MEMORANDUM

DATE: July 25, 2012 (Updates July 15, 2009 memo)

TO: North Carolina Modular Consumers and Other Interested Parties

FROM: Alan D. Greene, P.E.
Chief Building Code Consultant
Manufactured Building Division

SUBJECT: Filing Claims against $5,000 Modular Surety Bonds

If someone undertakes to erect a modular building, but is not licensed as a general contractor pursuant to NC G.S. §87-1, he must provide the local building official with a $5,000 surety bond for each modular building to be erected. This bond shall remain in full force and effect for one year following the issuance of the certificate of compliance for the modular building. The modular building must be erected according to the manufacturer’s installation instructions and any applicable provisions of the State Building Code.

If the party that set up your modular home or building did so under the $5,000 surety bond option as described above, and you feel that you have cause to file against this bond, you should contact the local inspection department where the permit for the home or building was issued. Obtain a copy of the bond and contact the bonding company directly. They will provide detailed instructions as to the steps that are necessary for filing a claim, the information that must be provided, etc.

cc: Joseph H. Sadler, Jr., P.E. -- Deputy Director
Michael J. Hamm, P.E. -- Building Code Consultant
P. Shane Phelps -- Building Code Consultant
C. Patrick Walker, P.E. -- Technical Services Manager