurance indicating coverage during the time the Sub-Contractor works/worked for the Contractor, than the Contractor may withhold a reasonable amount of the contract cost to pay any additional workers compensation premium the Contractor may incur due to the Sub-Contractor’s failure to provide proof of workers compensation insurance;
  
- 4) **INDEMNIFICATION AND DEFENSE** - The Sub-Contractor shall indemnify and defend the Contractor against all claims relating to or arising from the alleged negligence and/or the operations of the Sub-Contractor, including the Contractor’s own negligence or gross negligence. This defense includes paying all legal fees and costs associated with any claim or demand made by

a third-party against the Contractor that relate to the alleged negligence or the operations of the Sub-Contractor, including the Contractor's own negligence or gross negligence;

- 5) **PROPERTY DAMAGE GUARANTEE** - The Sub-Contractor shall pay for any and all damages, including loss of value, sustained by the Contractor's products, inventory, or other property while such property is in the care, custody, or control of the Sub-Contractor, regardless of fault or whether the Sub-Contractor's insurance covers the damage;
- 6) **LICENSE / BOND / INSURANCE** - The Sub-Contractor must be licensed to do business in the state of \_\_\_\_\_, must be bonded according to all applicable state law, and must be insured at this state's minimum standards or as described elsewhere in this Agreement, whichever coverage requirement is greater / more expansive;
- 7) **INDEPENDENT CONTRACTOR STATUS** - All parties to this Agreement agree that the Sub-Contractor is an independent contractor. The Sub-Contractor is in control of the details of its own work, the specific time of performance, sequence of performance, the supplying of tools, the supplying of labor, etc. to complete the contracted job. The Sub-Contractor is in charge of its own methods and training in completing the job. The Sub-Contractor is not an agent or employee of the Contractor, and has no expectation of continued work with Contractor after completion of the job. The Sub-Contractor is not required to submit regular oral or written reports concerning the job in progress to the Contractor. The Sub-Contractor shall be paid by the job (usually a negotiated flat rate or upon submission of a bid), and not by the hour, week, or month. The Sub-Contractor is expected to pay all of its own expenses. The Sub-Contractor is legally responsible for completion of the contracted job. If the Sub-Contractor quits prior to completion of the contracted job, then Sub-Contractor is liable for breach of contract.
- 8) **LEGAL FORUM** - In the event this Agreement must be enforced in court, it will be interpreted according to \_\_\_\_\_ state law and any legal proceedings shall be held in the county where the Contractor's place of business is located.

The Sub-Contractor has been hired to complete the following work at the following price:

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This complete Agreement shall remain in full force and effect until amended in writing. In the event a party to the contract must sue to enforce any part of this Agreement, the losing party in the litigation shall pay all attorneys' fees, other fees, litigation costs, and court costs on behalf of the winning party.

**Contractor**

**Sub-Contractor**

Signature \_\_\_\_\_  
Printed name \_\_\_\_\_  
Co. Name \_\_\_\_\_  
Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Date \_\_\_\_\_

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

# TEMPORARY STEPS

## IMPORTANT NOTICE

Please note that the steps that were provided with your manufactured home are temporary in nature. They are not designed to last for a long-term in the Texas climate. We recommend that you replace the steps with permanent steps within ninety days of your purchase of this home.

I hereby acknowledge that I have received and read this notice.

Home Buyer \_\_\_\_\_  
Print name \_\_\_\_\_  
Date \_\_\_\_\_

Home Buyer \_\_\_\_\_  
Print name \_\_\_\_\_  
Date \_\_\_\_\_

Home Seller: Name \_\_\_\_\_  
Address \_\_\_\_\_

# IMPORTANT HEALTH NOTICE

SOME OF THE BUILDING MATERIALS USED IN THIS HOME EMIT FORMALDEHYDE. EYE, NOSE, AND THROAT IRRITATION, HEADACHE, NAUSEA, AND A VARIETY OF ASTHMA-LIKE SYMPTOMS, INCLUDING SHORTNESS OF BREATH, HAVE BEEN REPORTED AS A RESULT OF FORMALDEHYDE EXPOSURE. ELDERLY PERSONS AND YOUNG CHILDREN, AS WELL AS ANYONE WITH A HISTORY OF ASTHMA, ALLERGIES OR LUNG PROBLEMS, MAY BE AT GREATER RISK. RESEARCH IS CONTINUING ON THE POSSIBLE LONG-TERM EFFECTS OF EXPOSURE TO FORMALDEHYDE.

REDUCED VENTILATION RESULTING FROM ENERGY EFFICIENCY STANDARDS MAY ALLOW FORMALDEHYDE AND OTHER CONTAMINANTS TO ACCUMULATE IN THE INDOOR AIR. ADDITIONAL VENTILATION TO DILUTE THE INDOOR AIR MAY BE OBTAINED FROM A PASSIVE OR MECHANICAL VENTILATION SYSTEM OFFERED BY THE MANUFACTURER. CONSULT YOUR DEALER FOR INFORMATION ABOUT THE VENTILATION OPTIONS OFFERED WITH THIS HOME.

HIGH INDOOR TEMPERATURES AND HUMIDITY RAISE FORMALDEHYDE LEVELS. WHEN A HOME IS TO BE LOCATED IN AREAS SUBJECT TO EXTREME SUMMER TEMPERATURES, AN AIR-CONDITIONING SYSTEM CAN BE USED TO CONTROL INDOOR TEMPERATURE LEVELS. CHECK THE COMFORT COOLING CERTIFICATE TO DETERMINE IF THIS HOME HAS BEEN EQUIPPED OR DESIGNED FOR THE INSTALLATION OF AN AIR CONDITIONING SYSTEM.

IF YOU HAVE ANY QUESTIONS REGARDING THE HEALTH EFFECTS OF FORMALDEHYDE, CONSULT YOUR DOCTOR OR LOCAL HEALTH DEPARTMENT.

**THIS NOTICE IS REQUIRED BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND SHALL NOT BE REMOVED BY ANY PARTY UNTIL THE ENTIRE SALES TRANSACTION HAS BEEN COMPLETED.**

# IMPORTANT HEALTH NOTICE

**SOME OF THE BUILDING MATERIALS USED IN THIS HOME EMIT FORMALDEHYDE. EYE, NOSE AND THROAT IRRITATION, HEADACHE, NAUSEA, AND A VARIETY OF ASTHMA-LIKE SYMPTONS, INCLUDING SHORTNESS OF BREATH, HAVE BEEN REPORTED AS A RESULT OF FORMALDEHYDE EXPOSURE. ELDERLY PERSONS AND YOUNG CHILDREN, AS WELL AS ANYONE WITH A HISTORY OF ASTHMA, ALLERGIES, OR LUNG PROBLEMS, MAY BE AT GREATER RISK. RESEARCH IS CONTINUING ON THE POSSIBLE LONG-TERM EFFECTS OF EXPOSURE TO FORMALDEHYDE.**

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**IF YOU HAVE ANY QUESTIONS REGARDING THE HEALTH EFFECTS OF FORMALDEHYDE, CONSULT YOUR DOCTOR OR LOCAL HEALTH DEPARTMENT.**

DATE: \_\_\_\_\_

\_\_\_\_\_  
(printed name of retailer)

\_\_\_\_\_  
(printed retailer address)

\_\_\_\_\_  
(city, state zip)

\_\_\_\_\_  
(printed name of manufacturer)

\_\_\_\_\_  
(address of manufacturer)

\_\_\_\_\_  
(HUD Label #(s))

\_\_\_\_\_  
(Serial Number(s))

I (WE) CERTIFY THAT THIS IMPORTANT HEALTH NOTICE WAS PROMINENTLY DISPLAYED IN THE KITCHEN OF THE MANUFACTURED HOME BEING PURCHASED, THAT THE NOTICE WAS LEGIBLE AND PRINTED USING LETTERS AT LEAST ¼ INCH IN SIZE WITH THE TITLE IN RED USING LETTERS AT LEAST ¾ INCH IN SIZE, AND FURTHER THAT THIS NOTICE WAS GIVEN TO ME (US) ON THE DATE SHOWN AND PRIOR TO THE SIGNING OF ANY BINDING AGREEMENT. I (WE) HAVE READ THE NOTICE AND UNDERSTAND IT.

\_\_\_\_\_  
(signature, prospective purchaser)

\_\_\_\_\_  
(printed name of prospective purchaser)

\_\_\_\_\_  
(signature, prospective purchaser)

\_\_\_\_\_  
(printed name of prospective purchaser)

\_\_\_\_\_  
(purchaser address)

\_\_\_\_\_  
(city, state, zip)

# AGREEMENT AND BILL OF SALE PURCHASE OF USED HOME FOR BUSINESS USE

1. Pursuant to the provisions of Section 1201.216, Texas Occupations Code (Texas Manufactured Housing Standards Act) PURCHASER purchases the used manufactured home described herein below exclusively for the PURCHASER'S business use. SELLER hereby conveys and transfers all of its rights and ownership interests in and to said described home relying on PURCHASER'S expressed representation that the home will be used only for PURCHASER'S business use and not for use as a dwelling.

2. SELLER gives no warranty, either expressed or implied; the manufactured home is sold "AS IS" and "WHERE IS." PURCHASER assumes the entire risk as to the condition of the home and the entire risk for all defects or damage of whatever kind or type, and PURCHASER accepts transfer of ownership at the site where the home is located at the time of this sale.

3. SELLER gives no warranties which extend beyond the description on the face hereof, including no warranty of fitness for a particular purpose.

4. PURCHASER WILL NOT occupy or use or allow anyone else to occupy or use the structure as a dwelling.

5. PURCHASER shall file with the Texas Department of Housing and Community Affairs an application for the issuance of a statement of ownership and location indicating that the home is reserved for business use.

6. PURCHASER MAY NOT sell, exchange or transfer by lease-purchase the home for use as a dwelling unless the director issues a new statement of ownership and location indicating that the home is no longer reserved for business use. On the purchaser's application to the department for the issuance of a new statement of ownership and location, the department shall inspect the home. If the department determines that the home is habitable as defined in Section 1201.453, Texas Occupations Code, it shall issue the new statement of ownership and location.

**MANUFACTURER NAME** \_\_\_\_\_

**ADDRESS** \_\_\_\_\_

**MODEL NAME** \_\_\_\_\_ **NO. OF SECTIONS** \_\_\_\_\_ **TOTAL SQUARE FEET** \_\_\_\_\_

**LABEL/DECAL NO.** \_\_\_\_\_ **SERIAL NO.** \_\_\_\_\_ **WEIGHT** \_\_\_\_\_ **SIZE** \_\_\_\_\_

**LABEL/DECAL NO.** \_\_\_\_\_ **SERIAL NO.** \_\_\_\_\_ **WEIGHT** \_\_\_\_\_ **SIZE** \_\_\_\_\_

\_\_\_\_\_  
(Type Purchaser Name)

\_\_\_\_\_  
(Type Seller Name)

\_\_\_\_\_  
(Type Purchaser Address)

\_\_\_\_\_  
(Type Seller Address)

\_\_\_\_\_  
(City, State, Zip)

\_\_\_\_\_  
(City, State, Zip)

X \_\_\_\_\_  
(Purchaser Signature)

X \_\_\_\_\_  
(Seller Signature)

DATE \_\_\_\_\_

**Original must be retained in Retailer file. Make copies for Consumers and other parties.**



**PERFORMANCE AGREEMENT / CONTRACT for the  
TRANSPORTATION /INSTALLATION  
OF MANUFACTURED HOMES**

**PARTIES TO THE CONTRACT:**

_____	and	_____
(Retailer Name)		(Transporter/Installer Name)
_____ (address)		_____ (address)
_____ (address)		_____ (address)

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

In exchange for monetary compensation, the transporter / installer agrees to transport/ install the manufactured homes of “retailer” under the following conditions, covenants, and conditions:

- 1) **CARGO INSURANCE REQUIREMENT** - First, the transporter shall carry cargo insurance with limits that meet or exceed the wholesale value of the home the transporter moves. In the case of a multi-section home, the transporter must have limits that meet or exceed the value of the entire home (all sections). Second, the transporter that moves multi-section homes shall have cargo insurance that will replace the entire home in the event that one section of the home is destroyed and the manufacturer will not re-manufacture a replacement section. Third, the transporter will not have an “Act of God” exclusion in its cargo insurance policy nor an “age of home” exclusion. Fourth, the transporter will have “unattended cargo” coverage to cover the home in the event a section of the home is damaged while in the care, custody, or control of the transporter, but not connected to the transporter’s vehicle.
  
- 2) **COMMERCIAL AUTO INSURANCE REQUIREMENT** - The transporter shall carry commercial auto insurance with a per occurrence liability limit of at least \$1,000,000. The transporter will provide the retailer a certificate of insurance and name the retailer as an “additional insured” on his commercial auto insurance policy.
  
- 3) **GENERAL LIABILITY INSURANCE REQUIREMENT** - The transporter/ installer shall carry general liability insurance with a per occurrence liability limit of at least \$500,000. The transporter will provide the retailer a certificate of insurance and name the retailer as an “additional insured” on his general liability insurance policy.
  
- 4) **WORKERS COMPENSATION INSURANCE REQUIREMENT** - The transporter/ installer is solely responsible for carrying the workers compensation insurance for himself and all of his employees. The transporter/ installer will defend and indemnify the retailer against all claims against the retailer by the transporter/installer or his employees relating to on-the- job-injuries suffered by the transporter/installer and or its employees. The transporter/installer further agrees to sign all workers compensation related forms which designate the transporter/ installer as an independent contractor and / or indemnify retailer against any claims made by the transporter/installer or his employees.

- 5) **INDEMNIFICATION AND DEFENSE** - The transporter/installer shall indemnify and defend the retailer against all claims arising from the alleged negligence and/or the operations of the transporter/ installer. This defense includes paying all legal fees and costs associated with any claim or demand made by a third party against the retailer that relate to the alleged negligence or the operations of the transporter / installer.
  
- 6) **HOME DAMAGE GUARANTEE** - The transporter/ installer shall pay for any and all damages, including loss of value, sustained by the retailer's home(s) or other property while such property is in the care, custody, or control of the transporter/ installer, regardless of fault or whether the transporter/ installer's insurance covers the damage.
  
- 7) **LICENSE / BOND / INSURANCE** - The transporter / installer must be licensed to do business in the states in which it operates, must be bonded according to state law, and must be insured at the state's minimum standards or as described elsewhere in this agreement, whichever coverage requirement is greater / more expansive.
  
- 8) **INDEPENDENT CONTRACTOR STATUS** - All parties to this agreement agree that the transporter / installer is an independent contractor. The transporter / installer is in control of the details of his own work, the specific time of performance, the supplying of tools, the supplying of labor, etc. to complete the contracted job.
  
- 9) **MAXIMUM SPEED LIMIT** - The transporter/ installer agrees that no manufactured home will be transported at a speed in excess of any posted speed limit. Furthermore, in no event, will a home be transported at greater than 55mph.
  
- 10) **LEGAL FORUM** - In the event this agreement must be enforced in court, it will be interpreted according to the law of the state in which the retailer is headquartered and any legal proceedings shall be held in the county where the manufactured home retailer's sales center is located.

This complete agreement shall remain in full force and effect until amended in writing. In the event, a party to the contract must sue to enforce any part of this agreement, the losing party in the litigation shall pay all attorneys fees, other fees, litigation costs, and court costs on behalf of the winning party.

	RETAILER	TRANSPORTER/INSTALLER
Signature	_____	_____
Printed name	_____	_____
Co. Name	_____	_____
Address	_____	_____
	_____	_____
	_____	_____
Date	_____	_____