



2.26.2018 A.D.

TO:

**HUD Secretary Ben Carson, MD
Department of Housing and Urban Development,
451 7th Street SW
Washington DC 20410**

CC:

- **Dana T. Wade, General Deputy Assistant Secretary for Housing.**
- **Ariel Pereira, Associate General Counsel for Legislation and Regulations, Office of General Counsel.**

From: Soheyla Kovach, MD, Lakeland, FL

RE: Docket No. FR-6075-N-01, and in accordance with President Trump's Executive Orders 13771, and 13777, and pursuant to HUD's request for comments related to the regulatory review of manufactured housing program rules and practices.

Dear HUD Secretary Ben Carson, MD,

A year and one month have gone by since President Donald J. Trump and Vice President Mike Pence have taken their oath of office.

As Juanita Duggan, President and CEO of the National Federation of Independent Business (NFIB), or Jay Timmons – President of the National Association of Manufacturers (NAM) have observed, the improvements in America's economy and general confidence have soared.

Unemployment among all groups has improved in the last year, but it is particularly noteworthy among minorities and women.

The Trump Administration's policies have yielded real wage growth, and numerous record economic milestones, in just 13 months.

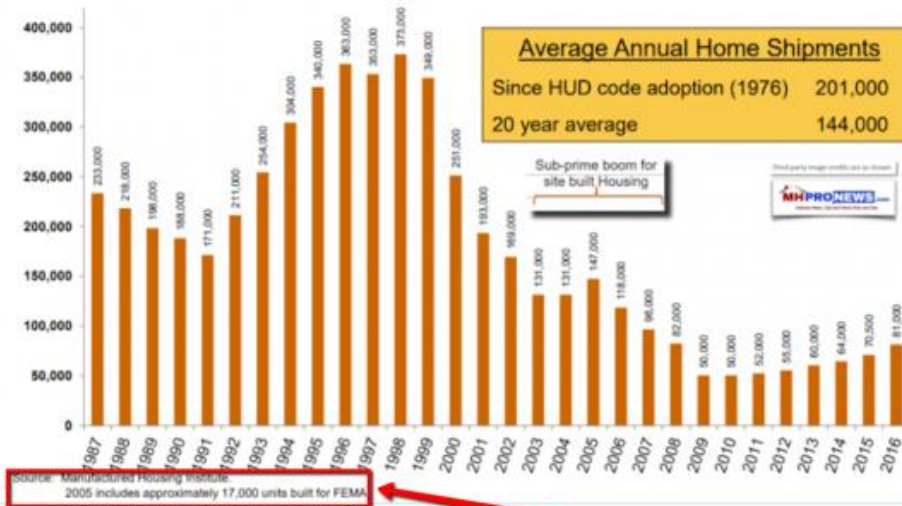
But when that gaze is cast upon the HUD manufactured housing (MH) program and the industry HUD regulates, a different reality exists.

That is the focus of this MH Industry professional's plea for regulatory relief of the much-needed, appealing, quality home product provided by manufactured housing professionals.

As the affordable housing crisis rages, with over 8 million housing units are needed now, per HUD, [National Association of Realtors \(NAR\)](#), and the National Low Income Housing Coalition (NLIHC) research – manufactured housing languishes at relatively low levels.

Why?

Manufactured Housing Industry- 30 year annual shipments



Per MHI, Cavco - in 2005, there was an aprox spike of about 17,000 FEMA units. This year and next may total double that number of FEMA's. The industry should strive to learn the lessson of the past.

Credits, MHI, Cavco.

YEAR	RV SHIPMENTS	PERCENTAGE CHANGE
2016	430,691	15.1%
2015	374,246	4.9%
2014	356,735	11.1%
2013	321,127	12.4%
2012	285,749	13.3%
2011	252,300	4.1%



Totaling the 3rd column, and dividing by 6, RVs have enjoyed a **10.15% growth rate**.

In 2016, RVs outperformed HUD Code MH by **530.8%** = 430,691 RVs to 81,136 MHs.



<http://www.MHProNews.com/blogs/daily-business-news/state-of-the-manufactured-home-industry-comparing-rv-vs-mh-data/>

As industry professionals and investors say, the industry's realities are both simple, and complex.

What is easy to grasp is this reality. The primary regulator for manufactured housing is the Department of Housing and Urban Development (HUD).

The **first common-sense "ask"** ought to be is that the steps needed to bring to HUD's jurisdiction back over those regulatory functions sent to the Department of Energy (DOE) ought to be taken. There is no logic to having more than one federal regulator that deals with construction, safety, and energy efficiency.

The **second ask** is related to the simple-yet-complex realities of our unique industry.

Wikipedia says that in 2014, over 14,000 people were employed by HUD. Consider this. Pick 10 of those 14,000 employees, none of whom should have ever worked in HUD's manufactured housing program office. Only one of those ten should have any first-hand experience with modern Manufactured Housing (a ratio roughly equal to the national average).

Once selected, have those ten HUD staffers enter a **2-to-4-week guided immersion into the MH Industry**, and its realities.

Then have those ten HUD staffers do a questionnaire before they begin their immersion, and then once more immediately after they finish. That will establish a snapshot of their perceptions before and after their educational/research experience.

If they are like so many others we or others have introduced to the industry, odds are good that those proposed HUD staffers will have an epiphany. The video on the page linked below featuring lenders 'discovering' manufactured housing is one of hundreds of possible examples.

<https://www.manufacturedhomelivingnews.com/triad-financial-services-introduces-superior-choice-credit-union-to-manufactured-homes-loans-video/>



With the proper guidance, those ten will discover that perhaps the single best resource of solving the affordable housing crisis is being regulated by HUD, i.e.: HUD Code Manufactured Housing.

Those ten should then participate in a meeting with you – HUD Secretary, Dr. Ben Carson – along with other key personnel in the agency's MH program chain of command.

HUD will then have ten team members who could become a valuable resource for your agency in shedding light on just how billions of dollars could be saved annually at the federal, state and local levels by *properly applying existing laws*.

Enforcing existing federal laws, and by leveraging mostly private enterprise, could solving the bulk of the affordable housing crisis. Doing so would save taxpayers, create about half-a-million jobs (+/-), and would establish a ladder for wealth-creation to those who become the owners of those manufactured homes.



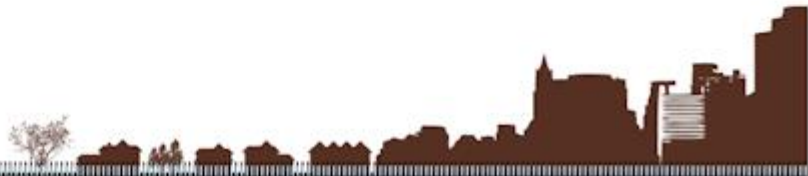
Multi-Billion Dollar
Bombshell @ HUD!
Affordable Housing Solution
Ignored



REGULATORY BARRIERS *to* MANUFACTURED HOUSING PLACEMENT *in* URBAN COMMUNITIES



PD&R



U.S. Department of Housing and Urban Development | Office of Policy Development and Research

What the HUD PD&R screen capture reflects is a lack of understanding about how enhanced preemption could solve the affordable housing crisis, using mostly private capital. The research is useful, and shows that manufactured homes appreciate in value side-by-side with conventional housing. But adding in the missing ingredient of enhanced preemption would make this priceless to millions of Americans looking to start, grow, or downsize. [Click here to download the report, which is part of my comments submission.](#)

<https://www.manufacturedhomelivingnews.com/deadline-looms-federal-request-for-comments-on-manufactured-housing-program-and-you/>

HUD's leadership could – through this process – have an understanding that has never before been attempted or achieved by the regulators of HUD Code manufactured homes.

That suggested process could yield a report by the 10 proposed HUD staffers. It should ideally be followed up by having you – Secretary Carson, top HUD management, and other key staffers – spend 2 days in a similar immersion process. Doing this would transform HUD and affordable housing in America, based upon facts.

There would also be ancillary benefits, such as the ones noted in the report below. Please note, any linked item should be considered as part of my comments submission to HUD and should be read in that context. Note many images will be hotlinks to articles, videos, and/or additional information.



Congress had a vision for HUD Code manufactured housing when they passed the legislation in 1974 that resulted in the creation of manufactured housing, [starting on June 15, 1976](#).

That act was designed to specifically address the problems that existed in the industry during the *mobile home* era, while providing a dependable private sector resource for largely unsubsidized, safe, durable, and economical housing.

Trailer Houses Aren't = to Mobile Homes

Mobile Homes Aren't = to Manufactured Home

FACTORY HOUSING EVOLUTION 101

MHLivingNews
Improved Living for Less

MHProNews
Mobile Homes, Not Just Mobile Homes

Until regulators understand what the modern manufactured home realities and potential are, the program will never achieve the potential that the GAO and other third party researchers have believed is possible.

The report below was published on 12.14.2014, and is as relevant now as it was then. It includes the GAO study, and the Manufactured Housing Improvement Act as downloads, which along with other linked material, ought to be considered as part of my comments letter.

<http://www.MHProNews.com/blogs/daily-business-news/14-years-time-to-revisit-the-manufactured-housing-improvement-act-of-2000/>

We reported on major publications and media outlets, that have touted manufactured homes as part of the solution for the affordable housing crisis.

<https://www.manufacturedhomelivingnews.com/bloomberg-housingwire-realtor-and-fox-all-suggest-manufactured-homes-as-important-solution-for-affordable-housing-in-america/>



Bloomberg, HousingWire, Realtor and Fox all suggest Manufactured Homes as Important Solution for Affordable Housing in America

While housing becomes more and more expensive across the United States, there's a simple solution. For those who either want to be frugal and still get great quality or those who have limited funds, but desire to be a homeowner — the answer, suggests Bloomberg and HousingWire – could be modern manufactured homes. Realtor and Fox News are ... [Continue reading](#)

On MHLivingNews.com we take mainstream reports, and often highlight how the information they produce ought to be understood through the lens of manufactured housing.



<https://www.manufacturedhomelivingnews.com/how-can-you-avoid-the-hidden-costs-of-buying-a-house-just-the-facts/>



How Can You Avoid the “Hidden Costs” of Buying A House? Just the Facts!

As you watch the first video from CNBC, it just begins to skim the surface of the “hidden costs” of buying an existing house. A ‘site built,’ conventional house. Want to save money now – when you buy – and later too? For those who open their mind and explore the manufactured home ... [Continue reading](#)

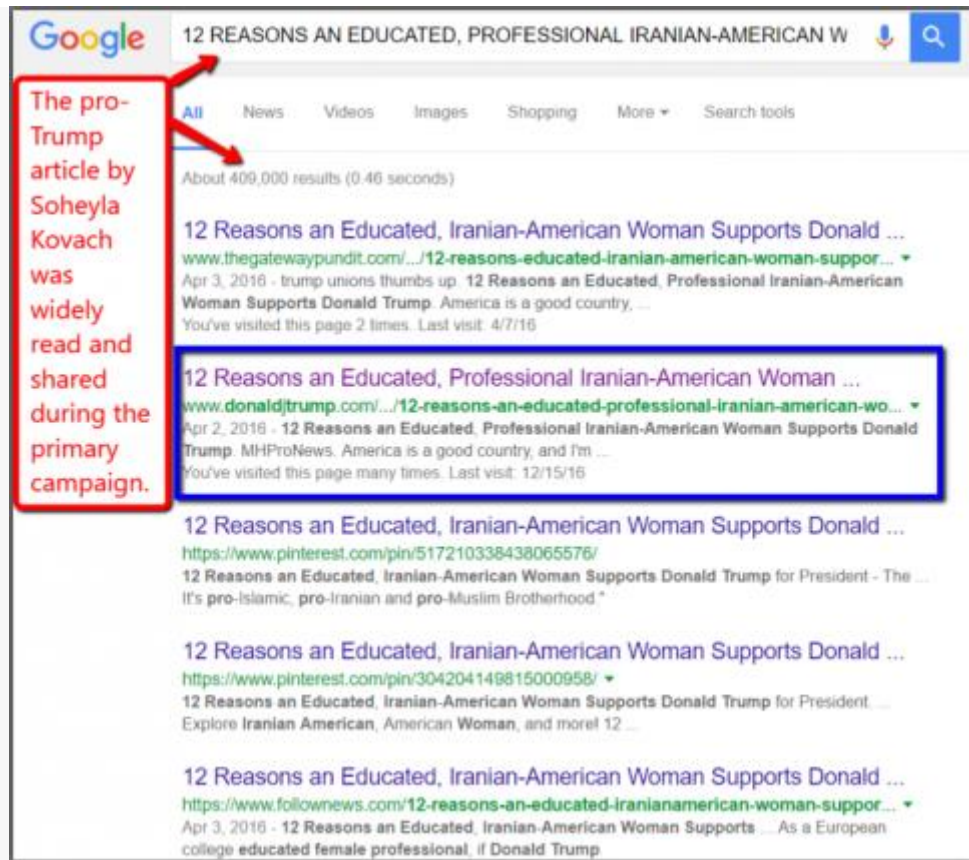
Background

I came to America by way of Hungary from Iran. My father was involved in housing and construction most of my life. My educational background is in medicine, which is to say, science. As HUD Secretary Dr. Carson understands, science is about evidence, testing, and facts. Had the complex medical issues of our son Tamas not existed before his birth and for the years since, I’d be practicing medicine in the U.S., where I passed my medical examinations.

My degree from a European university in Hungary came “**cum laude**,” “**with honors**.”

I speak 3 languages and can read Arabic to a reasonable extent.

My article in support of then candidate Donald J. Trump was posted for several months on the president’s campaign website. It was picked up by thousands of others too.



While the Manufactured Housing Institute (MHI) paid for two pro-Clinton speakers in the closing days before the 2016 election. By contrast, Soheylya Kovach and her family supported Donald J. Trump's candidacy as the best for the industry, small business and hundreds of millions of Americans. One of those stories ended up on the president's campaign website, and hundreds of conservative and pro-Trump websites.

My husband, L. A. "Tony" Kovach, has spent over 25 years in the Manufactured Housing Industry. I began working with him in various ways in this industry over a dozen years ago. We've lived in several manufactured homes, typically in a land-lease community setting. We've worked together for many years in this industry, and have been to retail centers, communities and manufactured home production centers from coast-to-coast and border-to-border.

So, unlike many in Washington, we have true first-hand knowledge and understanding about manufactured homes today.



A UMH Property near Goshen, IN, where MHLivingNews was involved in a video project.

Over 9 years ago, we began publishing what is now known as *MHProNews*. About 6 years ago, we began publishing MHLivingNews.com. Both are widely considered to be the top resources of their kind in the industry, each enjoying millions of page views and visits annually.



One of several manufacturing centers we've done work at, with the still above from drone footage captured by a member of our team. Sunshine Homes, Red Bay, AL.

For a relatively small industry, that high level of engagement by the public and professionals alike should speak volumes. While my views, or that of our operation, are our own, they are shaped by the many inputs from manufactured home owners, professionals, enthusiasts, and other experts.



A retail center in Paris, TN. This is one of several that that we've conducted video interviews, including the one linked from this report.

We've been doing video interviews for about 4 years, and written interviews for about 8 years.



The video still is from a video posted at this [link here](#). It quickly shows what a true trailer house, and mobile home are, , and what a modern manufactured home is, as part of our public education efforts.

Perhaps no one in the industry today has interviewed more:

- professionals,
 - actual manufactured home owners,
 - and informed experts,
- about manufactured housing than our operation has.



“Most men appear never to have considered what a house is, and are actually though needlessly poor all their lives because they think that they must have such a one as their neighbors have.”

- Henry David Thoreau, in *Walden*, per Goodreads.



Every one of these are photos of a HUD Code manufactured home. Millions would not believe these were built in a factory. The two-level Cape Cod with the staircase is one of several upscale projects we've been involved in over the years.

I'm a co-founder and managing member of LifeStyle Factory Homes, LLC, with my husband Tony as the other co-founder and managing member.

While we are pro-industry, we have never turned a blind eye to the cases of failures, fumbles, frustrations, and fears found in our industry. So, in our trade publishing, we've covered the good, bad, and ugly. Again, as a scientist one does not advance based upon mere wishes, advancement depends upon evidence-based understanding, followed by appropriate action.

<http://www.MHProNews.com/blogs/daily-business-news/frank-rolfe-mhu-rv-horizons-protest-by-mhaction-nathan-smith-ssk-mhi-flashbacks/>

Frank Rolfe, MHU/RV Horizons Protest by MHAAction; Nathan Smith/SSK/MHI Flashbacks?



TweetAfter the MHPProNews exposed – via a news tip – the plan by the resident activist group MHAAction to protest the Manufactured Housing Institute (MHI) annual meeting last year, MHAAction organizers pivoted and apparently went to ‘Plan B.’ Instead of protesting at MHI –

where their element of surprise was lost, due to our coverage ...

[Continue reading](#)

We also do consulting and business development services for the industry, and for those who are entering or researching the MH Industry.

All of that and more gives our work – and hopefully these comments to you – **credibility**.

We routinely hear from – and engage with – the industry’s professionals, from operations of all sizes. While I’m not anywhere nearly as active on LinkedIn as my husband is, Tony has had more recommendations and endorsements – [over 1,000](#) – than perhaps most anyone in the industry. He likes to say that should be considered a reflection on our team’s work.

The first points to make against that backdrop are the following.

If Manufactured Homes Today are Such a Good Value, Why Isn’t the Industry Doing Better?

I) When newcomers and researchers (investors, non-factory-built housing pros, media, others) begin to grasp the amazing value found in manufactured housing today – as opposed to the outdated myths – they often ask a variation of the following. **‘Why isn’t the industry doing much better than it is?’**

It’s a question we’ve dealt with at various times and ways, including our report on a powerful insight by Harvard researcher, Eric Belsky, who said this.



Eric S. Belsky harvard.edu

...**"there are multiple reasons to expect manufactured housing to do better than site built housing in the [current] decade."**

Eric Belsky,
Executive Director Joint Center for Housing
Studies at
Harvard University, in the May 2000 issue of
Modern Homes Development, per MHI.



At the time Belsky made this prediction, manufactured homes were selling over 250,000 new units per year. in 2017, the industry failed to reach 93,000 new homes sold. What happened?

So, we've explored that issue several times before. But most recently we did so in doing our analysis and fact-checks about the Urban Institute report on manufactured housing.

Those Urban Institute reports need to be read, please see those linked below, which we hope you will consider as part of this request for comment.

<http://www.MHProNews.com/blogs/daily-business-news/urban-institute-ask-for-correction-in-analysis-of-their-manufactured-housing-research-follow-the-facts-follow-the-money/>



Urban Institute Ask for Correction in Analysis of their Manufactured Housing Research, "Follow the Facts," "Follow the Money"

Tweet Award winning investigative reporter and best-selling author, Sharyl Attkisson begins her research with a simple premise. "Follow the money." The award-winning Attkisson knows from experience that the connections and trail that money creates can be revealing. In analysis of the Urban Institute research on their controversial report on manufactured housing, MHProNews followed ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/follow-the-money-controversial-urban-institute-report-on-manufactured-housing/>

"Follow the Money" – Controversial Urban Institute Report on Manufactured Housing



Tweet Warren Buffett gave billions to the Bill and Melinda Gates Foundation. According to the Bill and Melinda Gates Foundation website, that organization in turn gave millions of dollars to the Urban Institute. The Urban Institute (UI) recently published a report on manufactured housing. The Urban Institute (UI) study on is ... [Continue reading](#)

"Dark Money" "Conflicts" – Warren Buffett, Kevin Clayton, Urban Institute, Manufactured Housing Institute, Affordable Housing Report Revelations

February 3rd, 2018



<http://mhprnews.com/blogs/tonykovach/dark-money-conflicts-warren-buffett-kevin-clayton-urban-institute-manufactured-housing-institute-affordable-housing-report-revelations/>

Note that the Urban Institute (UI) specifically mentions the comprehensive review that HUD is undertaking, and to which my comments are responding. It is therefore reasonable to presume that UI wished to influence HUD with its controversial analysis.

It must be noted what the U.S. Census Bureau and others have documented, namely, that manufactured homes cost about half of what conventional on-site built house does to build. While some believe that is because of the use of cheap materials, HUD above all ought to know better.

There are entry level manufactured homes, that do use lower cost materials, such as 'wrapped cabinets', which are also found in many apartments and entry-level conventional housing.

<https://www.manufacturedhomelivingnews.com/the-solution-to-the-affordable-housing-crisis-is-hiding-in-plain-sight/>



“The Solution to the Affordable Housing Crisis is Hiding in Plain Sight”

“...lower rates of crime than you would expect, because they had pride of ownership...” – William P. McCarty, PhD – University of Illinois at Chicago, Department of Criminology, Law and Justice “What may be surprising to real estate licensees is the level of energy efficiency available ...” – Harold Hunt, PhD – Real Estate Center ... [Continue reading](#)

Then there are also residential-style manufactured homes. The interview and video linked below walks a newcomer through a better understanding of those distinctions between ‘shade and shelter’ homes, and those that rival far more costly manufactured homes. Note that among the videos on the page linked below are professionals who opted for manufactured homes. They could have purchased conventional housing, but saw the wisdom of manufactured homes. The other video on that page is with Stan Dye of Star Homes in Culman, AL. Dye specifically addresses the issue of enhanced preemption, and expresses that thought to HUD Secretary Carson.



Rapid Acceptance of Energy Star Rated, Residential-Style Manufactured Homes Proves Need, Value as Affordable Housing Solution

"We recently did an audit of where we stand year over year, and we are up at a rate about double that of the industry's growth," said Stan Posey, sales manager at Sunshine Homes. "2016 was up about double the growth rate of the industry at large over 2015. So, the home buying market is ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/manufactured-housings-trojan-horse/>

Manufactured Housing's "Trojan Horse"



TweetThere was a meeting today that revealed several "Inside the Beltway" maneuvers that could prove to be of importance to manufactured housing professionals. Some now-former Manufactured Housing Institute (MHI) sources told the Daily Business News that

the Arlington, VA based trade association was planning in late 2016 for a Hillary Clinton victory. That dovetails ... Continue reading

• II) Facts, Frustration, Fumbles, and Fear

The typical channels of industry communications have in many cases been influenced, corrupted and undermined, as the links below reflect. That's a bold claim that merits evidence. We will use the word "allege" to refer to any and all references that involve third parties, because MHI connected attorneys, and MHI surrogates, have directly and indirectly threatened *MHProNews* in writing with litigation over our investigative reports. That said, we have always offered evidence to back up any allegation, and they have not to date filed any actions. Why? We believe it is because our evidence backs up the alleged concerns.



<http://www.mhpronews.com/blogs/daily-business-news/sparks-fly-mhi-hud-allegations-do-not-comport-with-hud-policy/>

Since the report below was published, more state association executives confirmed what the initial state executives who tipped MHProNews said that sparked that account.



<http://www.mhpronews.com/blogs/daily-business-news/how-gold-rules-tim-williams-21st-mortgage-mhi-vp-state-execs-conference-call/>

Even some who are not MHI members fear making a public comment about the harmful direct-or-indirect impacts allegedly caused by Berkshire Hathaway owned operations and the Manufactured Institute (MHI) that they dominate. See one of several possible examples in the "*Sparks Fly*" report linked above.

Another example.

Negative media accounts, for instance, are often unrelated to MHI, though some may involve a member company.

But MHI – that Arlington, VA based MH Industry Trade Association's – failures to engage with media, researchers, or others leaves a problematic view of manufactured housing largely unaddressed. So, while MHI don't necessarily *cause* an issue, they *allow it to go routinely unaddressed*.



"Negative articles on the industry are met with "no comment" [by MHI]. Positive news opportunities are met with "no comment." I've never seen anything like it."

"Probably the greatest enemy to the growth of the mobile home park industry into a mainstream form of real estate investment is ... our industry itself."

Frank Rolfe, RV Horizons and MHU. To see that report, click this image.

<http://www.mhpronews.com/blogs/daily-business-news/frank-rolfe-blasts-mhi-for-poor-media-engagement-industry-reactions/news/frank-rolfe-blasts-mhi-for-poor-media-engagement-industry-reactions/>

The REAL Truth, vs. Fake News, About Modern Manufactured Homes



TweetThere is an apparently ever-growing mountain of alleged ignorance – or agenda driven – reporting about manufactured homes. PBS NewsHour, NPR and more recently The Raleigh, NC headquartered News & Observer are just 3 of many examples of what Marty Lavin, JD has

paradoxically called, "the manufactured housing industry's other image campaign." In one sense, ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/the-real-truth-vs-fake-news-about-modern-manufactured-homes/>

Even when we were members of MHI, they typically gave some lip service, but little or no practical support for our pro-industry, pro-growth efforts. Why? The balance of this letter and links report help answer that question. But the link immediately below sheds light on that 'why.'

<http://MHProNews.com/blogs/tonykovach/what-tim-williams-dick-jennison-rick-robinson-lesli-gooch-et-al-taught-me-about-the-manufactured-housing-institute/>

What Tim Williams, Dick Jennison, Rick Robinson, Lesli Gooch, et al, Taught Me About the Manufactured Housing Institute



Tweet Hindsight is twenty-twenty. Warren Buffett doesn't need to convince me or gain my agreement with him on that point. On that and the value of history, Mr. Buffett and this Masthead writer would agree. Buffett and we agree too on the value of research, reading, asking, listening, probing, and understanding. For the ... Continue reading

Typical associations will promote any good news about its products or services, regardless of the source. So why has MHI not spotlighted **"good news"** about manufactured home reports, such as those linked below? Note that all of these are reasons why HUD and others in government ought to be enthusiastically embracing the widest possible use of manufactured housing to ease the nagging affordable housing crisis.

<https://www.manufacturedhomelivingnews.com/weather-experts-surprising-bombshell-statement-on-tornado-deaths-and-affordable-manufactured-homes/>



Greg Schoor
General Forecaster
Severe Storms Services Coordinator
National Weather Service (NWS)



Credit: Woodcreek, Traverse City, MI.

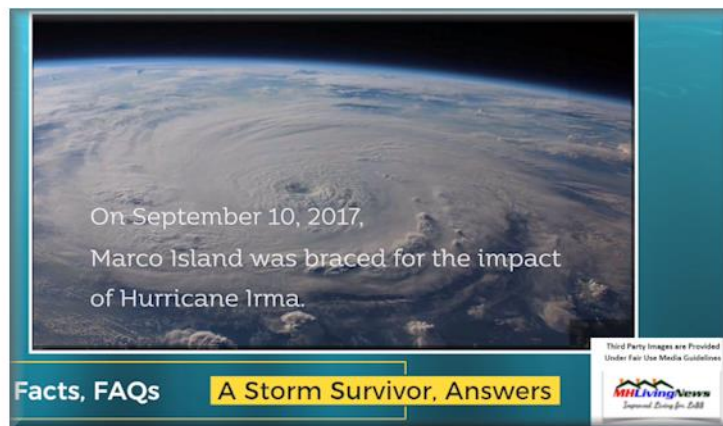
WEATHER EXPERT'S SURPRISING, BOMBHELL STATEMENT ON TORNADO DEATHS AND AFFORDABLE MANUFACTURED HOMES

<https://www.manufacturedhomelivingnews.com/researchers-shake-up-american-dream-rent-vs-buy-ken-johnson-florida-atlantic-university-exclusive-to-manufacturedhomelivingnews/>

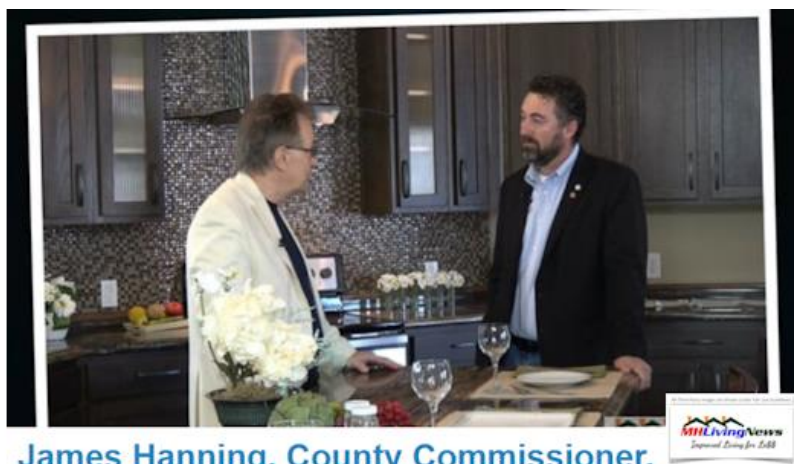
"...I think that it is fair to say that the lower the periodic cost of satisfactory housing, for a given individual/family, the greater the, on average, wealth creation..." – Ken Johnson, Ph.D.



<https://www.manufacturedhomelivingnews.com/hurricane-irma-florida-survivor-relates-first-hand-manufactured-home-safety-durability-experience/>



<https://www.manufacturedhomelivingnews.com/elected-official-explains-surprising-modern-manufactured-homes-video-interview/>



**James Hanning, County Commissioner,
Describes Experiences with Manufactured Homes**

Now these and dozens of other points are significant for HUD's understanding and review of the manufactured housing program.

For balance and accuracy, it must be noted that MHI does have some similar handouts and downloads. But as their own then-chairman once told MHPProNews, there is an argument to be made that every time bad news appears in the media, it ought to be responded to – and that's among the reasons why professionals think they are paying dues to MHI.



"There are good arguments that we should respond to every story, refute every statistic, and make our case to the public. Certainly we can make the case that the PBS story was not fair and balanced reporting. Just one example is the interview with Dick Ernst. Dick spent several hours with PBS representing our industry as an official spokesman. The reporter had about one hour of taped interview with Dick and used only 45 seconds of that interview."

– Tim Williams, President, and CEO
of Chairman Warren Buffett's
Berkshire Hathaway owned 21st Mortgage Corp.

Why? Because MHI arguably does the minimum, and then *postures* advocacy for the industry, but fails to take some of the most common-sense steps to make advocacy or lobbying for effective. Who says? Often, it is award winning MHI members, as in the example below.

<http://www.MHPProNews.com/blogs/daily-business-news/marty-lavin-lashes-the-manufactured-housing-institutes-mhi-latest-initiative/>

Marty Lavin Lashes the Manufactured Housing Institute's (MHI) Latest Initiative




TweetIs anyone "...eating this dog food?" – emailed comment to MHPProNews about Marty Lavin's topic. "We welcome outside oversight and criticism as it allows us to objectively evaluate our actions." – Sam Landy, explaining UMH Properties perspective on media, public critiques. "Let's fight bad information with good

information, and not have to resort ... Continue reading

Logic demands that one answer the questions, why would MHI fail to routinely do their best for the industry at large? To what end or purpose?

Answer? So that thousands of MH Industry Independent retailers, communities and producers can increasingly be consolidated by a handful of large and/or well-connected companies.



21st Mortgage Corporation
A Berkshire Hathaway Company

All Manufactured Home Retailers

June 11, 2009

It is clearly evident that the capital markets are not going back to the easy borrowing and high leverage environment that existed only a year ago. A new concern is the likelihood that as the economy begins to improve we will enter a very inflationary environment. Warren Buffett recently sent us a message: "When the printing presses in Washington roll at almost unprecedented levels, I get more and more worried about truly high rates of inflation."

Our typical manufactured home loan is twenty years. To avoid the catastrophe created by lending long and borrowing short, a practice that wiped out many S&L's in the 80's, we must borrow funds that require repayment that coincides with the terms of the loans we make. Today most new issues of corporate bonds have a maturity of ten years or less. The dilemma we face is that after ten years 55% of the loans we originate today will still be on our books.

The last time our country experienced hyper-inflation we were borrowing money at rates as high as 18%. I am not predicting rates will go as high as the late 70's and early 80's but the odds are borrowing costs will be substantially higher than exists today. We cannot take the risk that our borrowing costs in 10 years will exceed the yield on the loans we originate today. Only the federal government should take this kind of rate risk.

Since November we have been exploring alternative funding sources to enable us to continue funding retail home sales at the level we did in 2008. With the help of our national association and the grass roots efforts of many retailers Congress directed HUD to update the FHA Title I Insurance program. The long awaited revision to the FHA Title I Insurance program went into effect June 1. Because of the changes in the FHA Title I program GNMA is willing to approve new participants to issue GNMA bonds backed by FHA Title I loans. 21st has submitted its application to GNMA and expects to receive approval to issue GNMA securities which will provide a perfect match for funding our FHA Title I loans.


Here are the "rules" going forward: Until October 31 2009, it will be business as usual, including the now FHA Title I Insurance terms. Beginning November 1, 2009 loan applications must fit one of following finance programs:

1. FHA Title I financing for any manufactured home as long as the retailer meets FHA requirements:
 - a. Home only up to \$89,578 with loan term of 20 years and a low rate
 - b. Land Home up to \$92,994 with loan term of 25 years and a low rate
2. All other 21st Mortgage finance programs will be limited to 10 year terms or less and will only be offered for the following brands of homes:
 - a. New homes built by Clayton Homes, Karsten Homes, Southern Energy or any other Clayton Homes subsidiary.
 - b. For any brand of home floor planned with 21st Mortgage prior to March 1, 2009
 - c. For any brand of home sold from a retailer's inventory provided the retailer replaces the inventory with a home built by a Clayton Homes' subsidiary.

We have reached out to Fannie Mae, Freddie Mac and the Federal Housing Finance Authority (overseer of Fannie and Freddie) to provide long term financing vehicles for manufactured homes. To this point these governmental agencies have not shown the sense of urgency our industry deserves. We continue to seek additional longer term funding sources so we can once again offer long term conventional financing alternatives for your customers. In the interim we encourage retailers to qualify for FHA Title I financing and to plan for reduced availability of long term financing. All financial institutions including those currently serving our industry are faced with this mismatch of loan terms and availability of long term funding. Many retailers have found the FHA Title I program a viable alternative and I urge you to talk with your credit manager and become familiar with the terms and products available.

Sincerely,
Tim Williams
President

Third party image credits are as shown.



This inflation prediction proved not to be accurate.

As industry members may recall, only 2 companies were able to meet the capital revised FHA Title 1 "10/10" rule.

Note the favoritism shown to Clayton/ Berkshire Hathaway products?

Sources say 21st/VMF didn't turn over data the GSEs said they needed.

<http://www.MHProNews.com/blogs/daily-business-news/killing-off-100s-of-independent-manufactured-home-retailers-production-companies-tim-williams-21st-mortgage-smoking-gun-document-2/>



Killing Off 100s of Independent Manufactured Home Retailers, Production Companies – Tim Williams/21st Mortgage “Smoking Gun” Document 2

Tweet Executive Summary: Choke off enough lending options, drive out enough manufactured home retailers, and you’ll witness a increasing number of producers of HUD Code manufactured housing fail, and/or those independent retailers and producers will be forced into a ‘consolidation’ with larger companies. As “Smoking Gun? Part 1” outlined, companies as large as Champion and Fleetwood ... Continue

<http://www.MHProNews.com/blogs/daily-business-news/duty-to-serve-complete-waste-of-time-per-tim-williams-ceo-21st-mortgage-potus-trump-warren-buffett-insight/>

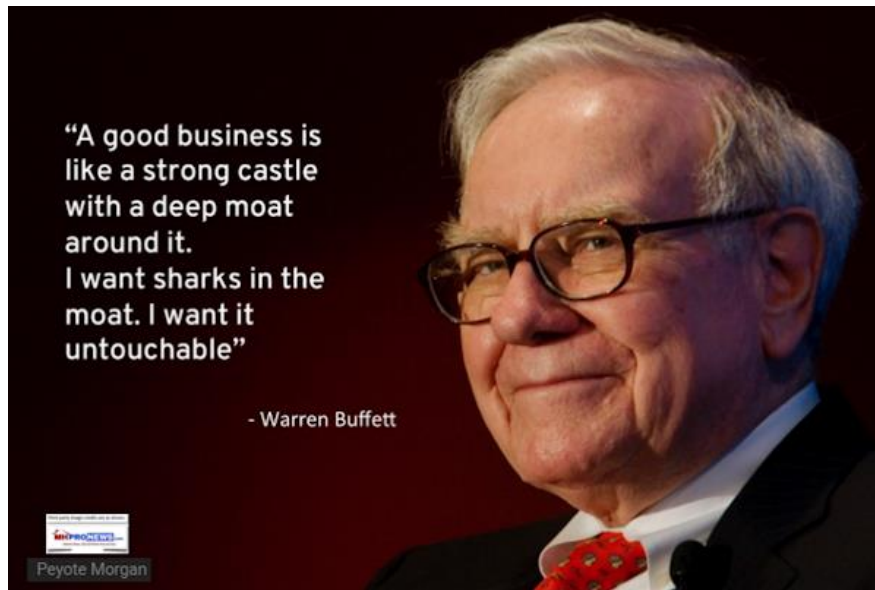
Duty To Serve, “Complete Waste of Time” per Tim Williams, CEO/21st Mortgage; POTUS Trump, Warren Buffett Insight\$



TweetThe 45th President of the United States (POTUS), Donald J. Trump, and Berkshire Hathaway Chairman Warren Buffett have very differing political views. But there is an area of agreement that yields a valuable takeaway for any manufactured home professional to grasp, and adopt.

Warren Buffett invests the time, and learns what to do – and ... Continue

This isn’t just conjecture or incendiary claims, as the document above and the linked reports reflect. It is the obvious reality to any who study Warren Buffett’s own words, or what Kevin Clayton said in the video interview, found in the linked reports below. Again, as with other links, I’m requesting that the linked material be considered as part of this report. Neither HUD nor any others researching the industry can possibly understand the various nuances and dynamics without a careful, deep dive. These articles are just the start of such a probe for reality. Note these reports provide documents and direct quotes, to underscore the concerns.



<http://www.MHProNews.com/blogs/daily-business-news/kevin-clayton-interview-warren-buffetts-berkshire-hathaway-clayton-homes-ceo/>

Kevin Clayton Interview-Warren Buffett's Berkshire Hathaway, Clayton Homes CEO



Tweet Let's be plain spoken. This video could be an eye opener for any long-term player considering all the reasons why manufactured housing is poised to boom. Clayton and Buffett apparently believe that to be true. So there are 'good news,' and big

opportunities aspects to this video interview, for the savvy, disciplined and motivated ... [Continue reading](#)

<http://www.MHProNews.com/blogs/daily-business-news/warren-buffett-the-moat-manufactured-housing-berkshire-hathaway-clayton-homes-21st-mortgage-vanderbilt-wells-fargo-nai/>

Warren Buffett, "the Moat," Manufactured Housing, Berkshire Hathaway, Clayton Homes, 21st Mortgage, Vanderbilt, Wells Fargo, NAI...



Tweet "Sometimes it's best to hide in plain sight." – David Estes. Warren Buffett's 'moat principle' has been laid out by others in their investment commentary, such as was covered by Seeking Alpha in last night's market report. Thomas: Buffett Should Buy Manufactured Home

Community REIT, Plus MH Market Update\$ The structure and operations of ... [Continue reading](#)



"There seems to be some perverse human characteristic that likes to make easy things difficult." -

"What we learn from history is that people don't learn from history." -

"Chains of habit are too light to be felt until they are too heavy to be broken." -

– Warren Buffett,
Chairman of Berkshire Hathaway,
parent company to Clayton Homes, Vanderbilt,
21st plus an array of retailers, suppliers and
manufactured home,
modular, tiny and conventional housing builders.

<http://www.MHProNews.com/blogs/daily-business-news/perverse-warren-buffett-dodd-frank-cfpb-manufactured-housing-loans-independent-businesses-fact-check/>

"Perverse"–Warren Buffett-Dodd-Frank, CFPB, Manufactured Housing, Loans, Independent Businesses Fact Check\$



... Perverse... - Warren Buffett - Dodd-Frank, CFPB, Manufactured Housing, Loans, Independent Businesses - Fact Check\$

Tweet "There seems to be some perverse human characteristic that likes to make easy things difficult." – Warren Buffett, Berkshire Hathaway (BH) Chairman, parent to Clayton Homes, Vanderbilt Mortgage and Finance (VMF) & 21st Mortgage Corp,

other industry suppliers, et al, cited per BrainyQuote. The essence of simplicity for business professionals is the would-have-been campaign

... Continue reading

Stating the obvious for clarity.

It must be noted that there are those who agree with these assessments, those who disagree, and others who are on the fence. That said, sources within MHI, Berkshire Hathaway owned companies, independents and others follow such reports carefully. They do so by the thousands, in a small industry. MHI and Berkshire Hathaway owned brands have been given numerous opportunities to respond or debate these claims.



*Gus Rodriguez, Tejas Homes,
Conroe, TX*

"Dear Tony and Soheyla,

**Thank you for your great reporting on our industry
and the challenges we face as independent retailers.**

**There is no greater resource that speaks to the
issues and opportunities than your publications.**

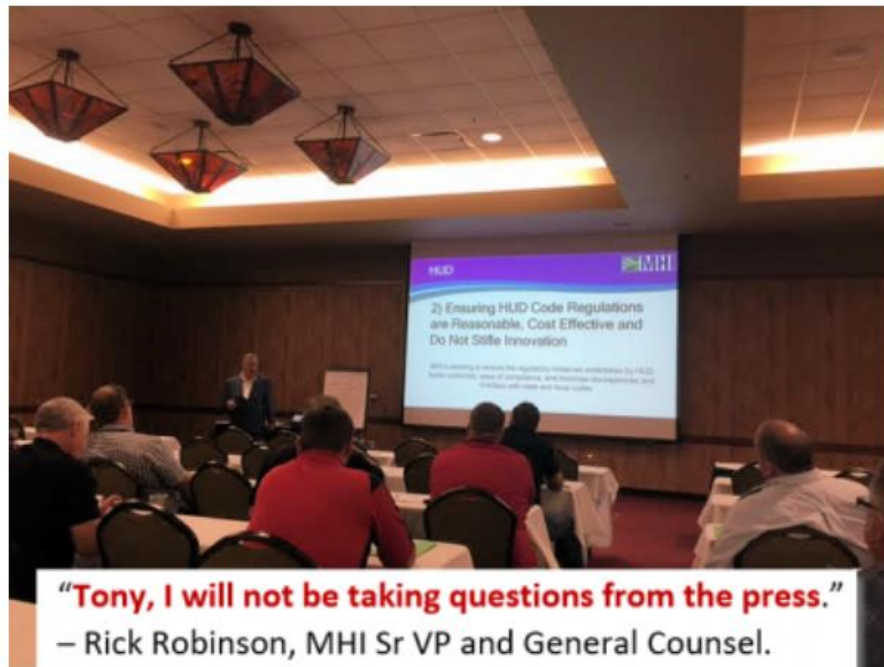
**We are glad you spotlight the key issues we need to
address to succeed.**

**"Too bad not enough fellow retailers are planning
accordingly." Thank you both." – Gus Rodriguez.**

Editor's note: Gus' kind message for publication were among the calls and messages that have been received in response to the latest emailed news updates, found at the link below.

<http://www.MHProNews.com/newsletter/2018/01/15/kevin-clayton-interview-marcus-millichap-tax-reform-housing-impact-mlk-immediate-expensing-mh-9-tips-mh-websites-presidential-insanity-1-15-2018/>

MHI and Berkshire Hathaway connected firms have not accepted those offers to respond, publicly debate or discuss these issues, why not? If these concerns would be easily disproven, why wouldn't they reply or debate?



"Tony, I will not be taking questions from the press."
– Rick Robinson, MHI Sr VP and General Counsel.

Third-party image credits are as shown.

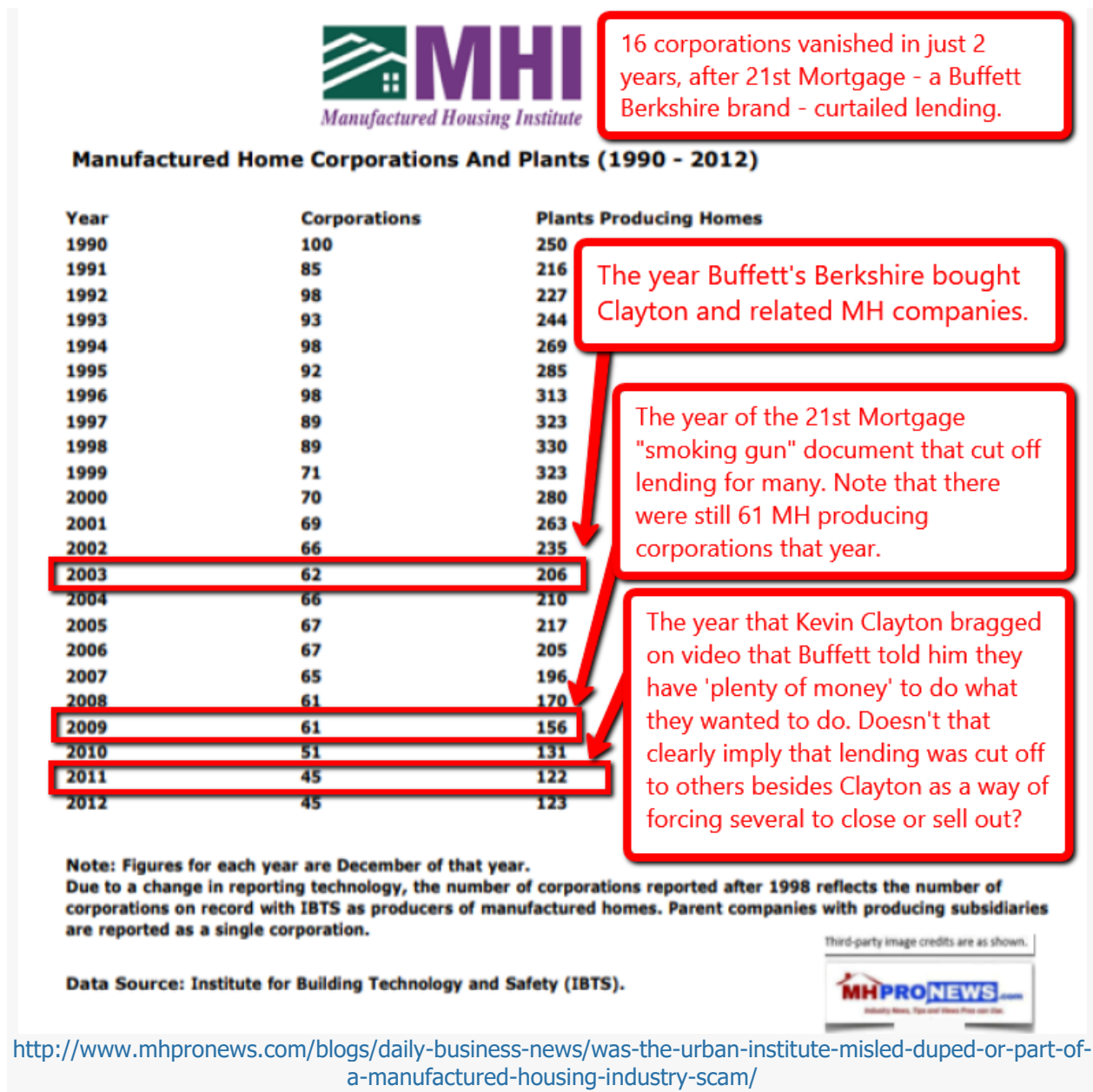


Again, the reason this is important is that for the regulatory comments is that the Trump Administration, Dr. Carson and others must understand that while they are not responsible for what MHI does or does not do,

- the **regulatory burdens that the industry has operated under,**
- combined with the other aspects of the Buffett/Clayton "Moat" principles,

- have led to a significant consolidation of the industry since Clayton was acquired by Berkshire Hathaway in 2003.

For proof, see the MHI graphic, below.



That same pattern of regulatory, finance and other forces have caused thousands of independent retailers to fail or sell out to larger companies. All of that has contributed to the affordable housing crisis.

America's Fastest-Dying Business? It's Mobile Homes

The Atlantic



But when it comes to unlucky industries, it's manufactured home (aka mobile home) retailers who really hit the trifecta*. First they missed out on the housing boom. Then they felt the gut-punch of the recession. Now they might yet miss out on the recovery. That makes them America's fastest dying industry, according to a new report from [IBISWorld](#).

10 Key Dying Industries

	Revenue 2010 (\$ million)	Decline 2000-10 (%)	Forecast Decline 2010-16 (%)
Wired Telecommunications Carriers	154,096	-54.9	-37.1
Mills	54,645	-50.2	-10.0
Newspaper Publishing	40,726	-35.9	-18.8
Apparel Manufacturing	12,800	-77.1	-8.5
DVD, Game & Video Rental	7,839	-35.7	-19.3
Manufactured Home Dealers	4,538	-73.7	-62.0
Video Postproduction Services	4,276	-24.9	-10.7
Record Stores	1,804	-76.3	-39.7
Photofinishing	1,603	-69.1	-39.1
Formal Wear & Costume Rental	736	-35.0	-14.6

Composite images from *The Atlantic*, collage credit by the Daily Business News on [MHProNews.com](#), provided under Fair Use Guidelines.

<http://www.mhpronews.com/blogs/daily-business-news/manufactured-housing-industry-new-hud-code-home-retailing-more-exploring-going-vertical/>

according to a new report from IBISWorld.

In an exclusive recent spotlight in anticipation of this pending Clayton deal, note how the IBIS World, Atlantic report predicted that it would be independent retailers that would vanish.

10 Key Dying Industries

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Composite images from *The Atlantic*, collage credit by the Daily Business News on MHPProNews.com, provided under Fair Use Guidelines.

These are examples of why my “**third ask**” of HUD is important.

Namely, that a referral be made to the Department of Justice (DOJ) and to the Federal Trade Commission (FTC) to investigate the numerous claims of monopolistic practices by us and others that Berkshire Hathaway owned units involved in manufactured housing be investigated for anti-trust violations. The same principle that the market focus video report linked below, applied to Berkshire Hathaway, points out why the Trump Administration ought to pursue a breakup of Berkshire Hathaway, one that HUD could support by a referral.

<http://www.MHPProNews.com/blogs/daily-business-news/analogies-that-teach-manufactured-housing-investors-owners-plus-mhmarket-update/>



Analogies That Teach Manufactured Housing Investors, Owners – Plus MHMarket Update\$

Tweetwhat Amazon is doing in groceries, is what Berkshire Hathaway has arguably done in manufactured housing. That will be our video enhanced market focus today. If you're new, already hooked on our new spotlight feature – or are ready to get the MH professional fever – our headline reports are found further below, just beyond the ...

[Continue reading](#)

What Can HUD Do and Consider About Regulatory Reforms?

Part 1 – Begin with Understanding

The foundation of regulatory reform must begin with an honest understanding of manufactured housing and the industry's realities. The links in this article would be just the start of such an understanding.

Common sense alone demands that a reality-based understanding of the *what is* vs. the outdated misconceptions regarding manufactured housing.

Then, HUD must grasp how Berkshire Hathaway owned units and the MHI non-profit they dominate are utilized to minimize the industry's production. Why?

Because there is evidence that Pam Danner was helped by one or more MHI staff members to get and keep her job as head of the manufactured housing program as a result their influence. While she is now removed from the program, understanding what happened, and why is critical to avoid it occurring again.

<http://www.MHProNews.com/blogs/daily-business-news/george-gunnell-wvmhi-citing-fmhas-jim-ayotte-says-huds-pam-danner-must-go/>

George Gunnell, WVMHI, Citing FMHA's Jim Ayotte, Says HUD's Pam Danner Must Go



TweetSources say that George Gunnell's is a regional vice president for Clayton Homes, and the West Virginia Manufactured Housing Institute (WVMHI) Co-President. The WVMHI co-president's column in their state association newsletter

contained a red-hot topic for manufactured housing industry readers. It represents another pivot by the Arlington, VA based Manufactured Housing Institute (MHI). It's about ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/mh-pros-list-abuses-by-pam-danner-current-hud-manufactured-housing-program-administrator/>

MH Pros List "ABUSES" by Pam Danner, Current HUD Manufactured Housing Program Administrator



Tweet"The current HUD manufactured housing program administrator, Pamela Danner – "parachuted" into that position on a career basis in violation of section 620(a)(1) (C) of the Manufactured Housing Improvement Act of 2000," says Mark Weiss, JD. Addressing state associations and other

interested industry parties, Weiss, President and CEO of the Manufactured Housing Association for Regulatory Reform ... Continue

<http://www.MHProNews.com/blogs/daily-business-news/huds-pam-danner-announces-former-mhi-vp-lois-starkey-joining-hud/>

HUD's Pam Danner Announces former MHI VP Lois Starkey Joining HUD



Lois Starkey, foreground. Richard A. "Dick" Jemison, background. Sources tell the Daily Business News that there was "friction" between Jemison and Starkey. Photo credit, MHProNews.com.

TweetIn a release just minutes ago, the Daily Business News has been told by Pamela Beck Danner, JD, Administrator, Office of Manufactured Housing Programs the following. "Dear Manufactured Housing Partners and Stakeholders, "I am pleased to announce that Lois Starkey has joined the Office of Manufactured Housing Programs on Monday, July 24th as a Management Analyst. ... Continue reading

While MHARR, some MHI members, and others have voiced concerns about Clayton Homes and other BH owned units oversized influence over MHI, similar concerns have been expressed by

- Maxine Watters (D-CA),
- other Democratic legislators,
- the Center for Accountability,
- CFED rebranded as Prosperity Now, among others.

<http://www.MHProNews.com/blogs/daily-business-news/maxine-waters-statement-preserving-access-manufactured-housing-act-2017-warren-buffett-clayton-homes/>

Maxine Waters Statement, Preserving Access Manufactured Housing Act 2017, Warren Buffett, Clayton Homes



TweetThe Preserving Access to Manufactured Housing Act of 2017 was passed last week, as the Daily Business News reported at the first linked article below. Today's report spotlights the opposition to the bill from Democratic lawmakers; in this case, Representative Maxine Waters. Expect her House opposition to be carried into the

U.S. Senate, where Elizabeth Warren ... Continue reading

AMERICAN BANKER Time to End the Monopoly Over Manufactured Housing

For too long we have ignored a segment of our housing system that offers an affordable path to homeownership: manufactured housing.

By
Doug Ryan
Published
February 23 2016, 12:00pm EST



- Why ongoing disunity & political ineffectiveness at the national advocacy level?

'National manufactured housing advocacy' today?

Some say OLIGARCHY. But what is that?

'Governing power in the hands of the few'



'OLIGARCHY Revisited...' Are manufactured housing leaders 'spoiling' (i.e. 'seriously impairing') our industry by acquiescing to energy saving innovations cum sales price increases, on new HUD-Code homes, when home buyers can least afford to buy? Or as pundits suggest, is this ruse a precursor to amalgamation of many firms into a very few?

Credits: George Allen's blog.

CAMPAIGN FOR

ACCOUNTABILITY



Clayton
homes

Racism, Steering, Predatory
Lending Targeted by CfA vs.
Clayton Homes, Vanderbilt,
Berkshire Hathaway Units

<http://www.MHProNews.com/blogs/daily-business-news/post-charlottesville-cfas-hunts-evidence-of-racism-steering-predatory-lending-against-buffetts-clayton-homes-vanderbilt-mortgage-and-21st-mortgage/>

Warren Buffett is widely seen as a shrewd investor. He is wise enough to *allow heavy regulations to continue* unabated by the association he dominates, as part of a broader plan to “**widen the moat**” of Clayton Homes, 21st Mortgage, Vanderbilt, et al within the manufactured home industry.

For that MHI charade to work, they arguably must have enough 'efforts' that appear to busy, smaller industry players that MHI are trying to mitigate regulations.

<http://www.MHProNews.com/blogs/daily-business-news/mharr-vs-mhi-on-doe-energy-rule-pushback-pay-off/>

MHARR vs. MHI on DOE Energy Rule, Pushback Pay\$ Off?



TweetWashington, D.C. – “The proposed rule to implement manufactured housing “energy” standards, published by the U.S. Department of Energy (DOE) on June 17, 2016 and consistently opposed by the Manufactured Housing Association for Regulatory Reform (MHARR) in every

phase of its development – the only national manufactured housing industry trade organization to do so – ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/the-top-twelve-questions-for-manufactured-housing-institute-mhi-ceo-richard-dick-jennison/>

The Top Twelve Questions for Manufactured Housing Institute (MHI) CEO, Richard “Dick” Jennison



Tweet The industry has two national trade association's, but only one claims to represent every segment of the factory-built home industry. That one would be the Manufactured Housing Institute (MHI).

Whatever they do, whatever they fail to accomplish, it obviously impacts your manufactured home industry's image, and

your ability to do your job, or ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/manufactured-housing-institute-mhi-shifts-on-doe-regulatory-rule-report-analysis/>

Manufactured Housing Institute (MHI) Shifts on DOE Regulatory Rule, Report, Analysis



TweetIn a release to the manufactured home industry dated today, the Manufactured Housing Institute (MHI) has published the comments they state they submitted regarding DOE regulations impacting manufactured homes, per the Trump Administration's executive orders on

regulatory freezes and roll backs. In their cover message to the industry, MHI stated that, “On July 14, 2017, MHI submitted ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/manufactured-housing-institute-mhi-shifts-on-doe-regulatory-rule-report-analysis/>

NAHB Report – High Cost of Regulations Impact Housing – and Manufactured Housing



TweetA recent study by the National Association of Home Builders (NAHB) indicates that an average of some 24.3 percent of the price of a new house can have that cost traced back to regulatory impact. The NAHB study reflects costs of regulations from all levels of government: local, state and federal. 14.6 percent of the ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/nahb-report-high-cost-of-regulations-impact-housing-and-manufactured-housing/>

Manufactured Housing Institute Outgoing Chair Tim William's Remarks vs. MHI CEO Richard "Dick" Jennison Comments, Fact Checks



Tweet"I especially want to take this opportunity to recognize our President & CEO Dick Jennison and his senior leadership team: Lesli Gooch, Mark Bowersox and Rick Robinson at MHI. Our team in Washington is highly respected,"

said Tim Williams, President and CEO of 21st Mortgage and the outgoing chairman of the Manufactured Housing Institute (MHI). ... Continue reading

<http://www.MHProNews.com/blogs/daily-business-news/manufactured-housing-institute-outgoing-chair-tim-williams-remarks-vs-mhi-ceo-richard-dick-jennison-comments-fact-checks/>



Bu\$ted!
"Failure Bonus" Paid
Richard "Dick" Jennison,
MHI CEO, Per MHI Doc\$

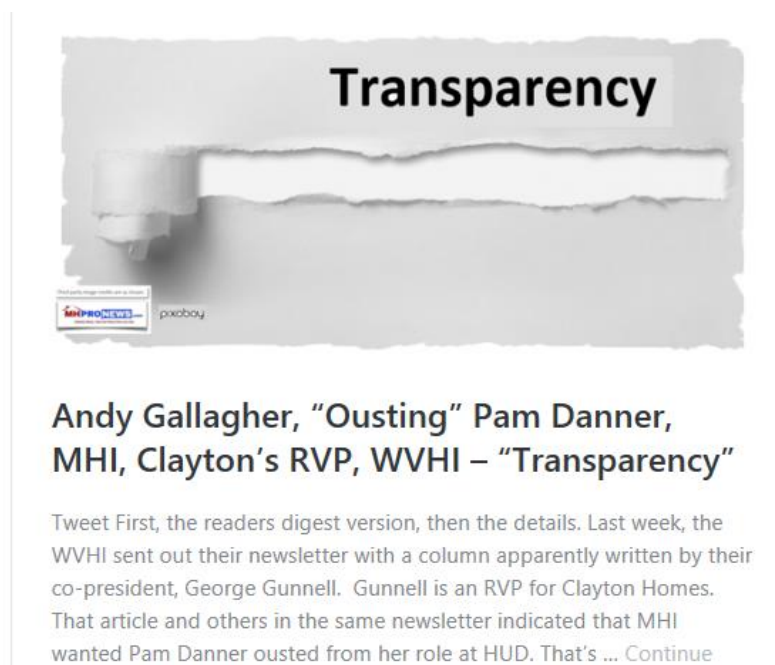


<http://www.MHProNews.com/blogs/daily-business-news/busted-failure-bonus-paid-richard-dick-jennison-ceo-manufactured-housing-institute-per-mhi-document/>

But the reality is that it is often only after months of spotlighting the flawed positions of MHI that they finally pivot to the position they logically ought to have taken in the first place. The question is how can professionals so routinely make year after year of the same kinds of errors, and be rewarded for it? Unless failure to mitigate regulations is acceptable, and win or lose on a regulatory battle, is part of the Buffett/Clayton goal?

If MHI actually wanted to mitigate regulatory burdens, they would more routinely work with MHARR to achieve the kinds of common sense reforms that would benefit consumers, still protect buyers, and give a level-playing field for players of all sizes.

The Pam Danner drama at HUD is a case in point, see those articles, linked above, plus this one.



<http://MHProNews.com/blogs/tonykovach/andy-gallagher-ousting-pam-danner-mhi-claytons-rvp-wvhi-transparency/>

There were many voices calling for months – in some cases, for years – to have Danner removed from her role as the administrator of the HUD Code manufactured home program. MHI said and did many things, *except* ask for Danner’s removal. When others saw the wisdom of Danner being replaced, why not MHI? Why were they (once more) so late to the proverbial dance?

It fits with what Warren Buffett and Kevin Clayton have said about their use of nonprofits, foundations or other all resources necessary to expand their influence, control and power over the industry. It is a method for widening the Clayton moat.

See the links and videos from this page for more details, which again, I’m requesting be considered as part of my comments.

Then, consider what Alan Amy said about billionaires buying up the industry.

<https://www.manufacturedhomelivingnews.com/time-travelers-and-the-future-of-american-homes/>



MHI member, Frank Rolfe's comments in the video posted in the above are also telling.

American Dreamers and HUD Secretary Dr. Ben Carson; How Millions Could Win by Enforcing the Law



Comments Off

on American Dreamers and HUD Secretary Dr. Ben Carson; How Millions Could Win by Enforcing the Law



The American Dream has long been defined as including home ownership. While there are several positive economic signals in the early weeks of President Donald Trump's Administration, it will take some time for millions to see their incomes go up enough to allow them to do what most of their parents or grandparents achieved – a home they could call ...

[Read More »](#)

<https://www.manufacturedhomelivingnews.com/american-dreamers-and-hud-secretary-dr-ben-carson-how-millions-could-win-by-enforcing-the-law/>

Or what the retailer and others in the video, including the past president of MHARR had to say about enforcing federal preemption.

People and organizations are certainly within their rights to support whatever candidates they want.

But where was the logic in Warren Buffett supporting first Barack Obama, and then Hillary Clinton, when the positions they took on issues such as Dodd-Frank were the opposite of what MHI claimed they wanted in terms of regulatory relief?



That arguably only makes sense in the light of the premise that Berkshire Hathaway was willing to let heavy regulations help drive others out of business, or to cause them to sell out for less than their fair market value would dictate.

<http://www.MHProNews.com/blogs/daily-business-news/manufactured-housing-institute-vp-revealed-important-truths-on-mhis-lobbying-agenda/>

Manufactured Housing Institute VP Revealed Important Truths on MHI's Lobbying, Agenda



TweetHindsight is 20/20. This may be seen as one of the larger, most consequential reveals in the manufactured housing (MH) industry of 2017. What Frank Rolfe told Inside MH viewers on MHProNews about the odds against passing Preserving Access in 2015 was actually acknowledged by a previous vice president of the Manufactured Housing Institute (MHI). ...

Part 2 – Once Understanding Exists, Then the Actual Solutions Become Easy

First, enhanced preemption must become the lived reality of the industry. That single step would dramatically change the industry's realities, and would open up affordable housing opportunities in cities and towns from coast to coast and border to border.

"SEVERAL OF REV. DONALD TYE, JR.'S
COMMENTS WHICH YOU PUBLISHED
BROUGHT BACK MEMORIES (OF A SPEAKER)
... A MIDDLE-AGED BLACK GENTLEMAN
... A MEMBER OF THE ILLINOIS GENERAL
ASSEMBLY. HE COINED A TERM FOR THE
DISCRIMINATION BY LOCAL GOVERNMENTS
AGAINST MANY FORMS OF AFFORDABLE
HOUSING, PARTICULARLY MANUFACTURED
HOME PLACEMENTS.

THAT SPEAKER CALLED
IT "ECONOMIC RACISM."

- J.D. HARPER
AMHA



<http://www.MHProNews.com/blogs/industryvoices/harper-thank-you-rev-donald-tye-fighting-for-enhanced-preemption-of-manufactured-homes/>

"THE LARGER QUESTION IS WHY THE
U.S. DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT HAS FAILED TO
EMBRACE ITS DUTY TO ENCOURAGE
INCLUSIVE ZONING AND ACCEPTANCE
OF A FEDERALLY-REGULATED HOUSING
PRODUCT."

JD HARPER
AMHA



<http://www.mhpronews.com/blogs/industryvoices/harper-thank-you-rev-donald-tye-fighting-for-enhanced-preemption-of-manufactured-homes/>



**"It's just as wrong to use the N-Word
to describe a black as it is to use the
T-Word to describe a manufactured home."**

Anecdotal evidence suggests that the wrong terminology impacts price. But it also impacts people's emotions, see the poet who rejected the use of the t-word with regard to her home, by clicking the image above.



Rev. Donald Tye, Jr. is an actively retired businessman whose family benefited from living in factory built homes that benefited dozens of other families too. Today, Tye advocates for acceptance of modern manufactured homes as path to ownership.

Dozens of homes like the above are selling today for 4 times their original price, per Zillow.

"As we think about housing in today's world, the most important aspect should start with affordability. When home ownership is affordable, it has ancillary benefits," said Donald Tye, Jr.

"Ownership builds character, competence and integrity," Tye said.

"One thing that is completely missed by politicians and prejudice towards manufactured housing is the tax benefit."

Tye also points to problems - such as addiction - that are found in subsidized housing, notably in what he calls high rise tenements. **"Affordable home ownership is Human Capital Investing as opposed to warehousing humans like cattle in a corral."**

Tye describes himself as a political independent and is pragmatic. He's often frustrated with both progressive and GOP proposals.

Tye explained that public housing – an entitlement – often yields addiction. Ownership vs. renting or living in "projects" leads to integrity, a view he likens to those of Dr. Martin Luther King, Jr.

<http://www.MHProNews.com/blogs/daily-business-news/two-great-laws-already-on-the-books-now-can-unlock-billion-annually-for-manufactured-housing-industry-businesse-investor/>

Two. The HUD Code is supposed to be performance based. See the video interview with prior program director, Bill Matchneer, in the report [linked here](#). Any efforts to move the industry towards prescribed building standards as opposed to performance based standards is a misunderstanding and abuse of what the HUD Code is supposed to do.

Three. The 10/10 rule for **FHA Title I loans** ought to be immediately removed, and authority for making such loans be given to responsible, proven, current or new industry lenders. As the [Smoking](#)

[Gun 2' and related reports noted](#), the iron grip of Berkshire Hathaway over industry lending must be broken, if the industry is to thrive again.

There are also **FHA Title II reforms needed**, specifically that force a *proper* appraisal of manufactured homes on land-home or lease-hold scenarios. The Title II rules for use in leaseholds also need a modest tweak that ends the need for selling a community to resident ownership within 5 years. Doing so would open up market-rate lending to qualified buyers in lease-hold situations. Safeguards have already been tested more than a decade ago that demonstrate that this can be done in a fashion that yields performing loans.

<https://www.manufacturedhomelivingnews.com/entry-level-v-residential-style-manufactured-homes-modular-homes-and-mh-appraisals-tom-papszycki-arrowhead-homes-inside-mh-video-interview/>

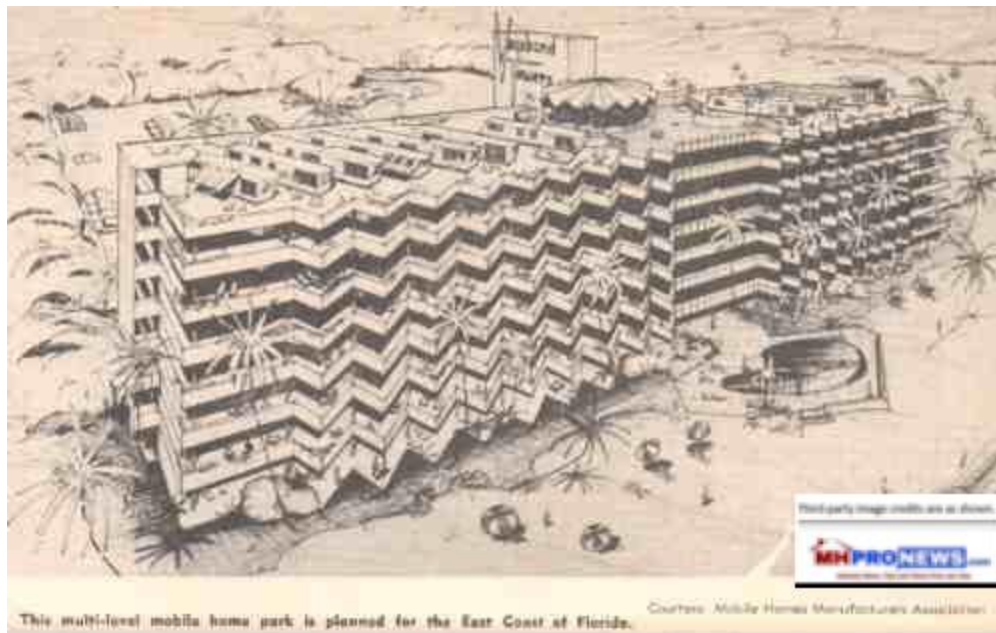
Four. **Removable chassis.** There is no logic for mandating that the frame and running gear must stay with the home. The industry has asked for this common-sense reform for about 20 years. It would save home buyers money, allow for a lower profile and more residential installation, plus is more environmentally conscious.

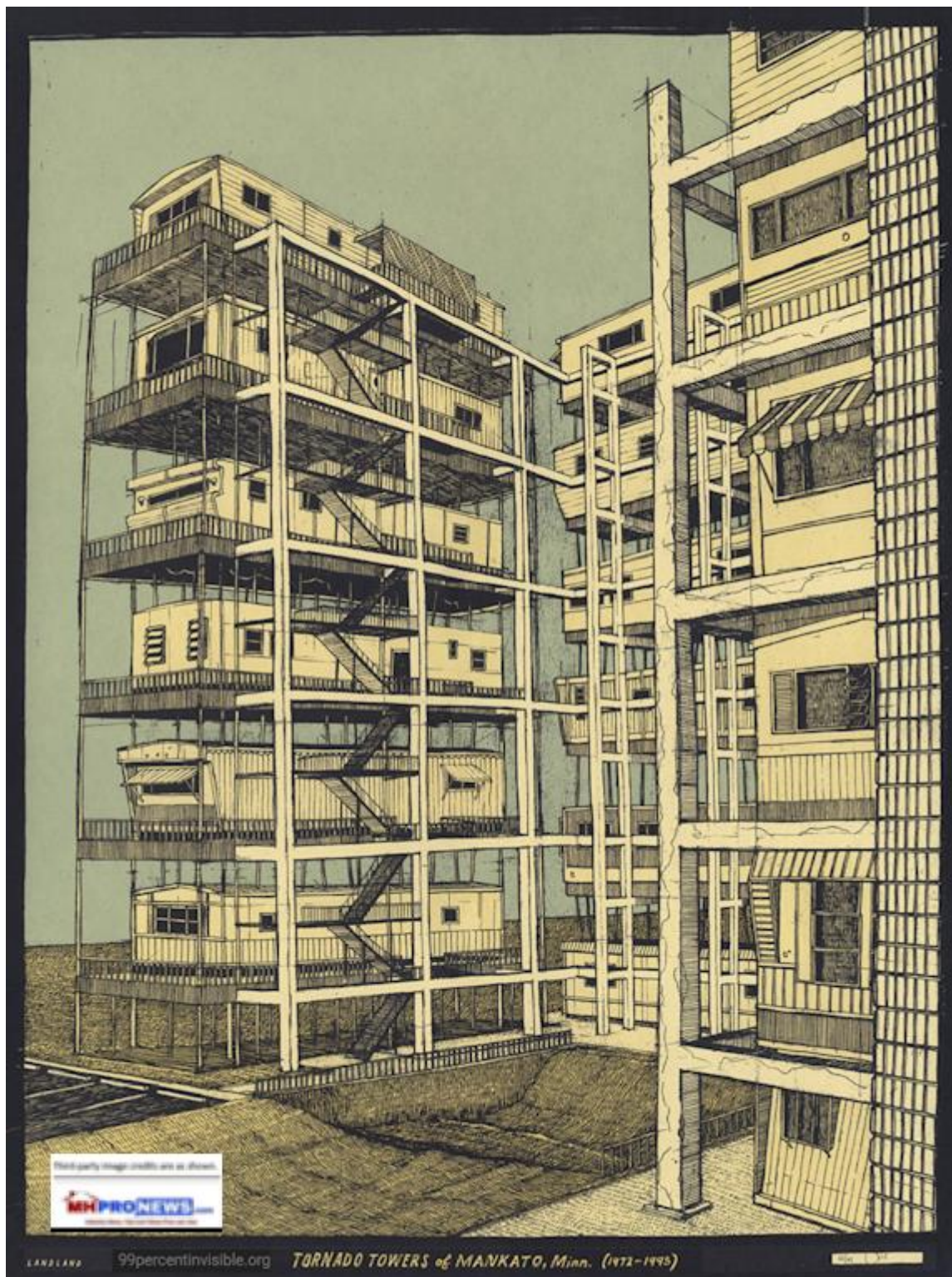
Five. There are comments already posted, and linked below, on topics such as on-site completion, frost free foundations, and other examples of HUD overreach that I'd like you to consider as part of my own comments.

<http://www.MHProNews.com/blogs/daily-business-news/federal-manufactured-housing-program-review-comments-due-next-week-2-26-2018/>

Six. The **next HUD code MH program administrator ought to be Vic DeRose**, whom MHI and MHARR both agreed upon formally 4 years ago. He, or any other person selected for this role, ought to be a non-career appointee, as the law calls for in the Manufactured Housing Improvement Act of 2000.

Seven. Concepts were **envisioned some years ago for the use of HUD Code homes in multi-story construction**. In certain urban and suburban settings, these kinds of designs ought to be analyzed and put to work.





<http://www.MHProNews.com/blogs/daily-business-news/reaching-for-the-sky-multiple-level-hud-code-manufactured-homes/>

Reaching for the Sky, Multiple Level HUD Code Manufactured Homes

February 21st, 2018 soheyla

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The Bottom Line

Vice President Mike Pence, who sources say is well informed on manufactured housing because he was governor in a HUD Code manufactured home producing state, said several times last year that the Trump Administration should be in the promise keeping business and should enforce the law.

If the Manufactured Housing Improvement Act of 2000, enhanced preemption and the points noted above are put to work, the cost for housing programs would come down naturally in the years ahead, because private enterprise would be free to create more affordable housing by using manufactured homes.

Thank you for your consideration of these thoughts and suggestions. Please consider our operation for any further needs that HUD may have in making these reforms a reality.

Respectfully,

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<https://www.manufacturedhomelivingnews.com/deadline-looms-federal-request-for-comments-on-manufactured-housing-program-and-you/>

