

North Carolina

MANUFACTURED HOUSING NEWS

The official magazine of the NCMHA

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Snapshots of NCMHA Annual Meeting 2009

State Fair Display House Changes People's Perceptions

NCMHA Awards Recognize Outstanding Members

The North Carolina Manufactured Housing News is published 6 times a year as a benefit of membership in NCMHA, 4911 Departure Drive, Raleigh, NC 27616

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For more information on the chapter in your area please contact the Association office at 919.872.2740.

Features

- 4 Bobby Sauls Takes the Reigns as NCMHA President**
- 5 MHI Participates in Important HUD Consensus Committee Meeting**
- 6 NCMHA Awards Recognize Outstanding Members**
- 12 Annual Meeting 2009**
- 14 North Carolina State Fair Display House Changes People's Perceptions about Factory-Built Housing**

Departments

- 3 President's Column**
- 7 Insurance Commissioner's Column**
- 11 Executive Director's Column**
- 11 Calendar of Events**
- 16 New Members**
- 19 Statistics**

PRESIDENT'S COLUMN

For my very first column as president of NCMHA, I wanted to talk about the high value being a member of this association brings to those in the manufactured and modular industry.

NCMHA has been such an important tool in keeping me and my business afloat, especially as we wade through these hard economic times. It's no secret that many of us are struggling day to day, but we can depend on the strength of NCMHA and the networking tools available by belonging to an industry association. Below, you will find a small sampling of what members are saying about why they belong to NCMHA and what an exceptional value membership is to them and their business.



Sauls

NCMHA has a wealth of resources and information that I use frequently in my business operations. Without NCMHA helping me I am not sure that I would still be in business today. Those who do not use the association are missing out on a very valuable resource.

-Denise Lowe, Installation Contractor

Participating and contributing in my association has been one of the smartest business moves I have ever made. The friendship and business contacts I have developed through NCMHA have benefited me both personally and professionally.

-Jim Miller, Service/Supplier

Participating in NCMHA meetings, classes and events gives me the opportunity to network and brainstorm with my peers as well as develop new business contacts which is so important in today's economy. Being a volunteer at the State Fair House gave me the chance to not only promote the industry as a whole but to meet and speak with potential customers. I can't believe more members don't take advantage of this opportunity.

-David Rand, Builder/Developer

It seems that everybody has that "what have you done for me lately attitude". Well attend a NCMHA event or meeting and you will see all the things that the Association has done for you and your business.

-Billy Glover, Retailer

Legislators are pushing for more regulations now than they ever have before. The success we have defeating bad laws and regulations directly depends on all members participating and volunteering. It's been my experience that there is a direct correlation in our regulatory success and the percentage of our members participating in NCMHA regulatory events. That's why I attend and participate and encourage all members to get involved and participate.

-Scott Harker, Community Owner

Everyone knows we are in a deep economic recession. Now more than ever, we need to work together and support each other during these difficult times. There is no other better place or organization than NCMHA to help us.

-Tom Christ, Retailer

Belonging to NCMHA is as important to my business as developing products and services for my customers. The money and time invested in the Association has returned much, much more than any dues, investment of my time, or any other contribution I make.

-Billy Owens, Manufacturer

Everybody has heard of the old saying "there is strength in numbers". If we want to have a strong and healthy industry we are all going to have to do a better job of participating in NCMHA.

-Jack Kirwin, Service Supplier

I am a retailer and in this economy I need to spend every minute at my retail lot - selling houses. However, every time I attend a NCMHA meeting or event I learn something new and beneficial to my business and ultimately it helps my bottom line.

-Tony Prevatte, Retailer

As a new community owner, participating in my association has allowed me to network with other community owners with more experience in the day-to-day operations and issues of land lease community owners.

-Tim Master, Community Owner

Attending NCMHA meetings keep me updated on regulatory changes at the federal, state and local level that I might otherwise not be aware of and could drastically

-Sonny Bannister, Retailer

When my family first started in the business, we didn't know any of the key players or who to call for help. We joined NCMHA, were introduced to the key players and created a very successful family business. Our success would not be possible without the support of NCMHA.

-Chris Parrish, Community Owner

Bobby Sauls Takes the Reigns as NCMHA President at 2009 Annual Meeting



Bobby Sauls (right) succeeds Chris Parrish (left) as the 2009-10 NCMHA President.

Bobby Sauls, Designer Homes, Charlotte, NC has been elected to serve as the president of NCMHA for 2009-10. Sauls, elected at the 2009 NCMHA Annual Meeting in Greenboro, NC, succeeds Chris Parrish, Parrish Manor.

The rest of the executive committee members are as follows: Jim Holmes, Holmes Building Systems, LLC, First Vice President; Vito Montaperto, Dana Hill Community, Second Vice President; Scott Harker, Lone Oak Rentals, LLC, Treasurer; Cliff DeSpain, Batchelor Supply, Inc., Secretary. Immediate Past President Chris Parrish continues to serve on the board.

Elections were also held to appoint representatives to the Board of Directors. Five new members join this year's Board: Tim Masters, Sunny Side, LLC fills the seat vacated by John Foster as Com-

continued on page 17

2009-2010 NCMHA Board of Directors:

Retailer Representatives:

Joe Belcher, Clayton Homes
Keith Miller, Future Homes and Realty, Inc.
Tonnie Prevatte, Prevatte Home Sales

Finance & Insurance Representatives:

Dascheil Propes, Johnson & Johnson, Inc.
Al Randall, First Federal

Community Developer Representatives:

David Rand, DRA Living, Inc.
Tim Masters, Sunny Side, LLC

Manufacturer Representatives:

Steve Collins, Holmes Building Systems, LLC
Bill McLucas, R-Anell Housing Group
Billy Owens, Cavalier Homes, Inc.

Service/Supplier Representatives:

Gary Andrews, Progress Energy Carolinas
Jerry Brewer, Senco Brands Inc.

Installation Contractor:

Butch Brummitt, John Foster Homes, Inc.

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Two North Carolinians Win National Awards

Two North Carolinians were recently named to two national awards. Joe Manis was named the Journal's Industry Person of the Year award and Brad Lovin was named MHI's Executive Director of the Year.

Joe Manis, president of Manis Custom Builders and Crestline Custom Builders, was recently named the recipient of the Journal's Industry Person of the Year Award. The Industry Person of the Year Award recognizes an industry leader who has made significant contributions on behalf of the manufactured/modular industry. This industry advocate possesses unparalleled leadership skills, high quality workmanship, and has an outstanding track record in delivering successful programs. A 37-year career veteran, Manis' perseverance, determination and loyalty to the industry made him a perfect candidate for such a prestigious award. To read the full story about what makes Manis the 12th winner of this award, go to



Manis

continued on page 17

MHI Participates in Important HUD Consensus Committee Meeting

HUD's Manufactured Housing Consensus Committee (MHCC) met in Arlington, VA to discuss a number of significant issues being proposed and considered by HUD. A majority of the time was spent reviewing potential revisions to the regulations governing Primary Inspection Agencies (PIA's). However several proposed revisions to the HUD-Code were also considered in the areas of energy efficiency, carbon monoxide detector requirements, and updates to the reference standards in the HUD-Code. The MHCC is a federal advisory committee that plays a critical role in advising HUD on

issues like these as required by the Manufactured Housing Improvement Act of 2000.

On the proposed standard revisions, there was a proposed code change submitted that required all dishwashers, refrigerators, washing machines, exhaust fans and ceiling fans in manufactured homes be Energy Star which the subcommittee approved favorably. This proposed revision did not make it through the whole MHCC however. On a related note to energy efficiency, a representative from the US Department of Energy (DOE) briefed the MHCC on the status of the implementation of the law (the

Energy Independence and Security Act of 2007) requiring DOE to develop new energy requirements for manufactured housing based on International Energy Conservation Code (IECC) standards. Currently, these requirements are entirely in the hands of DOE - and while the language in the law asks that DOE send the requirements to MHCC for review, no clear process yet on how this might be done has been established. MHI has had several meetings with DOE on this issue, which is going to continue to need very close attention and involvement by the industry as it could severely impact cost and affordability of manufactured homes.

The second proposed standard revision of note was the approval of the MHCC to incorporate a carbon monoxide detector in the HUD-Code using the NFPA 720 Standard. The timing of this change to take effect is undetermined at this time, but is at least a year away.

On the PIA rule, the MHCC was only able to get through about half of the changes, and the MHCC scheduled calls for August 7th and August 20th to go over the rest of the PIA rule changes. The final MHCC comments on the proposed regulations were due September 8th. Some point thereafter, HUD will prepare the changes for rule-making, and another opportunity for industry to weigh in will be provided.

MHI is an active participant in the MHCC and its working groups and will be actively working with HUD on these issues and developing recommendations.

MHI Sends Letter to SEC to Address Industry's Inventory Finance Problem

Responding to the nationwide economic downturn facilitated by the ongoing credit crisis; MHI joins a business coalition to send a letter to Secretary Elizabeth M. Murphy of the US Securities and Exchange Commission.

The organizations represent a diverse range of industries that rely on well-functioning and liquid money market to support their financing needs. The group commends the US Securities and Exchange Commission (SEC) for proposing amendments to the Investment Company Act of 1940, but opposes the proposed amendment to prohibit money market funds from investing in securities that carry the second highest credit rating. Companies that issue A2/P2 commercial paper are large, well-established corporations and such action would have a negative and unintended impact on the capital formation that far outweighs any speculative increase in investor protection. Allowing money market funds to buy A2/P2 paper can help fund the commercial paper marketplace which helps fund dealer floor plan lending for manufactured housing.



NCMHA Awards Recognize Outstanding Members

In 2003, four membership awards were developed to recognize the outstanding achievements of NCMHA members. Members from across the state sent in their applications to be considered as Member of the Year, Chapter of the Year, Independent and Multi-Lot Retailer of the Year. The winners were chosen from a non-partisan group of judges. The following are the winners of this year's awards.

NCMHA Chapter of the Year-Western Manufactured Housing Association, Asheville, NC

The Chapter of the Year award was created to recognize one chapter of NCMHA that demonstrated excellence in promoting the manufactured and modular housing industry in its respective region for 2008/2009. They have demonstrated a commitment in increasing membership, been involved in regional grassroots initiatives, actively supported NCMHA and made efforts to promote and educate consumers and elected officials about the manufactured and modular housing industry.

NCMHA Rollan Jones Member of the Year-Tony Prevatte

The Member of the Year award was created in memory of Rollan Jones, founder of R-Anell Housing Group, who died in a plane crash on May 29, 2002. He was widely known as one of the pioneers in the manufactured housing industry, a founding member and past president of NCMHA, a James E. LaVasque Award recipient and served on the MHI Board of Directors for 10 years. His accomplishments as an industry innovator and leader in the manufactured housing industry were nationally recognized with his induction into the Hall of Fame in 1994. His vision and determination were



From top left: Tom Christ accepts the Chapter of the Year Award; Jason Hardin accepts the Multi-lot Retailer of the Year Award; Sonny Bannister accepts the Independent Retailer of the Year Award; and Tony Prevatte, Prevatte's Home Sales accepts the Member of the Year award.

contributing factors to the growth of manufactured housing, always pushing forward in what could be accomplished and knowing that we as an industry could play a growing role in America's housing marketplace. It is in that spirit that this award was presented to Tony Prevatte who demonstrated outstanding service to NCMHA and the industry during the past year.

NCMHA Independent Retailer of the Year-Royal Homes

The Independent Retailer award was created to recognize one independent retail lot from the state for demonstrating a commitment to professionalism and to educating consumers and elected officials about the manufactured and modular housing industry. Royal Homes sales team consistently shows involvement in serving NCMHA, the triangle community, and the industry as a whole. To qualify as an independent retailer nominee, the retailer must operate 2 or less sales

centers within North Carolina.

NCMHA Multi-Lot Retailer of the Year-Clayton Homes of Shelby

The Multi-Lot Retailer award was created to recognize one sales center affiliated with a multi-lot operation for demonstrating a commitment to professionalism and to educate consumers and elected officials about the manufactured housing industry.

The Clayton Homes in Shelby shows consistent involvement in serving NCMHA, the community of Shelby and the industry as a whole. To qualify as a multi-lot retailer nominee, the retail company must operate 3 or more sales centers in North Carolina.

President's Award

Chris Parrish presented the 2008-09 President's Award to Rolly Bannister, Jr. in appreciation of his continued dedication to NCMHA and personal commitment to its high professional and ethical standards.

Obtaining Building Permits is Your Responsibility – Not the Customers'

The Department of Insurance's Manufactured Building Division is concerned about the many complaints we've received about building permits and how some people are getting the process mixed up. We often hear that manufactured homes get moved and set-up and then a building permit is put in place.



Goodwin

In these cases, dealers and set-up contractors tell consumers to "go by the inspection department and get the building permit." Not only is this a deceptive practice that leaves the consumer to pay for the permit, but it also causes a conflict between the building official and the contracting set-up party and unfairly places the consumer in the middle of the dispute.

As a quick reminder: The Manufactured Housing Code clearly states that "a person, firm or corporation shall not install, construct, enlarge, alter, repair, locate, improve, convert or demolish any manufactured/mobile home in the applicable jurisdiction, or cause the same to be done, without first obtaining a building permit."

In North Carolina, only three parties are legally able to set-up a manufactured home – homeowners, dealers and set-up contractors. Although homeowners are legally allowed to set-up a manufactured home, we understand that they don't often do so. Therefore, it's the Department's opinion that a homeowner is not familiar with the permitting requirements indicated in the Code. However, because you, as dealers and set-up contractors, are licensed by the Department, you are responsible for knowing the permitting codes and practices.

Please make sure that license name and number appears on the permits of every home that you contract to set-up. Since dealers and set-up contractors are licensed by the state to assemble manufactured homes, the Department considers permitting and all associated costs to be your direct responsibility, unless specifically spelled out otherwise in writing.

Some building inspection departments will allow a homeowner to pick up a building permit if they provide all of the necessary permit information, which includes the name and license number of the dealer or set-up contractor. We have no objection to this procedure provided the permit is obtained before moving the home and if the permit is not paid for by the consumer unless otherwise agreed to under written contract.

I hope that consumer complaints and misunderstandings about permits and permitting costs will be greatly reduced if these procedures and responsibilities are followed. Please remember that as responsible business professionals, it is important to consider not only the law that binds your business practices, but also your consumers. As always, please feel free to contact the Manufactured Housing Division at 919-661-5880 with any questions about building permits.

General Contractor's Seminars

The Professional Development Committee has coordinated with Contractor's Seminars to offer a one day General Contractor's Course to the membership. A member can attend any of Contractor's Seminars regularly scheduled course for a discounted membership price. For more information, contact Bobbi Peterman at 919.872.2740.

November 7, 2009

Hilton/RTP
Durham, NC

November 10, 2009

Hampton Inn/Mooresville
Mooresville, NC

November 12, 2009

Crowne Plaza Resort (formerly
Holiday Inn Sun Spree)
Asheville, NC

December 5, 2009

Hilton/RTP
Durham, NC

December 9, 2009

Hampton Inn/Mooresville
Mooresville, NC

December 12, 2009

Crowne Plaza Resort (formerly
Holiday Inn Sun Spree)
Asheville, NC

Note: All dates on calendar are tentative.

Special Message from Insurance Commissioner: Winter Preventative Safety Tips



As the temperature drops, some risks in your home go up. This is a perfect time to take a look around and eliminate some potential hazards to you and your family. Also, please share this information with your customers.

With winter temperatures comes the need for heat, and with

heaters comes a risk of fire. Whether you use gas logs, space heaters, or any other means to heat your house, there are basic safety precautions you should follow. Any type of heating system should be checked regularly to make sure it's working properly. Lower the risk of fire by keeping the space around heaters clear of any combustible materials. Always burn only the recommended fuel in a heater and never leave a heating device unattended. Teach children to be careful around heaters and lead by example.

If you don't already have them, install smoke alarms in your home to alert your family of a fire. It's best to put an alarm in every sleeping space, but if an alarm is

outside the bedroom door, make sure to leave the doors open so smoke inside the bedroom could reach and trigger the alarm. These devices can prevent injuries or death in a fire emergency.

It's important to take care of these devices so they will continue working properly. Test each smoke alarm monthly to assure proper operation. Replace the batteries in your alarms with 10 year lithium batteries. If the alarm begins to chirp, replace the batteries immediately. The chirping sound is your warning that the battery power is low. Add carbon monoxide alarms on every level of your home, they too can save lives. Make sure that every member of the household knows what the alarm sounds like and that children will wake up if it goes off.

Don't be caught off guard. Have a fire escape plan for your family and practice the plan until you are comfortable that each member knows the escape route and how to get outside in a hurry in case of fire. Pick a meeting place that is far enough away from your home, clearly visible to fire and rescue personnel and not dangerous for children to reach on their own. Remember, don't call for help until after you get outside safely.

In addition to Insurance Commissioner, I'm very honored to serve as your State Fire Marshal. You can get more information about our Office of State Fire Marshal, what we can do for you and safety tips for your family at www.ncdoi.com/osfm. Be safe this winter and have a wonderful holiday season!

New ENERGY STAR Program Promotes Energy Efficient Homes for Buyers

Homes built with ENERGY STAR® standards are 15 percent more efficient than standard homes. That means lower monthly bills and a more comfortable home, season after season. The improved efficiency also gives homes the potential for a higher resale value. Energy-saving features built into new homes may include: increased insulation in floors, walls and attic; high-performance windows; tightly sealed construction and air ducts; efficient heating and cooling system; ENERGY STAR-qualified products.

Progress Energy teaming up with manufacturers to ensure that homes are meeting ENERGY STAR standards which include 14 SEER HVAC equipment – a highly

efficient rating that's guaranteed to help save money.

This program will save customers money for years to come:

- The efficiency of 14 SEER HVAC equipment can reduce energy bills as much as \$71 per month.
- Assuming a 20-year fixed mortgage at 6.5 percent, the addition of the 14 SEER HVAC equipment at purchase increases mortgages just \$20 per month.
- Net savings would be \$51 per month or \$612 per year.

And all of that is before the 5 percent energy bill discount from Progress Energy for as long as they live in the home.

For more information on the program, call 800.327.8704 or visit savethewatts.com.

ENERGY STAR for Modular Homes on the Rise

About a year ago, the Systems Building Research Alliance (SBRA) rolled out a simplified process for modular builders to qualify homes for the ENERGY STAR label. The process, tailored specifically to how modular homes are built and inspected, was approved for use by the U.S. Environmental Protection Agency (EPA), the federal agency responsible for ENERGY STAR Homes.

Both site built and modular homes must meet the same stringent energy targets to earn the label. However, the SBRA modular program allows plants to be officially certified to build homes that meet ENERGY STAR requirements and to use in-house staff to monitor compliance. The one-time plant certification eliminates the need for

hiring a third-party rater to inspect homes on the production line, a requirement under the old program rules. And, instead of having to test every home in the field, only a sample of homes built under the SBRA modular program are tested, saving time and expense.

The program continues to gain momentum with more than 40 modular companies registered to build ENERGY STAR homes using the new, plant-friendly process.

Learn about the many other advantages of the ENERGY STAR Modular Home program by visiting SBRA on the web at www.research-alliance.org/pages/es_mod.htm, or by contacting Gwynne Koch, National Director, ENERGY STAR Modular Homes, at (212) 496-0900 or gkoch@research-alliance.org.

ENERGY STAR Factory Built Homes Qualify for \$400 Incentive in North and South Carolina

Progress Energy Carolinas, as part of the Home Advantage program, is providing \$400 in rebates for each new ENERGY STAR manufactured or modular home connected to their service. This new rebate is in addition to other financial incentives tied to an ENERGY STAR home purchase, including:

- A 5% rate discount offered by both Progress Energy Carolinas and Duke Energy to customers who own ENERGY STAR qualified homes
- A \$750 state income tax credit and elimination of the sales tax on the purchase price of the home for manufactured home buyers in South Carolina
- A \$500 rebate to North Caro-

lina manufactured home retailers under the state's Upgrade and Save program

- The \$1,000 federal tax credit for HUD-code home manufacturers

The Systems Building Research Alliance is administering the program on behalf of Progress Energy and providing marketing support to manufacturers, builders and retailers. If you sell new manufactured homes and would like more information about the rebates, visit the web site http://www.research-alliance.org/pages/es_PEC.htm. ENERGY STAR homes equipped with 14 SEER cooling equipment sited any time this year are eligible.



ENERGY STAR Requirements Slated to Change in 2011

EPA has proposed significant changes to the ENERGY STAR New Homes Program that will go into effect January 2011. SBRA is working closely with EPA to evaluate the impact of these changes on the modular home building industry, and will keep the industry abreast of developments. Stay tuned to future newsletters for updates.

If you would like to read about the proposed changes, visit the ENERGY STAR website www.energystar.gov/index.cfm?c=bldrs_lenders_raters.nh_2011_comments

Highlights of Final Rule Amending Home Mortgage Provisions of Regulation Z (Truth in Lending)

The rule establishes a new category of “higher-priced mortgages” that includes virtually all closed-end subprime loans secured by a consumer’s principal dwelling. Which loans qualify as “higher-priced” will be determined by a new index that will be published by the Federal Reserve Board.

The rule, for **these higher-priced loans**:

- Prohibits a lender from making a loan without regard to borrowers’ ability to repay the loan from income and assets other than the home’s value. A lender complies, in part, by assessing repayment ability based on the highest scheduled payment in the first seven years of the loan. To show that a

lender violated this prohibition, a borrower does not need to demonstrate that it is part of a “pattern or practice.”

- Prohibits a lender from relying on income or assets that it does not verify to determine repayment ability.

- Bans any prepayment penalty if the payment can change during the initial four years. For other higher-priced loans, a prepayment penalty period cannot last for more than two years.

- Requires that the lender establish an escrow account for the payment of property taxes and homeowners’ insurance for first-lien loans. The lender may offer the borrower the opportunity to cancel the escrow account after one year.

The rule, for all **closed-end mortgages secured by a consumer’s principal dwelling**:

- Prohibits certain servicing practices: failing to credit a payment to a consumer’s account as of the date the payment is received, failing to provide a payoff statement within a reasonable period of time, and “pyramiding” late fees.

- Prohibits a creditor or broker from coercing or encouraging an appraiser to misrepresent the value of a home.

- Creditors must provide a good faith estimate of the loan costs, including a schedule of payments, within three days after a consumer applies for any mortgage loan secured by a consumer’s principal dwelling, such as a home improvement loan or a loan to refinance an existing loan.

The rule, for **all mortgages**:

- Requires advertising to contain additional information about rates, monthly payments, and other loan features. The rule also bans seven deceptive or misleading advertising practices, including representing that a rate or payment is “fixed” when it can change.

Based on compelling evidence from consumer testing, the Board is withdrawing the proposed rule regarding yield-spread premiums. The Board, however, intends to analyze alternative approaches to this issue as part of its ongoing review of the rules for closed-end loan rules under Regulation Z.

Compliance with the new rules, other than the escrow requirement, is mandatory for all applications received on or after October 1, 2009. The escrow requirement has an effective date of April 1, 2010 for site-built homes, and October 1, 2010 for manufactured homes.

FTC Red Flags Rule to Become Effective on June 1, 2010

After several delays, the FTC Red Flags Rule is to become effective on June 1, 2010. The FTC has developed several new resources on its Web site to assist businesses in complying with the rule. Go to www.ftc.gov <<http://www.ftc.gov>> and look for the Red Flags Rule click on the home page. The FTC has added a video, “Getting Ready for Red Flags” and a new frequently asked questions (FAQ) section. In addition, there is a guide book and a “Do-it-Yourself Template for Low-Risk Business.” The Red Flags Rule is an anti-fraud regulation, requiring “creditors” and “financial institutions” with covered accounts to implement programs to identify, detect, and respond to the warning signs, or “red flags,” that could indicate identity theft. The definition of “creditor” includes any entity that regularly extends or renews credit - or arranges for others to do so - and includes all entities that regularly permit deferred payments for goods or services. The Red Flags Identity Theft Prevention Program must enable a financial institution or creditor to: 1. Identify relevant patterns, practices, and specific forms of activity that are “red flags” signaling possible identity theft and incorporate those red flags into the Program; 2. Detect red flags that have been incorporated into the Program; 3. Respond appropriately to any red flags that are detected to prevent and mitigate identity theft; and 4. Ensure the Program is updated periodically to reflect changes in risks from identity theft. Lastly, a business must train its employees on the implemented Red Flags program and maintain records regarding the training.

State lawmakers adjourned this year's "long session" on August 11, 2009. The primary focus was on the adoption of a two-year State Budget as well as mortgage lending issues. We have provided a brief summary of some of the bills of interest to our industry. You can find the full text of all of the bills at <http://www.ncga.state.nc.us>.



Lovin

Senate Bill 70 - Construction Standards/Manufactured Housing - This bill would in essence ask Congress to change the HUD code and require the flooring in all manufactured home kitchens and baths be made of treated plywood. And if Congress makes those changes it would require manufacturers to include the flooring systems in their warranty. We opposed this bill and it was subsequently defeated.

Senate Bill 117 - Clarify Development Moratoria Authority - This bill would limit local governments' authority to impose a development moratorium just so they can create or revise their zoning ordinances. NCMHA supported this bill; it passed Senate and will be eligible for review in 2010 Session which will convene on May 12th.

House Bill 1523 - S.A.F.E. Mortgage Licensing Act - This bill limits the ability of retailers to interact with their customers and with mortgage lenders or brokers. It clarifies that no one other than licensed mortgage loan officers are to be completing loan applications, negotiating mortgage terms, or receiving compensation from a mortgage loan. This legislation was requested by the Office of Commissioner of Banks, and was in response to a law passed by Congress which required all states to come into compliance.

Senate Bill 147 (H504) - Tax Credits for Energy Efficient Homes - This bill would allow a taxpayer that builds or manufactures an energy efficient home to receive a credit of \$1,000 if it meets the federal energy star certified program or a \$2,000 credit if it meets the state certified healthy home program. NCMHA supported; no action was taken due to state budget situation. It will be eligible for review in 2010 Session.

Senate Bill 1015 (H1060) - Homebuyer Protection Act - This bill is proposed by the NC Justice Center and is aimed at alleged abuses in home foreclosures and in installment sale contracts for land. We are concerned that the installment sale provisions would impact legitimate lease-purchase or rent-to-own transactions and are working with the bill sponsors on the issue. We opposed original version bill. However, manufactured housing was removed from the bill's coverage. It passed the Senate and will be eligible in 2010 Session. We will continue to monitor its progress.

Senate Bill 202 - State Budget Act - The House and Senate grappled with the impact of declining state revenues on the budget. During her first six months in office, Governor Perdue had to reduce state spending to keep the budget in balance through June 30 year-end. In developing the budget for the next biennium (July 1, 2009 - June 30, 2011), legislative leaders finally agreed on a mix of budget cuts and tax & fee increases. The Governor has signed the final budget bill that spends \$19 billion annually

continued on page 17

Calendar of Events

The following is a list of events that NCMHA will be hosting in the coming months including Board of Directors dates. Please mark your calendars and plan on attending!

November 18, 2009

Registered Housing Specialist Seminar and State Test
Raleigh, NC

December 9, 2009

Registered Housing Specialist Seminar and State Test
Raleigh, NC

December 10, 2009

NCMHA Board of Directors Meeting
Raleigh, NC

February 11, 2010

NCMHA Board of Directors Meeting
Raleigh, NC

April 8, 2010

NCMHA Board of Directors Meeting
Raleigh, NC

May 26, 2010

NCMHA Annual Legislative Day/Board of Directors Meeting
Raleigh, NC

ANNUAL MEETING 2009





ANNUAL MEETING 2009 SPONSORS

Many thanks to all the companies that made our meeting such a success!

SPECIAL EVENT SPONSORS

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Champion Homes of North Carolina
Holmes Building Systems
Jordan, Price, Wall, Gray, Jones & Carlton
Prevatte's Home Sales, Inc.
Progress Energy
R-Anell Housing Group, LLC
Stan Taylor Insurance Agency

GOLD LEVEL

First Federal

SILVER LEVEL

Cavalier Home Builders
Manis Custom Builders / Crestline Custom Builders
Parrish Manor
Phoenix Housing Group
Senco Brands, Inc.

BRONZE LEVEL

Blevins, Inc.
RBC Dain Rauscher



North Carolina State Fair Display House Changes People's Perceptions about Factory-Built Housing

The manufactured home displayed by NCMHA at the 2009 North Carolina State Fair, in Raleigh, NC, once again, changed people's perceptions about factory-built housing.

Each year, the Regulatory Affairs Committee works on the project of placing a manufactured or modular house at the State Fair. Thousands of fairgoers have the chance to tour the home and find out more about the industry and its products. This project is the biggest public relations event that the association does during the year.

This year, the 1,782 sq. ft. Cavalier Homes, Inc. manufactured home was placed in a prominent spot. Located near Gate 2, made the home either a first or last stop for many fairgoers.

Preliminary numbers show that over 40,000 people toured the house and were given information about factory-built housing.



A special thanks to all of the companies that sponsored this project including: Cavalier Homes, Inc. for providing the home; Stylecrest for providing the HV/AC sys-

tem; Batchelor Supply and Exteria Building Products for providing the skirting.

The committee would also like to thank all of the individuals who gave up time to "man" the house during the 11 day event. The project would not have been a success without their help!

Carolina Property Managers, Inc.
 Carolina Property Managers (CPM) has over 10 years of experience in managing over 2,000 multifamily units between Florida and North Carolina. CPM currently manages over 1,300 mobile home spaces in North Carolina and specializes in full service, turn key management of mobile home communities with 30 or more spaces. CPM has a "hands-on" management style with an "Owner's mentality" to maximize your cash flow and increase the long-term value of your property. CPM's team of experts and licensed professionals have the necessary skills to unlock the true value of your community. For more information on our services please visit our website at: www.Carolinapropertymanagers.com Or call 919-824-8807

Facing the Challenge
Building a Bright Future

The 2010 National Congress & Expo for Manufactured and Modular Housing will be held April 13-15, 2010 at the Caesars Palace in Las Vegas, Nevada. We hope to see you there for our 20th Anniversary Celebration!

The National Congress & Expo is the largest annual national tradeshow for the manufactured housing and modular housing industry sectors. This is the premiere opportunity to network with hundreds of industry leaders, including community owners and operators, builders and developers, and manufacturers!

<http://www.congressandexpo.com/2010>

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Legislative Day 2009

The NCMHA Annual Legislative Day was held on Wednesday, May 27, 2009. Members from across the state gathered in Raleigh to talk to their Legislators about issues affecting the industry.

Members spent the day knocking on doors hoping to speak to their county representatives one-on-one about their business and the industry. For more on the Legislative wrap-up, turn to page 9.



Industry Veteran Win Prestigious LaVasque Award

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.



Jim Miller, Stylecrest, accepts the LaVasque Award from Jim Holmes, 2008 winner.

This year Mr. Jim Miller joined the distinguished list of the LaVasque award recipients in tribute to his 42-year career in the industry. During his career, Jim has served as NCMHA President, been actively involved and honored numerous times at the national level for his hard work and dedication to the manufactured and modular housing industry.

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Welcome New NCMHA Members

The following members have been approved by the Board of Directors since the last issue of The North Carolina Manufactured Housing News.

**ATLANTIC MOBILE HOME
SALES, INC.**
Hubert, NC

BURCHWOOD HOMES, LLC
Paso Robles, CA

FOUNDATION PLUS
Morehead City, NC

HAYMAN ENGINEERING
Durham, NC

HORIZON LAND COMPANY, LLC
Crofton, MD

JOHN FOSTER HOMES
Henderson, NC

MAIDEN MOBILE HOME PARK
Grahamsville, NY

**ME MANUFACTURED HOME
COMMUNITY**
Lumberton, NC

P&L LAND AND HOME
Lumberton, NC

PRUDENTIAL INVESTORS, LLC
DBA CAMELOT
Gastonia, NC

Tammy Denning Receives Excellence in Government Award

The Steve Zamiara Excellence in Government Award was created in honor of former NCMHA Executive Director, Steve Zamiara, because of the work that he did for the industry in the public as well as the private sector. This award honors public servants that have demonstrated leadership, commitment and dedication to the manufactured and modular housing industry. Qualifications for the award include being: an elected/appointed official; a strong supporter of the manufactured/modular industry; a person of strong moral ethics; a leader in their respected field; selfless on behalf of the people they represent; committed to forging a positive relationship with industry members; understanding of the role of having a public and private relationship and; a person that works on behalf of the industry on an important issue affecting NCMHA members.



Tammy Denning, NC Department of Transportation accepts the Steve Zamiara Excellence in Government Award.

Tammy Denning, Department of Transportation Oversize Overweight Permit Unit Director, was presented the award for her determination, commitment and untiring efforts to ensure safe highways in North Carolina and her support of the manufactured and modular housing industry.

First Time Homebuyer Tax Credit Extension Approved

The first-time home buyer tax credit extension and expansion has won Congressional approval and is on its way to President Barack Obama. He's expected to sign the measure.

The U.S. House of Representatives voted 403 to 12 to pass the measure, following unanimous U.S. Senate approval.

The measure was passed as part of unemployment benefits extension legislation H.R. 3548.

The extension and expansion of the popular first-time home buyers tax credit gives both new and move-up buyers a tax incentive to buy a home until at least April 30, 2010, longer for military personnel.

The new tax credit extends the existing credit for first-time homebuyers, worth up to \$8,000, and offers a new credit of up to \$6,500 for some existing homeowners.

The reduced credit for existing homeowners is available to those who have been in their current residence for a consecutive five-year period.

The Scott Morton Educational Trust Fund Needs You to Give!

We all know how tough the economy is, but it is in these times that it is even more important to give!

Established in 1988 in memory of former NCMHA Executive Director, Patsy Rumbley's son, Scott, who died tragically in a motorcycle accident, the Scott Morton Educational Trust Fund provides much needed scholarships to deserving children of those involved in the industry. The fund provides scholarships based on a combination of need and merit to graduating high school seniors or adults attending college, junior college or technical school or to students with special educational gifts or needs.

When debating about where to invest your hard earned money, think about giving your tax-deductible donation to the Scott Morton Educational Trust today! It is worth every penny!

For more information on how you can contribute to this important fund, please contact Bobbi Peterman at 1.800.849.6311 or e-mail bobbi@nc-mha.org.

EXECUTIVE DIRECTOR COLUMN

continued from page 11

(compared with \$21 billion per year in the previous biennium).

Tax Modernization Study - The budget bill provides that the House and Senate Finance Committees may meet before the 2010 Session to consider changes in state tax policy. The Committees will hold meetings around the state to get public input. After these meetings, a special session could be called to consider the Committee's recommendations. This study will focus on some of the proposals to lower the sales tax rate and expand the tax base to include various services. It will also likely revisit the proposal to extend the corporate franchise tax to limited liability companies.

Even though the general sales tax rate increased from 6.75% to 7.75%, we are pleased to report no increase in sales tax on manufactured or modular housing; our rates remain at 2% with \$300 per floor cap for manufactured housing and 2.5% for modular. Also, the House & Senate Finance Committees will meet jointly on Nov. 3 to debate the concept of lowering the sales tax rate & expanding the base to include services. This will be the first in a series of meetings, which we will be monitoring.

NEW BOARD ELECTED

continued from page 4

munity/Developer Representative; Al Randall, First Federal, fills the seat vacated by Michael Adcock as Finance/Insurance Representative; Jerry Brewer, Senco Brands, Inc., fills the seat vacated by Cliff DeSpain as Service/Supplier Representative; Butch Brummitt, John Foster Homes, Inc. fills the Installation Contractor seat and Billy Owens, Cavalier Homes, Inc. succeeds Ben Flores.

Congratulations to all of the new board members and thanks to all those that have previously filled those seats.

NATIONAL AWARDS

continued from page 4

www.journalmfdhousing.com.

Brad Lovin, was presented with the State Association Executive of the Year award and was applauded for outstanding accomplishments in the face of reduced budgets and staff support. He led the efforts of improving the asso-



Lovin

ciation's and industry's image through an association name change, and modernization of the association's logo and Web site. As lobbyist for the association, he achieved outstanding successes during the legislative session by defeating several bills that would have had negative financial impacts on the industry and in implementing legislation that will have positive benefits for the industry in North Carolina. In addition, he was recognized for initiatives to increase sales for his members through a home display at the State fair and sales seminars conducted throughout the state.

Eight students have been awarded 2009 scholarships from the NCMHA Scott Morton Educational Trust. The fund was established in 1989 to provide scholarships to students who are children of those involved in the industry. Nominations for the scholarships are made by members of NCMHA. The trust was established in memory of Scott Morton, son of former NCMHA executive director, Patsy Rumbley.

The Scott Morton Educational Trust has sup-

ported 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 needs. All applicants are nominated by an employee of a NCMHA member.

To learn more about this important fund and how you can contribute, please contact Bobbi Peterman at NCMHA, 919.872.2740.



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William Barker, Jr.
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HUD CODE July 2009

	Through July 2009			Through July 2008	
	Shipments	Market Share	Percentage Change	Shipments	Market Share
New England	494	1.7	-27.4%	680	1.3
Middle Atlantic	1,328	4.6	-36.7%	2,097	4.1
East North Central	1,566	5.4	-35.7%	2,436	4.8
West North Central	1,291	4.5	-39.1%	2,119	4.1
South Atlantic	6,177	21.4	-46.1%	11,456	22.4
East South Central	4,881	16.9	-44.6%	8,804	17.2
West South Central	8,724	30.3	-40.8%	14,732	28.8
Mountain	1,995	6.9	-54.0%	4,340	8.5
Pacific	1,859	6.4	-49.6%	3,690	7.2

	Through July 2009			Through July 2008		
	Shipments	Market Share	Percentage Change	Shipments	Market Share	Rank
1. Texas	4,216	14.6	-38.5%	6,852	13.4	1
2. Louisiana	2,888	10.0	-39.6%	4,783	9.4	2
3. North Carolina	1,505	5.2	-44.1%	2,692	5.3	5
4. Alabama	1,454	5.0	-30.8%	2,102	4.1	6
5. Florida	1,284	4.5	-56.0%	2,917	5.7	4
6. Mississippi	1,283	4.5	-59.7%	3,181	6.2	3
7. Kentucky	1,203	4.2	-32.8%	1,790	3.5	9
8. Tennessee	941	3.3	-45.6%	1,731	3.4	10
9. Georgia	937	3.3	-41.7%	1,608	3.1	12
10. California	890	3.1	-52.6%	1,878	3.7	7
	16,601	57.6	-43.8%	29,534	57.8	

North Carolina Product Mix January 2009

Shipments			Production		
Single-Section	Multi-Section	Total Shipments	Single-Section	Multi-Section	Total Shipments
70	175	245	75	199	274

North Carolina	2008	2009	% Change
Home Production	366	245	-33.1%
Home Shipments	332	274	-17.5%

MODULAR 1st Semi-Annual 2009

Shipments of Modular Homes by State Ranked from Highest to Lowest 1st Semi-Annual 2009		
	Modular Shipments	% of Total
North Carolina	731	13.1%
Virginia	514	9.2%
New York	414	7.4%
Pennsylvania	389	6.9%
New Jersey	250	4.5%
Massachusetts	200	3.6%
Maryland	184	3.3%
Michigan	168	3.0%
Colorado	157	2.8%
Wisconsin	152	2.7%
Iowa	149	2.7%
South Carolina	143	2.6%
Maine	131	2.3%
Minnesota	126	2.3%
Florida	126	2.3%
Ohio	111	2.0%
Illinois	110	2.0%
Indiana	107	1.9%
Texas	100	1.8%
Nebraska	98	1.8%
Delaware	92	1.6%
Missouri	76	1.4%
West Virginia	75	1.3%
Connecticut	60	1.1%
Tennessee	52	0.9%
New Hampshire	49	0.9%
Vermont	40	0.7%
Georgia	36	0.6%
Rhode Island	22	0.4%

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