The official magazine of the NCMHA November / December 2022





North Carolina

MANUFACTURED AND MODULAR HOUSING NEWS



- NC Supreme Court Sides with Building Industry
- 2022 Annual Meeting
- Election Results/Legislative & Regulatory Updates







The North Carolina Manufactured and Modular Housing News is published as a benefit of membership in NCMHA 4911 Departure Drive, Raleigh, NC 27616

Features

- 7 2022 Annual Meeting
- 11 Manufactured Homes Could Be Lifesaver For Housing Shortage
- 15 NC Supreme Court Sides with Building Industry
- 16 Legislative Update
- 17 NCMHA/NCDOT Safety Roundtable Update

Departments

- 2 President's Message
- 4 Calendar of Events
- 5 Insurance Commissioner's Column
- 13 Executive Director's Column
- **19 New Members**
- 22 Statistics



Kent Suits

After a long and hot summer, we, as an association start our year with a new Board of Directors and Executive Committee. I wanted to begin by thanking you for electing me to serve as your president. I am very excited about working alongside a great group of people dealing with issues that are important to all of us in this association.

With that said, we have a lot of work ahead of us! As you all know, we have some very exciting and tough challenges to face as we all continue to forge ahead in this floundering economy. As we face these challenges, I am asking everyone to give of your time to our industry. Time spent helping our industry's causes is the equivalent of helping in your own business.

It takes all of us to make a successful association and the hard work and dedication of our members over the years has made us what we are today – one of the most respected state associations in the industry. The more our members participate at the state and local levels, the healthier our industry will be. Our efforts can build this industry and make it even stronger, but it will require commitment and participation.

We already have assurances from many of you to serve on one or more of our committees. I am very proud of all the members that give their time to this association year after year. This year, I not only want to encourage the rest of the membership to get involved, but I also want to challenge those familiar faces that show up on a regular basis to help to encourage others to be involved as well. Sometimes we just need a little "peer pressure" to get us going!

I hope I can count on all of the association members to join me in our endeavors in the upcoming year. Our industry can do a lot for the people of North Carolina, but we need to be given the chance to prove it. No one will just give us the chance; we will have to create our own opportunities. We can't create opportunities without the help of our members.

As I said earlier, I think this year will be full of exciting challenges and opportunities. With your help, it will be a year of building and growth. Please commit to your industry and your association. I promise you that together we can make our industry even stronger and more effective.

Kent Suits, NCMHA President 2022/2023

It takes all of us to make a successful association and the hard work and dedication of our members over the years has made us what we are today one of the most respected state associations in the industry.

Best Wishes for Peace & Joy this holiday season and a New Year of Health, Happiness & Prosperity

NCMHA Board of Directors & Staff

2022/2023 NCMHA Board of Directors

Executive Committee

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Kent Suits, Suits Homes, Inc.

1st Vice President

Joe Earnhardt, Clayton Manufacturing -Rockwell

2nd Vice President

Billy Owens, Clayton Manufacturing -Richfield

Treasurer Cindy Barringer, Patrick Industries, Inc.

Secretary

Jeff Jones, Down East Realty & Custom Homes of Kinston

Immediate Past President Dascheil Propes, Atlantic Intermediaries

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Retailer Representatives

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Finance/Insurance Representatives John Bowers, South State Bank

Community Developer Representatives

Luke Foster, Foster Enterprises, LLC Michael Blackburn, Blackburn Development, LLC

Service/Supplier Representatives

Tom Remer, Weyerhaeuser Company Mark Johnson, Batchelor Supply, Inc.



Roger Lee McCarter October 20, 1960 -October 31, 2022

NCMHA Board Member Passes

The NCMHA Board of Directors lost a great friend, co-worker and industry advocate with the passing of Roger McCarter. Roger served on the NCMHA Board since 2016 as the Retailer Multi-lot representative. He worked for Clayton Homes for over 40 years where he formed many friendships that held a very special place in his heart. Roger loved his work family and found great pleasure serving alongside them. We will miss him.

Calendar of Events

Registered Housing Specialist Seminar & State Test

NCMHA, Raleigh, NC Seminars & testing are being held monthly, attendance is on a first come first serve basis You must have a temporary license to attend. Submit your registrations and you will be contacted with the first available date.

February 2023 (Date TBD)

NCMHA Board of Directors Meeting NCMHA, Raleigh, NC

Mid-March/Early April 2023 (Date TBD) 2023 NCMHA Legislative Day Raleigh, NC

May 2023 (Date TBD) NCMHA Board of Directors Meeting NCMHA, Raleigh, NC

May 31^{st-} June ^{1st}, 2023

2023 NCMHA Annual Meeting & MaHPAC Golf Tournament Holiday Inn Resort, Wrightsville Beach, NC

September 2023 (Date TBD) NCMHA Board of Directors Meeting NCMHA, Raleigh, NC

October 14th- 24th, 2023

NC State Fair NC State Fairgrounds, Raleigh, NC

December 2023 (Date TBD) NCMHA Board of Directors Meeting NCMHA, Raleigh, NC

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Communication is The Key To Good Customer Service



The manufactured housing industry has experienced an upswing in recent years. Higher mortgage rates could affect that. Whatever happens, having good cus tomer service will be a key to a healthy industry.

A slowdown that has affected the overall housing in-

dustry has left its mark on the manufactured housing industry. This presents an opportunity for growth in the manufactured home industry to attract consumers looking for more affordable housing.

Consumers, who may find themselves suffering through difficult economic times, are going to expect – and even demand – top-notch customer service after making such a major purchase. How manufacturers and sellers respond to complaints or requests for warranty service could have a major impact on the growth of the manufactured housing industry.

If they perceive that the dealers and manufacturers are working to resolve their issue, their friends will hear about it. This won't happen unless dealers, manufacturers and installers are communicating with each other and the consumer to address the issues. It's also a good idea to keep the manufactured housing staff at the Department of Insurance in the loop so that these cases don't escalate into bigger issues.

Communication is the common element missing in many of the complaints received by my staff. Never assume that everyone is responding in a concerted effort to resolve a consumer's complaints.

The dealer is usually the main contact for the consumer. It's important for the dealer to follow up constantly with each group involved to make sure the final product is built, delivered and installed in a satisfactory manner.

There will always be consumers who are not satisfied with their home, whether from buyer's remorse or expecting something different than what was delivered. At times, customer service may seem like a thankless job, even though you go the extra mile to make sure they are happy and are living in a secure, well-built affordable home. However, providing good customer service does pay off in the end. Customer service is always important to the reputation of any industry, including the manufactured housing industry. That importance is amplified as we emerge from the pandemic.

Sales are the lifeblood of any industry. Good customer service tends to bring new referrals and repeat business when the consumer knows that someone will respond to the problems they may encounter in the purchase of a manufactured home.

It is apparent to me that a lot of people take pride in their work and the reputation of the industry. I want to thank all of you who have so willingly helped distressed consumers. I encourage everyone to continue always stressing customer service.

We are always willing to assist you with any problems you may experience. Please contact us with any issues you may have.

Thanks to everyone who helps make manufactured housing a better industry for North Carolina. Your extra efforts do not go unnoticed.



LaVasque Winner Scott Harker



The James E. LaVasque Award is the highest honor bestowed upon a member of NCMHA. The award is presented annually to a member who embodies the high standards, vision and leadership ability of Oakwood Homes President James E. LaVasque, an industry pioneer who was one of the founders of the association and served as one of its first presidents.

This year, Scott Harker joined the distinguished list of the LaVasque award recipients in tribute to his years in the industry.

After graduating from Boise State University in 1972 Scott immediately began his lifelong professional career in the factory-built homebuilding industry. Not having any money and cashing in his savings account, he bought a suit and applied as a production line worker with Fleetwood Homes in Nampa, Idaho. He probably is the only production line worker to apply for

a job wearing a business suit. It must have certainly impressed them because soon after he was painting hitches for mobile homes! During his Fleetwood career he worked at several Fleetwood plants, after his time at the Nampa, Idaho plant he transferred to Baxley, Georgia then on to Pembroke, NC, where after a few years transferred to Elizabethtown, PA and finally settled back at the Pembroke, NC plant where he was General Manager over a 2-plant operation. During his time as General Manager he received several awards and took the Pembroke plant to one of the highest earning and no lost time because of injuries plants in the Fleetwood brand. He was a dedicated General Manager and thought of highly by his peers and employees as a man of his word and trustworthy. During his 36-year career, some of the people most instrumental and influential to him at Fleetwood were Don Good, Don Olmstead and Doug Palestine.

Never one to sit still for long, after retiring from Fleetwood Homes Scott went on to open his own realty firm and is broker in charge in both NC & SC. Along with the realty firm he owns and operates a manufactured housing community with his wife of 54 years. In his spare time, he enjoys boating, saltwater fishing and traveling, he and his wife have traveled to 43 countries. He's a strong believer in positive motivation which he passed along to his daughters, enjoys numbers and all those kinds of geeky things. He continuously researches, if he doesn't know an answer, he will try to find it.

Congratulations Mr. Scott Harker!!!







NCMHA's 2022 Annual Meeting at the Holiday Inn Resort, Wrightsville Beach kicked off Wednesday morning, June 8th, at the Magnolia Greens Golf Course with MaHPAC's annual Golf Tournament, while non-golfers enjoyed an afternoon of Wine & Design exploring their artistic abilities.

Wednesday evening members gathered for the Welcome Reception in the hotel ballroom featuring Casino Night. Attendees networked while enjoying heavy hors d'oeuvres and a host bar, browsing the silent auction and participating in some friendly gaming competition.

President Dascheil Propes welcomed members to the Business Meeting Thursday morning, June 9th and called up Mike Smith to present the Nominating Committee report. There were no additional nominations and the officers were elected unanimously by acclamation. Kent Suits, Suits Homes Inc., was elected to serve as President; Joe Earnhardt, Clayton Manufacturing - Rockwell as First Vice President; Billy Owens, Clayton Manufacturing - Richfield as Second Vice President; Cindy Barringer, Patrick Industries, Inc. as Treasurer, Jeff Jones, Down East Realty & Custom Homes of Kinston as Secretary; and Immediate Past President Dascheil Propes, Atlantic Intermediaries will continue to serve on the Executive Committee.

Following election of the officers attendees broke out into their respective division meetings, elected Board division respresentatives and discussed any relevant issues.

The Election of the new Board was followed by NCMHA recognizing outstanding members with a variety of annual awards. Scott Harker was

7

honored with the prestigious LaVasque Award, the highest honor bestowed upon a member of NCM-HA. Rob Roegner Senior Deputy Commissioner, NC Department of Insurance was presented with the Steve Zamiara Excellence in Government Award. Cindy Barringer, Luke Foster & Rick Hill received Certificates of Appreciation for their service on the Manufactured Housing Board. Cindy Barringer was named Rollan Jones Member of the Year for demonstrating outstanding service to NCMHA and the industry during the past year. Silverpoint Homes-Whitsett was named Independent Retailer of the Year and Clayton Homes of Fayetteville was awarded Multi-lot Retailer of the Year. Frank Gray received the President's award in appreciation of his continued support and dedication to the industry and NCMHA. Special guest Joe Sadler was presented with a retirement gift and recognized for his years of service at the NCDOI working with the Association.

The awards were followed by an informative presentation by Michael L. Walden, PH.D. – President of Walden Economic Consulting, LLC, on the current state of the economy and where it is headed. Attendees were then treated to an industry update by the North Carolina Department of Insurance Chief State Fire Marshal Brian Taylor.

President Dascheil Propes then handed over the reins to the newly elected president Kent Suits who thanked him for his years of service as president and presented him with a plaque and gift. President Suits then spoke briefly about his upcoming year at the helm of the association



Meeting



















<u>Certificate of Appreciation</u> <u>Manufactured Housing Board</u> Luke Foster Cindy Barringer Rick Hill

2022 Annual



<u>Rollan Jones Member of the Year</u> Cindy Barringer



<u>President's Award</u> Frank Gray



<u>Steve Zamiara Excellence in Government Award</u> Rob Roegner Senior Deputy Commissioner NCDOI



<u>Multi-lot Retailer of the Year</u> Clayton Homes of Fayetteville



Independent Retailer of the Year Silverpoint Homes-Whitsett

¢

Meeting











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Special Event Clayton Homes Retail & Manufacturing Cavco Industries, Inc.

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Gold Level

Frank's Home Place, Inc. NC Electric Cooperatives Style Crest, Inc. Triad Financial Services, Inc.

Silver Level

Credit Human F & M Mortgage Patrick Industries, Inc. RBC Wealth Management ROC USA Silverpoint Homes

Bronze Level

Batchelor Supply, Inc. Clayton Manufacturing Oxford Clayton Manufacturing Richfield Clayton Manufacturing Rockwell Dana Hill Community F & M Mortgage Park Lane Finance Solutions, LLC Tonnie & Marilyn Prevatte Style Crest, Inc. TriState Distributors

Report: Manufactured Homes Could Be Lifesaver For Housing Shortage

By Ben Nelms Posted September 30, 2022 In Manufactured Home News, Manufactured Homes, Manufactured Housing News

Manufactured homes, which tend to be a more popular choice in rural areas, could help significantly in providing more affordable housing, but policymakers will need to make some changes for that to happen, according to a new report examining the issue, as reported by the Daily Yonder.

The Urban Institute recently released a report looking at the role manufactured homes could play in easing the housing shortage. According to the report by Karan Kaul and Daniel Pang, it would take an additional 3.8 million units to meet demand. In fact, the National Association of Realtors estimates that a slower annual pace of residential completions from 2001 to 2020 relative to the annual pace from 1968 to 2000 has resulted in at least 5.5 million fewer units being built from 2001 to 2020.

U.S. short somewhere between 3 to 6 million new homes

"We're somewhere in between 3 to 6 million units short compared to where we ought to be, and that can largely be attributed to under-building in the last decade or so after the housing bubble," Kaul said in an interview with the Daily Yonder.

Manufactured housing is more prevalent in rural areas, according to Prosperity Now

In 2017, manufactured homes made up about 3% of all urban housing and 15% of all rural housing, according to the American Housing Survey.

Average price of a new site-built home is \$365,900 - A new Manufactured Home is \$108,100

To start with, it's more affordable to own a manufactured home, according to the report. It says the average sales price for manufactured homes in 2021 was \$108,100, excluding land, according to the U.S. Census Bureau's Survey of Construction and its manufactured Housing Survey. As of January 2022, the average sales price had increased to \$122,500 due to customer demand, high inflation, and continued labor shortages. In comparison, the average price of new site-built homes in 2021, excluding land, was \$365,900.

"The average price of manufactured homes last year was about a third of the average for a site-built home excluding land. And so that's a huge, huge advantage right there," Kaul said.

Still, there is prejudice about manufactured housing, but Kaul believes that is going away as more people realize that manufactured homes can be quality constructed.

Kaul said manufactured homes have traditionally been more of a rural product than an urban one and believe that will remain the case.

"But the point of the paper is that because of the affordability crisis we're seeing everywhere . . . the economics of buying a manufactured home for a homebuyer has just improved drastically because of the price

differential that exists today between the two types of housing. The same holds true for homeowners in rural areas," he said.

Unlike in urban areas, Kaul thinks zoning is probably less of an issue in rural areas. More than half of all manufactured homes are located in rural areas around the country and these types of structures make up 13% of all occupied homes in rural and small-town communities, according to the Housing Assistance Council.





Scott Morton Educational Trust 2022 Scholarship Recipients:

The Scott Morton Educational Trust has awarded over 236 scholarships totaling more than \$170,000 since it was established in 1989 in memory of Executive Director Patsy Morton Rumbley's son whose life ended in a tragic dirt bike accident March 1988. The Trust supports the pursuit of higher education by awarding annual cash stipends to graduating high school seniors, adults attending college, junior college or technical school, or students with special educational gifts or needs that have a family member in the manufactured or modular housing industry and whose company is a member of the Association. The recipients represent the ambition, love of life and faith in the future exemplified by Scott.



Ellie Bell



Jazmin Rendon



Kaleb Risen



Lindsey Curling



Alyssa Winchester



McKenzie Lane

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Brad Lovin Executive Director

The November elections are now over and after all the dust has settled, not much really changed. At least on the legislative front. Even after millions of dollars raised and spent control of the legislative branch didn't really change who's in control and how the Governor can affect legislation. There is one big exception though, control of the NC Supreme Court, which may have a tremendous influence on legislative priorities. It's hard to put into words how important that change may be. Liberal advocacy groups have frequently relied on the democrat controlled NC Supreme Court to halt or overturn Republican legislative priorities and legislative action.

North Carolina Senate Republicans won a supermajority by winning 30 of the 50 seats in the Senate. This means that they will be able to override Governor Cooper's vetoes. However, and very important to note, House Republicans missed a supermajority by one seat, winning 71 seats. They needed 72 to gain a supermajority. Next year's session is

now expected to be high drama with lots of pressure on moderate Democrats to vote with Republicans to override vetoes. Democrats will have to show up to every single session vote—or else vetoes will likely be called up to a vote in their absence.

Leadership in both chambers is not expected to change much other than a few members getting shifted around on various committees. Sen. Phil Berger will most likely be the leader of the Senate as President pro-tempore. And on the House side, Tim Moore will most likely be re-elected Speaker of the House of Representatives, making him one of the longest serving speakers in NC history.

After a review of North Carolina's results, six incumbent legislators will lose their seats to challengers. All six are in the state House of Representatives:

- Larry Yarborough, a Republican representing Granville and Person, lost to Democrat Ray Jeffers
- Howard Hunter III, a Democrat representing Gates, Hertford and Pasquotank, lost to Republican Bill Ward
- Brian Farkas, a Democrat representing Pitt, lost to Republican Timothy Reeder
- James D. Gailliard, a Democrat representing Nash, lost to Republican Allen Chesser
- Terry Garrison, a Democrat representing Granville, Vance and Warren, lost to Republican Frank Sossamon
- Ricky Hurtado, a Democrat representing Alamance, lost to Republican Stephen Ross

As I mentioned, the most impactful result of the November elections was in the NC Supreme Court. Republicans won back the majority moving the court to a 5-2 Republican control. Republicans Trey Allen and Richard Dietz defeated Democrats Justice Sam Ervin IV and Judge Lucy Inman. The Supreme Court could see important cases related to voting rights, redistricting, education spending, and many other important issues facing our State.

One final thought on the elections, was the performance of MaHPAC. As you know MaHPAC is our political action committee. Our members raise money through personal contributions, and it's distributed to candidates who support and are willing to listen to issues facing manufactured and modular homes. I am happy to report that we had a 100 % success rate and effectiveness with our MaHPAC donations. That means every candidate that we contributed to, won! This continues our long history of making donations and giving support to winning candidates. Thank you to all those who contributed and provided helpful in-site on various elections across NC.



2022 State Fair Home Showcases Advances in Factory Built Design & Technology

Once again 60,000 plus consumers were amazed by the advances in design & technology displayed in the factory built home at the North Carolina State Fair. The 1,820 sq. ft. manufactured home, sponsored by NCMHA and built by Champion Homes in Lillington, NC featured an open floorplan with an abundance of amenities and upgrades. The four bedroom two bath home kitchen featured hardwood shaker cabinet doors, a side by side stainless steel refrigerator, a large island with a stainless steel farm kitchen sink including a pull down faucet and a 30" smooth top electric range with a venetian range hood that fairgoers found very impressive.

Other features included 1/4" finished sheetrock (including closets), 3 5/8" crown molding and 3 1/4" base board throughout, an Ironclad Entertainment center and a bank of drawers in both the master and hall bath.

Word of mouth and a prime location near gate 2 kept the traffic flowing through the home throughout the 11 day event. A special thanks to all of the companies



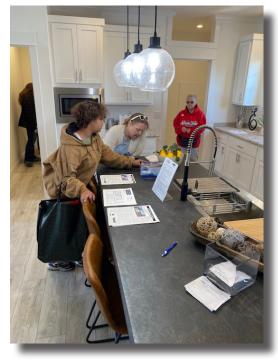


that sponsored this project including: Champion Homes, Lillington who provided the home, Batchelor Supply, Inc. who provided the NovikStone® Artisan Cut Panel skirting and Blevins Inc. who provided the HVAC.

The Regulatory Affairs committee, who spearhead this project, would also like to thank each and every member who gave up time to "man" the house. This project is the biggest and most effective public relations event of the year and it would not have been a success without their help!

A list of consumers that toured the house and would like more information on factory built housing is available to NCMHA members. Contact Dana Fox at (919) 872-2740 or dana@nc-mha.org





NC Supreme Court Sides with Building Industry, Establishes Safeguard Against Local Government Permit "Extortion"

By John F. Scarbrough and James R. DeMay, Attorneys for the Plaintiffs

On August 19, 2022 the North Carolina Supreme Court decided a case that every builder should know about. It is Anderson Creek, L.P. v. County of Harnett. The Supreme Court reversed the NC Court of Appeals by deciding that a local government cannot require a builder or developer to give up property (whether it be land or money) in order to get a development permit unless the local government's requirement is "proportional" to the public costs of the proposed development.

In other words, the local government "demand" must be proportional to the "impact" the project will cause. Permit conditions that fail to pass this test of reasonableness are nothing more than an "out-and-out plan of extortion" and an unconstitutional "taking" of the builder's property.

While the legal principles discussed in the case are complex, their real-world application is straightforward. What follows is an actual scenario encountered by a builder and how the Anderson Creek ruling would stop this city's overreach.

A local builder owns land within the city limits and wishes to build a 150-home subdivision. To do so, the builder must connect the subdivision to an existing pump station owned by the city which currently serves other developments in the area. The pump station is old and in need of repair; it will also have to be upgraded to serve the builder's proposed subdivision.

Reluctantly, the builder offers to rehabilitate and upgrade the city's pump station at his own expense – a cost of over \$750,000.00. The builder views this as a more than generous offer since a lot of the work needed for the pump station is the result of years of service to existing developments (and a lack of city maintenance) and it not being caused by the need to expand capacity for the builder's new subdivision.

Nevertheless, city staff wants more. They show the builder an ordinance which requires him to pay "a onetime fee equal to the present worth of the cost for the city to operate and maintain, rehabilitate, and repair the pump station... in perpetuity." This "one-time fee" is calculated by city staff and is in addition to the \$450,000.00 in water and sewer "system development fees" the builder already has to pay to connect 150 homes to the city's water and sewer systems.

To recap: "negotiations" with city staff have left the builder (1) paying over \$750,000.00 for pump station upgrades needed because of years of service to other developments; (2) paying a "one-time fee" for the city to maintain its own pump station "in perpetuity," which is set at the discretion of city staff; and (3) paying \$450,000.00 in system development fees which are supposed to reimburse the city for the cost of allowing the proposed subdivision to use the city's water and sewer systems, including the pump station.

Before Anderson Creek, the builder's options may have been limited to filing a lawsuit challenging the city's statutory authority to charge the pump station fee, or perhaps lobbying the city council to do away with the ordinance. However, it was unclear whether the builder could challenge the "pump station fee" as being "unreasonable" or an unconstitutional "taking."

The importance of Anderson Creek is that now the city must prove that its demands of this builder are reasonable and not merely a money grab. Clearly, the city cannot pass this constitutional test. After all, the builder is going above and beyond what would be necessary to mitigate the impact of his proposed development – he is not only paying to upgrade the pump station but will have to pay a system development fee each time he requests a building permit. (Under these circumstances, the system development fees might even be excessive considering the builder's work on the pump station.)

Such "negotiations" with local government take place every day across North Carolina, with the deck always stacked in favor of the local government – if the builder doesn't meet staff's demands, no permits will be issued and the project likely ends. It's the proverbial "offer that can't be refused." With Anderson Creek, the North Carolina Supreme Court has taken steps to even the playing field — because a local government's permits are never more valuable than a landowner's constitutional rights.

1 The North Carolina Home Builders Association (NCHBA) joined the Pacific Legal Foundation in filing an amicus curiae brief in support of the plaintiffs.

John Scarbrough is a partner with the law firm of Scarbrough, Scarbrough & Trilling, PLLC. James ("Jim") DeMay is a partner with the law firm of Milberg, Coleman, Bryson, Phillips & Grossman. In addition to Anderson Creek, L.P. v. County of Harnett, Jim and John have successfully represented builders and developers in landmark Supreme Court cases such as Quality Built Homes v. Town of Carthage (illegal water and sewer impact fees) and Lanvale v. Cabarrus County (illegal school impact fees). John can be reached at (704) 782-3112 and Jim can be reached at (704) 941-4648.

State Legislative Update

HB 911- Regulatory Reform - https://www.ncleg.gov/BillLookUp/2021/H911 (NCMHA Priority and Supported- Bill Passed is now Law)

THIS BILL EXEMPTS OFF-FRAME MODULAR HOMES FROM CERTAIN DESIGN ELEMENTS REQUIRED BY THE NORTH CAROLINA BUILDING CODE. A modular home is statutorily defined as a factory-built structure that is designed to be used as a dwelling, is manufactured in accordance with State Residential Building Code specifications for modular homes, and bears a seal or label issued by the Department of Insurance pursuant to G.S. 143-139.1.

To gualify for a label or seal signifying manufactured in compliance with the State Building Code, a modular home intended for single-family use must comply with certain requirements for roof pitch, eave projection, minimum height of the first-story exterior wall, siding and roofing materials, and foundations, as set forth in G.S. 143-139.1(a).

Section 9 would amend G.S. 143-139.1(a) by making it applicable only to single-family modular homes that are built on a frame. Modular homes that are not built on a frame would not have to meet the requirements set forth in this subsection to be certified as having been manufactured in compliance with the State Residential Building Code.

HB 1110- Mobile Home Park Regulations- https://www.ncleg.gov/BillLookUp/2021/h1110 (NCMHA Opposed and was Defeated)

THIS BILL WOULD CREATE A HOST (29 PAGES) OF REGULATIONS ON MANUFACTURED HOME COMMUNITES AND PARKS. It would direct the NC Human Rights Commission to set up a dispute resolution program and enforcement program, require forced mediation, require community owner to pay for cost of moving tenant, restrict the community owners right to sell property, require community to host HOA's/renters group meetings, restrict community owners right to rent lot, require fees for Human Rights Council to monitor complaints, and many more stringent regulations.

HB 1114- NC Affordable Housing Act- https://www.ncleg.gov/BillLookUp/2021/H1114 (NCMHA Opposed and was Defeated)

THIS BILL WOULD PROHIBIT USING SOURCE OF INCOME AS A DETERMING FACTOR IN A REAL ESTATE TRANSACTION. AND WOULD CREATE A 25,000,000 FUND FOR NONPROFITS TO PURCHASE MANUFACTURED HOME PARKS.

SECTION 2. The Manufactured Home Park Acquisition Fund is hereby established as a non-reverting special fund in the North Carolina Housing Finance Agency. There is appropriated from the General Fund to the Manufactured Home Park Acquisition Fund the sum of twenty-five million dollars (\$25,000,000) in nonrecurring funds for the 2022-2023 fiscal year to be used by the North Carolina Housing Finance Agency to provide grants to nonprofits, public housing authorities, and manufactured dwelling park nonprofit cooperatives to purchase manufactured home parks for the purpose of providing affordable housing.

SB 496-Department of Insurance Omnibus Bill- https://www.ncleg.gov/BillLookUp/2021/s496 (NCMHA No Position- Passed and is now Law)

THIS BILL WOULD MAKE SEVERAL CHANGES TO THE OPERATION AND POLICIES FOR THE NC DEPARTMENT OF INSUR-ANCE. SECTION 7 WOULD MAKE CHANGES TO THE MANUFACTURED HOUSING BOARD AND BRING IT INTO COMPLAICE WITH FEDERAL LAW. SECTION 7. Would codify the definition for "qualifier" currently found in administrative rules under 11 NCAC 08 .0912. It would specify the name of engineering standards adopted by the Commissioner as "State of North Carolina Regulations for Manufactured Homes." It would also conform penalties for violations related to manufactured housing standards under Chapter 143 of the General Statutes with federal law.

SB 372- Electrical Licenses/Wastewater/Sedimentation/Development Reform- https://www.ncleg.gov/BillLook Up/2021/5372

(NCMHA Priority and Supported- Bill passed and is now Law)

THIS BILL WOULD MAKE VARIOUS CHANGES TO THE ELECTRICAL LICENSING, WASTEWATER, BUILDING CODE AND DEVELOPMENT LAWS OF THE STATE. In particular (please note the ** as these are important changes),

**Section 4: This section would change the sunset date for a provision that allowed licensed soil scientists without an Authorized On-Site Wastewater Evaluator (AOWE) certification to approve on-site wastewater system projects. The current sunset is tied to the expiration of Executive Order 116, and this section would change that sunset to January 1, 2023.

**Section 5: This section would make the following changes to the statutes governing on-site wastewater systems:

- Establish a 10-business day limit for local health departments (LHD) to review certain on-site wastewater permit applications where a licensed soil scientist or licensed geologist submits soil evaluations, including establishing a 10-business day limit for required pre-construction conferences and allowing a licensed engineer or an AOWE to conduct the pre-construction conference.
- Clarify that LHDs are not liable for any liabilities arising out of soil evaluations submitted by or pre-construction conferences conducted by non-LHD personnel, but that LHDs retain liability for existing obligations under law
- Allow an engineer to submit a site plan instead of a plat to an LHD as part of the Notice of Intent to Construct pursuant to the Engineered Option Permit (EOP) process for on-site wastewater systems.

Continued on page 21

NCMHA/ NCDOT Safety Roundtable - Update

NCMHA meet with NCDOT Staff on Tuesday March 1st to get an update on the issues that our joint Safety Roundtable produced. Below is an update. We are extremely thankful and proud of the working relationship between NCMHA and NCDOT. Over the years, we have come together to solve many of our issues and most importantly help ensure our homes are transported safely. State Traffic Engineer, Kevin Lacy, repeatedly tells me that he uses our working relationship as an example of "how to do it right" with other transportation industries.

1.) Elimination of the travel time restrictions (9:00am-2:30pm) for 16' wide homes.

NCDOT fully supports this effort and has begun the process of an Administrative Rule Change. Eliminating the time restrictions and changing it to sunrise-sunset, will bring our industry in line with other oversize commodities. This will take time because of the rule making process. However, it is important to point out again, NCDOT fully supports our efforts and is moving forward with the change.

Meanwhile, NCDOT has given its permit office staff authority to allow travel time extensions. If the transporter is closing in on the 2:30pm deadline, they can simply call the permit office and get an extension. NCDOT leadership indicated that the staff has been given broad flexibility in these situations.

2.) Special Extensions/Requirements of 16' wide- Required Equipment Rules.

NCDOT staff has agreed that the special restrictions for 16' wide homes can be removed. This will not eliminate the general required equipment and time restrictions (until we can get the time restriction changed through the administrative rule process as stated above). Here is a list of the special requirements from the NCDOT Handbook. Again, except for the travel time, the following will be eliminated, and we will have to comply with the general requirements just like all the other oversize commodities being transported. NCDOT staff will need to get the handbook and forms updated but have begun the process.

Special Rules: 16' wide mobile homes are a special extension of oversized permitting rules. While each permit will specifically list the special requirements, in addition to the required equipment, general requirements include:

Travel Times – Monday through Saturday only (plus holiday restrictions), with hours limited to 9 a.m. until 2:30 p.m.

Placement – the vehicle is to travel an average distance of 300' to 500' from the permitted vehicle whichever is appropriate for the geographical location.

Flashing Amber Bar Light(s): Mounted on top of the escort vehicle extending the full width of the vehicle's roof. The use of multiple bar lights will require the lights to be mounted continuously on the roof and connected at the base of the light.

Clear Lens Strobe Lights: Mounted in the front of the vehicle (Ex: in grill or mounted with signal lights) operating while performing the duties of an escort vehicle.

Yellow Sign/Banner: Bearing the legend "WIDE LOAD" or "OVERSIZE LOAD" in black 10" x 1½" brush stroke lettering and include the width of the home (Ex: "OVERSIZE 16' LOAD"). The banner shall be mounted on top of the escort vehicle and extend the entire width of the vehicle.

Red or Orange Flags: 18" X 18" mounted on top of the escort vehicle on each side of the banner.

3.) Tractor/Toter issues for Dormers.

NCDOT has agreed that the interpretation and definition of the MH/MOD toter unit is indeed a tractor. Transporters applying for a permit should fill out the application with the following:

Carriers of dormers in-line need to state when requesting permits.

- Power Unit: Tractor
- Semi-Trailer is 53' (need to make sure that the trailer they are using is 53' or less.)

The definition of Semi-Trailer according to the Uniform Vehicle Code is as follows: Every vehicle with or without motive power, other than a pole trailer, designed for carrying persons or property and for being drawn by a motor vehicle and so constructed that some part of its weight and that of its load rest upon or is carried by another vehicle.

NCDOT Oversize/Overweight permits for dormers will follow the rule from above.

P.D.A.T.E.

4.) Convoying/Two Mile Rule

NCDOT has agreed to add language to the permit/policies and clarify that issues such as construction zones and accidents that consolidate traffic to no fault of the transporters, will be given a temporary exemption to the convoying/ two-mile rule. NCDOT will be updating its permits and policies to reflect this change. Please keep in mind it is the NCDOT's intent that once the issue that consolidated traffic resolves itself, the two-mile rule will be enforced. As you can understand the exact wording and policy change will be a little tricky. NCMHA will work with NCDOT on the language.

5.) Issues with Escort Driver Certification Courses.

NCDOT has confirmed that the community colleges around the state that offered escort driver certification training has resumed its classes. Classes had been suspended due to the COVID-19 pandemic. NCDOT also has contact information on private companies that are certified to give the training course. If someone wants information on the private companies that offer this training, please contact the NCDOT Oversize Permit Office.

6.) Turnaround Time for Issuing Permits.

NCDOT confirms that permits received by 3:00pm will be processed/issued the same day. NCDOT has installed new permitting software that will allow for even faster turnaround times.

7.) Over Height Annual Permits

The question of allowing annual permits to include over height homes by some during our safety roundtable meeting was discussed. NCDOT does not support this change. They consider this an extreme safety risk.

8.) PEVO Passenger Restrictions.

The questions of amending the escort driver rules to allow passengers without pevo certification to assist in the escort driver training. NCDOT currently does not support this change but is open to continuing the discussion. NCDOT is concerned about potential abuse of such a rule change.

NCDOI Manufactured Housing Board Members Sworn in



Neal Locklear Service Supplier Representative



Steve Stone Set-Up Contractor Representative



WRAL's Cullen Browder Tours Champion Manufacturing Plant -Lillington, NC

Welcome New Members

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A & A Mobile Home Solutions, LLC Greensboro, NC

Abbingley at Silas Creek Winston-Salem, NC

Accessible Homes, LLC Cary, NC

AG MGMT, LLC Gastonia, NC

Aggressive Properties and Development Hendersonville, NC

AHR Builders Rockwell, NC

Akiba Capital Group Raleigh, NC

Altus Pride Enterprise LLC Fort Mill, SC

Arrowood Mobile Home Park Charlotte, NC

Asheville Homes Swannanoa, NC

Brasstown Mountain Homes, LLC Murphy, NC

Bridlewood Properties, LLC Concord, NC

Brite Capital Holdings, LLC Hendersonville, NC

Caliber Development, Inc. Clayton, NC

Cardinal Buildings, LLC Garner, NC

Cardinal Homes of NC, LLC DBA Cardinal Homes Monroe, NC

Carolina Homes of Lumberton, LLC Lumberton, NC

Carolina Manufactured Homes Ocean Isle Beach, NC

Cavco Hamlet Hamlet, NC

Champion Homes of IN Topeka, IN

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CIS Financial Services, Inc. Paducah, KY

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Clayton Homes #1122 Mocksville, NC

Clayton Homes Corporation Ocean Isle Beach, NC Clayton Mobile Home Sales, LLC Prince George, VA

Cloud Base, Inc. China Grove, NC

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Country Lane Rentals Fayetteville, NC

Countryside MHP Sophia, NC

Cranbrooks Village Greensboro, NC

Crestview MHP, LLC Pineville, NC

Cypress & Cobb MHC, LLC Greenville, NC

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Davis Investment Properties Randleman, NC

Deer Run Estates Greenville, NC

Dogwood Hills MHP Hickory, NC

Down East Homes of Elizabeth City Elizabeth City, NC

Easy Living Homes Weaverville, NC

Edgewood Estates LLC Indianapolis, IN

Fairview MHC, LLC Greenville, NC

FCP MHC Land Co NC Sales, LLC - Charlotte Charlotte, NC

FCP MHC Land Co NC Sales, LLC - Raleigh Raleigh, NC

FCP MHC Land Co NC Sales, LLC - Sanford Sanford, NC

FDM Homes, Inc. Mars Hill, NC

Fortify Capital Group Fayetteville, NC

Garnet Holdings, LLC Elizabeth City, NC

Greenville Mobile Estates, LLC Pineville, NC

Hart Real Estate, LLC Morganton, NC Heartland Living, LLC Charlotte, NC

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Hermann Probst Pinebluff, NC

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HH Beech Grove MHP New Bern, NC

HH Colonial MHP Butner, NC

HH Woods MHP Durham, NC

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Holly Tree MHC, LLC Elon, NC

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Homestead Fletcher, NC

Hoopers Home Solutions, LLC Lumberton, NC

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Joshton Properties, LLC Sylva, NC

JV Mobile & Manufactured Homes Concord, NC

Kirkpatrick Properties Candler, NC

LadyBuilt Builders, Inc. Supply, NC

Lafayette MHC Fayetteville, NC

Lasso Homes, LLC New York, NY

Lochmere Village, LLC Cary, NC

Manufactured Home Investing, LLC Charlotte, NC

Welcome New Members

Martin & Martin Investments, LLC Lumberton, NC

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MCM, LLC Palm Beach Gardens, FL

Mebane MHP Mebane, NC

Merit Group, LLC Holly Springs, NC

MH Estates, LLC Chapin, SC

MHP Consulting, LLC Cornelius, NC

MindsofEvolution Today Consultants, LLC Charlotte, NC

Moffitts, Inc. Asheboro, NC

Morganton Woods MHC Morganton, NC

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MSI Homes, LLC Charlotte, NC

MTO Transport Inc. Cameron, NC

NC Propane Gas Association Raleigh, NC

New River Building & Construction Charlotte, NC

North Carolina Remodel Masters, Inc. Greensboro, NC

Orange MHP Durham, NC

Peacehaven Park, LLC Winston-Salem, NC

Piney Grove Estates Kernersville, NC

Pioneer Communities Charlotte, NC

Pleasant Acres MHP LLC. Dudley, NC

Pleasant Ridge MHP Reidsville, NC

Pleasant Ridge MHP Newport News, VA

Quartz Transport Auburndale, MA

R.H.E., Inc. Mooresville, NC

Radiant Real Estate, Inc.

Pisgah Forest, NC

Regional Homes of Brunswick, LLC Bolivia, NC

Regional Homes of Lumberton Lumberton, NC

RHAM Affordable Homes Waxhaw, NC

Ridgeview MHC Asheville, NC

River Oaks Mills River, NC

River Point Communities, LLC Forest City, NC

Rivercreek MHP Washington, NC

Riverview MHC Asheville, NC

ROC USA Concord, NH

Rock Spring Estates Charlotte, NC

Royce Brook Valley, LLC Rocky Mount, NC

Royce Farmington Hills, LLC Rocky Mount, NC

Royce Silver Maples, LLC Concord, NC

Royce South Lawn, LLC Fayetteville, NC

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Skyline Homes Sugarcreek, OH Snobar, LLC

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SOC Homes NC, LLC Milton, GA

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Voyage Holdings Unlimited, LLC Wake Forest, NC

Wellington Estates Arden, NC

Wellington West Arden, NC

West Winds MHC, LLC Greenville, NC

Weyco Community Credit Union Plymouth, NC

Whitaker Road MHP, LLC Fairview, NC

Willow Oaks MHP Reidsville, NC

Winterville MHC, LLC Winterville, NC

WNC Mobile Homes, LLC Franklin, NC

NC State House Representative & Regulatory Reform Chairman Mark Brody Tours Clayton Manufacturing Plant - Rockwell, NC



State Legislative Updater continued from page 16

• Eliminate a requirement that an LHD representative be present at the post-construction conference for an on-site wastewater system installed pursuant to the AOWE permit process. Section 12A of S.L. 2021-117 made the post-construction conference required as part of the EOP process waivable by the system owner.

Section 8: This section would add a requirement that the North Carolina Building Code Council promulgate rules, procedures, and policies for the approval of alternative designs and construction. Current law requires that alternative design and construction methods follow the State Building Code and specifies that the Division of Engineering of the Department of Insurance hear disputes between a local inspector and the project designer/owner for these methods.

Section 9: Current law authorizes local governments to create and organize an inspection department and specifies that their duties/responsibilities include enforcing applicable planning and development regulations within their jurisdiction that relate to, among other items, (i) the construction of buildings and other structures; (ii) the installation of such facilities as plumbing systems, electrical systems, heating systems, refrigeration systems, and air conditioning systems, (ii) the maintenance of buildings and other structures in a safe, sanitary, and healthful condition, and (iv) other matters that may be specified by the governing board. This section would require that local governments designate a person responsible for the daily oversight of these duties and responsibilities. This section would also require local governments to publish, no later than October 1, of 2023, 2024, and 2025, an annual financial report on how it used fees the previous year for its building code enforcement program. This section would become effective October 1, 2022 and would apply to financial reports due after that date.

****Section 12**: Currently, Article 1 of Chapter 87 sets out the laws that apply to the licensure and regulation of general contractors generally, and more specific limitations and requirements for certain classifications of general contractor licenses. The holder of an intermediate license is authorized to act as a general contractor for a single project with a value of up to \$1,000,000. The holder of a limited license is authorized to act as a general contractor for a single project with a value of up to \$500,000. This section would increase these project value limitations to \$1,500,000 (increase of \$250,000) for intermediate licensees, and \$750,000 (increase of \$250,000) for limited licensees.

****Section 14:** Current law authorizes and outlines the process for a permit holder, that has been informed by a local inspection department that an inspection was not conducted within two business days, to request the Commissioner of Insurance to assign personnel who are Code-enforcement officials, which includes officials from within the DOI administered marketplace pool, to conduct the inspection. This section would require the Commissioner to contract with individuals, corporations, or other business entities who hold applicable Code-enforcement certificates and who would conduct inspections pursuant to this process. Additionally, this section would add a two-day requirement for inspectors to begin inspections when assigned by the Commissioner. Subsection (a) of this section would become effective October 1, 2022 and would apply to inspections conducted on or after that date.

SB- Appointments Bill- https://www.ncleg.gov/BillLookUp/2021/H1175 (NCMHA Priority and Supported- Bill Passed and is now Law)

THIS BILL MAKES SEVERAL APPOINTMENTS TO BOARDS AND COMMISSIONS. In particular, SECTION 2.32. Effective July 1, 2022, Steve Stone of Robeson County and Neal Locklear of Scotland County are appointed to the North Carolina Manufactured Housing Board for terms expiring June 30, 2025.

HUD CODE						
	Through Sepember 2022		Through Sepember 2021			
	Shipments	Market Share	Shipments	Market Share	% Change	
New England	1,301	1.4%	1,403	1.6%	1.2%	
Middle Atlantic	3,570	4.0%	3,817	4.3%	2.9%	
East North Central	8,831	9.8%	9,444	10.7%	-1.1%	
West North Central	3,796	4.2%	4,115	4.7%	22.8%	
South Atlantic	21,786	24.3%	21,381	24.3%	3.4%	
East South Central	14,859	16.6%	12,486	14.2%	-4.4%	
West South Central	23,550	26.2%	21,978	25.0%	-14.8%	
Mountain	6,357	7.1%	6,437	7.3%	13.2%	
Pacific	5,628	6.3%	6,451	7.3%	-5.0%	
Destination Pending	93	0.1%	385	0.4%	-35.1%	

	Through Sepember 2022		Through Sepember 2021			
	Shipments	Market Share	Shipments	Market Share	Rank	% Change
1. Texas	16,083	17.9%	13,822	17.4%	1	16.4%
2. Florida	6,865	7.6%	5,504	6.9%	2	24.7 %
3. Alabama	6,136	6.8%	3,798	4.8%	6	61.6%
4. North Carolina	4,942	5.5%	4,641	5.8%	3	6.5%
5. South Carolina	4,011	4.5%	3,996	5.0%	5	0.4%
6. Louisiana	3,921	4.4%	4,166	5.2%	4	-5.9%
7. Michigan	3,790	4.2%	3,064	3.9 %	9	23.7%
8. Georgia	3,601	4.0%	3,102	3.9%	8	16.1%
9. California	3,046	3.4%	2,515	3.2%	12	-21.1%
10. Mississippi	2,926	3.3%	2,577	4.1%	7	10.8%
TOTAL	55,321	61.6%	47,890	60.3%		15.5%

North Carolina Product Mix

September 2022						
	SHIPMEN	TS		PRODUCTION	1	
Single Section	Multi Section	Total Shipments	Single Section	Multi Section	Total Production	
251	235	486	166	241	407	

NORTH CAROLINA	2021	2022	% Change
Home Production	3,356	3,780	12.6%
Home Shipments	4,641	4942	6.5%

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