

# *North Carolina*

**MANUFACTURED AND MODULAR HOUSING NEWS**

*The official magazine of the NCMHA*

VOL. 38 NO. 1



**2017 NCMHA Annual Meeting  
Holiday Inn Resort, Wrightsville Beach  
Tuesday, June 13<sup>th</sup> & Wednesday, June 14<sup>th</sup>**

***Jim Miller Inducted into RV/MH Hall of Fame***

***2016 NC State Fair Display Home Wows Consumers***

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

**2016/2017 Officers**

Tonnie Prevatte, President  
Bill McLucas, First Vice President  
Mike Smith, Second Vice President  
Dascheil Propes, Treasurer  
Kent Suits, Secretary  
Paige Janey, Immediate Past President

**2015/2016 Representatives**

Cindy Barringer  
John Bowers  
Steve Collins  
Cliff DeSpain  
Ken Johnson  
Jeff Jones  
Brewer Knox  
Roger McCarter  
Ken McGee  
Vito Montaperto  
Jeff Mooring  
Billy Owens

**NCMHA Chapters**

**Capital Area:** Counties Served: Durham, Chatham, Harnett, Johnston, Lee, Nash, Person, Orange, Wake, Wilson

**Cape Fear:** Counties Served: Brunswick, Columbus, New Hanover, Pender

**Crystal Coast:** Counties Served: Carteret, Craven, Duplin, Jones, Onslow, Pamlico

**Eastern Carolina:** Counties Served: Bertie, Beaufort, Camden, Chowan, Currituck, Dare, Gates, Greene, Hertford, Hyde, Lenoir, Martin, Northhampton, Pasquotank, Perquimons, Pitt, Tyrell, Wayne

**Foothills:** Counties Served: Alexander, Burke, Caldwell, Catawba, Iredell, Lincoln

**Kerr Tar:** Counties Served: Granville, Franklin, Halifax, Vance, Warren

**Piedmont:** Counties Served: Alamance, Alleghany, Caswell, Davidson, Davie, Guilford, Forsythe, Randolph, Rockingham, Stokes, Surry, Wilkes, Yadkin

**Sandhills:** Counties Served: Moore, Hoke, Cumberland, Sampson, Scotland, Robeson, Bladen

**Southern Piedmont:** Counties Served: Anson, Cabarrus, Gaston, Mecklenburg, Montgomery, Richmond, Rowan, Stanly, Union

**Western:** Counties Served: Ashe, Avery, Buncombe, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Rutherford, Swain, Transylvania, Watauga, Yancey

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

# INSIDE THIS ISSUE

## Features

- 4 **2016 NC State Fair Display Home Wows Consumers**
- 6 **Scott Morton Educational Trust Fund Accepting Applications for 2017 2016 SMET Scholarship Recipients**
- 10 **2017 NCMHA Annual Meeting . . . Back to the Beach**
- 11 **Jim Miller Inducted into RV/MH Hall of Fame**
- 13 **MaHPAC Raffle . . . and the Winner Is**
- 16 **The Year in Review**
- 18 **Meet Mike Causey, Newly Elected NCDOT Commissioner & State Fire Marshal**

## Departments

- 3 **President's Column**
- 6 **Calendar of Events**
- 7 **Insurance Commissioner's Column**
- 7 **New Members**
- 8 **New Laws**
- 9 **Executive Director's Column**
- 14 **Q & A With Frank Gray**
- 19 **Statistics**

# PRESIDENT'S COLUMN



*Tonnie Prevatte*

**T**he beginning of a New Year is normally a time of reflection from the year that has passed, predictions for the coming year and of course the traditional list of New Year's resolutions.

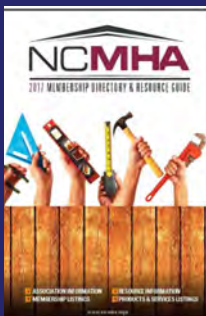
As we all know, 2016 was a good year for our industry and for most of us. Our sales and production continue to rise year after year. In fact, on average we have seen an increase in sales and production of over 15%. After talking with many members and industry experts, we expect 2017 will be bigger and better than last year. I'm sure you all will agree that is welcome news.

From an association perspective, because of the leadership and hard work of the NCMHA Executive Committee and Board of Directors, the NCMHA is in great shape financially and our membership continues to grow. I am happy to report that our membership has seen a tremendous increase overall. In particular, our Community membership increased by 14%, Finance/Insurance increased by 20%, Service Supplier increased by 17%, and Installation Contractor increased 38%. We are pleased to have such a large growth in membership and welcome these companies to our association.

I am also excited about our annual meeting this year. We heard from so many of you that going back to the beach was important and that it was time we celebrated through fun fellowship and networking in a beach type atmosphere. Members said, "for the last several years we all were stressed out, the industry was downsizing and now that it's all behind us, it's time to have a little fun", so at the last Board meeting we voted to hold our annual meeting at the Holiday Inn Resort (formerly known as the SunSpree) in Wrightsville Beach June 13<sup>th</sup> & 14<sup>th</sup>, 2017. In addition to "going back to the beach" we will include a vendor fair at our annual meeting. I believe this will be a great addition to our annual meeting and hope that it will encourage more networking and participation of all members. Please mark your calendars and plan on attending.

Finally, whatever this year may bring us; you can rely on NCMHA to continue working hard to help our industry stay healthy and grow. In keeping with tradition, my New Year's Resolution to you is to continue to work hard to provide the sort of leadership NCMHA deserves. I also hope that you adopt some of your own association related resolutions, might I suggest inviting a company you associate with to become a new member of NCMHA? Or how about making a goal to actively participate in MaHPAC? Maybe even begin to regularly attend Board of Director meetings or become a member of a committee. Whatever your personal resolutions may be, I hope that you add being more active in your association to the list.

I hope you will join me in welcoming the New Year and I hope it is a happy and prosperous one!



## 2017 NCMHA Directories are Here!

**Have you received yours?  
If you haven't please contact:**

**Bobbi Peterman**  
**ph: 919.872.2740**  
**email: [bobbi@nc-mha.org](mailto:bobbi@nc-mha.org)**

**For the digital edition go to <http://www.nc-mha.org/>**



## 2016 NC State Fair Display Home Wows Consumers



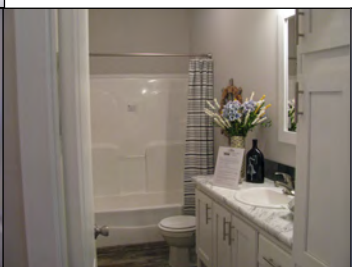
Once again nothing was finer than the factory built home displayed by NCMHA at the North Carolina State Fair. The 1,941 sq. ft. manufactured home, produced by Champion Homes in Lillington, NC featured an open floor-plan with an abundance of amenities and upgrades that fairgoers found impressive.

Word of mouth and a prime location near gate 2 kept the traffic flowing through the home throughout the 11 day event. The 50,000 plus fairgoers that toured the home were amazed at this example of the many advances in design and technology that are convincing more and more consumers to purchase factory built housing.

A special thanks to all of the companies that sponsored this project including: Champion Homes, Lillington who provided the home, Batchelor Supply, Inc. and Exteria Building Products who provided the 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 PR 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)



# ASSOCIATION NEWS



## **2016/2017 NCMHA Executive Committee**

### **President**

Tonnie Prevatte, Prevatte's Home Sales Inc.

### **1<sup>st</sup> Vice President**

Bill McLucas, William R. McLucas, CPA, PLLC

### **2<sup>nd</sup> Vice President**

Mike Smith, Clayton Homes

### **Treasurer**

Dascheil Propes, Johnson & Johnson, Inc.

### **Secretary**

Kent Suits, Suits Homes, Inc.

### **Immediate Past President**

Paige Janey, Clayton Homes

## **NCMHA Board of Directors**

### **Retail Representatives**

Jeff Jones, Down East Homes of Beulaville

Ken McGee, Greenfield Housing Center

Roger McCarter, Clayton Homes of Roxboro

### **Finance Representatives**

John Bowers, South State Bank  
Brewer Knox, Johnson & Johnson, Inc.

### **Community Developer/Representatives**

Ken Johnson, Lillington Mobile Home Community, LLC

Vito Montaperto, Dana Hill Community

### **Manufacturer Representatives**

Steve Collins, Fleetwood Homes

Jeff Mooring, Champion Homes of North Carolina

Billy Owens, Clayton Manufacturing - Nashville

### **Service/Supplier Representatives**

Cindy Barringer, Patrick Industries, Inc.

Cliff DeSpain, Weyerhaeuser Company



## Calendar of Events

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

### **February 15, 2017**

Registered Housing Specialist Seminar and State Test  
Raleigh, NC

### **March 8, 2017**

Registered Housing Specialist Seminar and State Test  
Raleigh, NC

### **March 15, 2017**

NCMHA Board of Directors  
Legislative Day (Tentative)  
Raleigh, NC

### **April 12, 2017**

Registered Housing Specialist Seminar and State Test  
Raleigh, NC

### **May 17, 2017**

Registered Housing Specialist Seminar and State Test  
Raleigh, NC

### **June 13 & 14, 2017**

NCMHA Annual Meeting  
Holiday Inn Resort  
Wrightsville Beach, NC

### **June 21, 2017**

Registered Housing Specialist Seminar and State Test  
Raleigh, NC

## Scott Morton Educational Trust Fund Accepting Applications for 2017 Scholarships

The NCMHA Scott Morton Educational Trust is accepting scholarship applications for 2017. Scholarships are awarded to the top applicants based on a combination of need and merit to graduating high school seniors; adults attending college, junior college or technical school; or to students with special educational gifts or needs. Awards are for one year, but scholarship recipients will be eligible for consideration for renewal if they make satisfactory progress in their studies. Scholarships will be limited to Undergraduate Studies Only.

For an application packet with nomination form, download at [www.nc-mha.org](http://www.nc-mha.org), e-mail Bobbi Peterman at [bobbi@nc-mha.org](mailto:bobbi@nc-mha.org) or contact NCMHA at 919.872.2740.

**Deadline for Applications:  
Wednesday, April 5<sup>th</sup>, 2017**

To be eligible for consideration an applicant MUST:

- be nominated by an employee of a NCMHA member firm and have a family member in the manufactured or modular housing industry
- have a 3.0 GPA or higher
- have graduated from high school within two years

## 2016 SMET Scholarship Recipients



Keely Scott



Brianna McCarter



H. Patterson Carroll



Lawson Lamm



Jordan Cartrette



Kennedy Nunn

# INSURANCE COMMISSIONER'S COLUMN

## *Thank You! Not Goodbye, But See You Later*



Goodwin

Greetings and Happy New Year!

I was privileged to meet with you, the members of NCMHA, just a few short months ago at your annual meeting in Pinehurst. It is amazing how much can change in such a short time. I am saddened that I will not be your Insurance Commissioner any longer but I am confident you will continue your good work in providing safe and affordable housing to the citizens of North Carolina.

It has been an absolute privilege and an honor to work with this industry as the Insurance Commissioner and State Fire Marshal in North Carolina. I promise I will continue to fight for all the things we have fought so hard to build. I have been afforded the ability to work with many exemplary organizations during my two terms and the North Carolina Manufactured and Modular Homebuilders Association is no exception.

Together we have provided every North Carolinian a little slice of the American dream. I have enjoyed every second of serving with you and I look forward to seeing what is next.

This is not goodbye but rather, see you later. I am unsure what my future holds, but please do not hesitate to reach out to me in the future. Thank you and God bless you.

## *Welcome New NCMHA Members*

**ALTA**  
Cary, NC

**HAMLET MHP, LLC**  
Hamlet, NC

**RED WING HOMES, LLC**  
Raleigh, NC

**CAROLINA MODULAR SOLUTIONS**  
Gastonia, NC

**HERITAGE HOUSING**  
Asheboro, NC

**SHANTI HILLS, LLC**  
Tavernier, FL

**CHELSEA INVESTMENTS, LLC**  
Lynchburg, VA

**IMORTGAGE, LLC,**  
A DIVISION OF LOAN DEPOT  
Raleigh, NC

**SIERRA PACIFIC MORTGAGE, INC.**  
Raleigh, NC

**CREEKSIDE, LLC**  
Reidsville, NC

**INDIAN CREEK MHC, LLC**  
Garner, NC

**SPRING HAVEN MHP, LLC**  
Flat Rock, NC

**DOWN EAST HOMES OF  
MOREHEAD CITY**  
Morehead City, NC

**LEGACY HOUSING, LTD**  
Eatonton, GA

**SUN HOMES**  
Sylva, NC

**ENDEAVOR HOMES, LLC**  
Conover, NC

**MARTY WRIGHT HOME SALES, INC.**  
Laurel Hill, NC

**THE CAVALLARO GROUP, INC.**  
Winter Park, FL

**FOSTER ENTERPRISES**  
Raleigh, NC

**MOBILE HOME SALES, LLC**  
Butner, NC

**TIDEWATER MORTGAGE  
SERVICES, INC.**  
Raleigh, NC

**GROGAN PROPERTIES, LLC**  
Stoneville, NC

**NORTHPOINT COMMERCIAL FINANCE**  
Clayton, NC

**WINFIELD SUPPLY, INC.**  
Charlotte, NC



## New Laws

### Fixed The Sales Tax For Repair, Maintenance And Installation (Rmi) Services

You may recall that, effective March 1 of last year, North Carolina's sales tax was expanded to apply to repair, maintenance and installation services. The new law caused confusion and misunderstanding across many industries. For manufactured and modular homes, the question was whether a separate sales tax had to be collected on set-up and installation and, if so, who should collect the tax.

NCMHA worked hard on this issue during the 2016 Legislative Session, and we are very pleased to report that the law has been clarified in the industry's favor. The Finance provisions in the State Budget, signed into law by Gov. McCrory on July 14, provide these key law changes:

1. There is no sales tax for installation services on real property. Real property is defined to

include "a manufactured home or a modular home that is placed on a permanent foundation."

2. There is no sales tax on a contract to perform construction with respect to a capital improvement on real property." Capital improvement" includes installation of well and septic, installation of heating & air systems, and installation of driveways.
3. Capital improvement also includes any work that requires the issuance of a permit. Warranty service performed within 12 months on new construction is exempt, as are home inspection services, pest control services and fees for inspections required by law.
4. This new law went into effect on January 1, 2017. For the period March 1 to December 31, 2016 a retailer is not liable for under-collection of sales tax if he makes a good faith effort to comply with the existing law.
5. This important clarification in the law will result in significant savings for customers in our industry and relieve retailers and contractors from a major compliance burden.

The new law also directs the NC Department of Revenue to issue a bulletin to further explain and clarify the law for retailers and contractors in all industries. NCMHA will share that bulletin and other information as it becomes available. **STATUS: ENACTED (Session Law 2016-94; these provisions effective 01/01/17).**

### Clarify Manufactured Home Right Of Cancellation-Purchase Agreement Changes

Senate Bill 491 sought to clarify that the 3 day right of cancellation only applies to the initial deposit. The consumer may still cancel the transaction later, but some or all of the deposit may be at risk. NCMHA believed this was the original intent of the law. It also deleted the financing terms from the required elements of the purchase agreement. Under the NC Safe Act and related federal laws, this information can only be provided by a licensed lender and the dealer is prohibited from quoting financing terms. **STATUS: Not Enacted (Passed the Senate but not the House).**

(Continued on page 12)

**Blevins**  
America's Leading Supplier for Manufactured Housing

Contact your Blevins Rep for Products that Meet the New HUD Code Set-Up Standards

We carry anchors and set-up equipment for every size and kind of home.

- Air Conditioners, Furnaces, Heat Pumps
- Skirting to Fit Every Budget
- PolyClip Skirting Attachments
- Large Variety of Doors, Windows & Accessories
- Set-Up Supplies
- Fiberglass Steps & Rafts
- Vapor Barrier
- Plumbing Supplies
- Ventilation

Introducing PolyClip Skirting Attachments

Greenville, SC (800) 327-8608  
Rocky Mount, NC (800) 967-0111

You can now order online 24/7 at [www.blevinsinc.com](http://www.blevinsinc.com)



# EXECUTIVE DIRECTOR'S COLUMN



*Lovin*

Another year is well under way and we have many important issues and events on the horizon. Industry wise, we are facing a lot of new regulations and proposed legislation that will affect our businesses. Please take the time to read over this issue of the NC Manufactured & Modular Housing News which is filled with information relating to you and your business. If you have any questions about any of the articles, please do not hesitate to call me at the association office or email me at Brad@NC-MHA.org.

We are already gearing up for another busy legislative session. There will be several hot topics on the table that will affect us and we are counting on all of you to stay involved, active and be advocates of the association. In addition to legislative issues, we also have a significant number of new General Assembly and Council of State Members. The elections in November resulted in over half of the Council of State changing. We now have a new Governor, Commissioner of Insurance, Attorney General, State Treasurer, and Superintendent of Public Instruction. We also have 22 new members of the State Senate and House of Representatives. With so many issues on the table this year and so many new faces to get to know, it's even more imperative that you attend association meetings and events, especially our annual Legislative Day. This event is held in the midst of the legislative session and allows us to interact with our legislators and other elected officials one-on-one to discuss issues that are affecting our industry. Please mark your calendar to attend NCMHA's Legislative Day in Raleigh in March!

Another event the association is gearing up for is the Annual Meeting. This year, we will hold it in the middle of the week, Tuesday, June 13<sup>th</sup> and Wednesday, June 14<sup>th</sup>, at one of the premier resorts in our state, the Holiday Inn Resort in Wrightsville Beach. We are excited about going back to the beach this year, but we are equally excited to include a vendor fair Tuesday evening during the welcome reception. This will allow member companies to promote their business and showcase their products while socializing and networking with fellow members, so be sure to reserve your table early so you don't miss out.

Despite all the issues we face, I am proud to say that our association is here fighting for us. I encourage all of you to continue to utilize this important resource and to share your membership commitment with those that have not joined or are not active in our association. NCMHA plays such a vital role in this industry, we should all be supportive and proud to be a part of it.



## MHI Calls for Entries for 2017 National Industry Awards

MHI is currently calling for entries for the 2017 National Industry Awards under the following categories: Land-Lease Community of the Year; Retail Sales Center of the Year; Manufactured & Modular Home Design and Manufactured or Modular Home Interior Design/ Home Merchandising.

The National Industry Awards are presented each year at the National Congress & Expo for Manufactured and Modular Housing, bringing recognition to the best manufactured home communities and manufactured home retail sales centers in the country in addition to the industry leaders in best new home manufactured and modular home designs. This year, the Congress & Expo will be held May 2 - May 4, 2017 at Caesars Palace in Las Vegas.

The deadline for submitting entries, paying the fees and submitting materials online for judging is March 24, 2017.

For more information go to: <http://www.manufacturedhousing.org>

# ASSOCIATION NEWS

## 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 courses for a discounted membership price. For more information, contact Bobbi Peterman at 919.872.2740.

### **February 2, 2017**

Doubletree Biltmore  
Asheville, NC

### **February 4, 2017**

Doubletree Hotel  
Durham, NC

### **March 1, 2017**

Hampton Inn  
Mooresville, NC

### **March 4, 2017**

Doubletree Hotel  
Durham, NC

### **April 4, 2017**

Doubletree Biltmore  
Asheville, NC

### **April 7, 2017**

Doubletree Hotel  
Durham, NC

### **May 5, 2017**

Doubletree Hotel  
Durham, NC

### **May 6, 2017**

Hampton Inn  
Mooresville, NC

### **June 9, 2017**

Doubletree Biltmore  
Asheville, NC

*NOTE: All dates on calendar are tentative.*

## 2017 NCMHA Annual Meeting . . . Back to the Beach

Mark your calendars, it's time again to start making plans to attend the NCMHA Annual Meeting! This year, the meeting will be a day and a half event Tuesday, June 13<sup>th</sup> and Wednesday, June 14<sup>th</sup> at the Holiday Inn Resort (formerly know as the SunSpree) in Wrightsville Beach, NC.

The committee is still in the early planning stages, but have many exciting events scheduled including the annual MaHPAC Golf Tournament and a welcome reception featuring the new addition of a vendor fair. Wednesday's agenda will include elections, awards and a buffet lunch.

Special Event sponsorships still available include the Annual Meeting Lunch & General Session (\$5,000), Welcome Reception (\$2,000 two available), MaHPAC Golf Lunch (\$1,000), MaHPAC Golf Beverage Cart (\$1,000) and the MaHPAC Golf - Hole In One Contest (\$500) as well as the unlimited general sponsorships of Platinum (\$1,000), Gold (\$750), Silver (\$500) and Golf Hole (\$250).

The Holiday Inn Resort is offering a special rate to NCMHA members of \$239 Oceanfront & \$199 Harbor View. NCMHA has only retained a small block of rooms, so be sure to make your reservation early.

### **Reservations By Phone:**

*Holiday Inn Resort (1-910-256-2231)*

*Ask for the NC Manufactured & Modular Homebuilders Association room block*

### **Reservations online:**

*<http://www.wrightsville.holidayinnresorts.com>*

*Group Code MHA*

You don't want to miss this timeless tradition, so mark your calendars now and make plans to attend!

For more information or registration forms please contact NCMHA at 919.872.2740 or visit our website at [www.nc-mha.org/events](http://www.nc-mha.org/events).





## Jim Miller Inducted into RV/MH Hall of Fame



Jim Miller

Jim Miller of Nationwide Custom Homes was bestowed the prestigious honor of being a 2016 RV/MH Hall of Fame inductee. A half century veteran of the industry, Miller's career has focused mainly on business development and sales/marketing for industry leaders including Redman, Brigadier, StyleCrest and currently Nationwide, a division of Cavco.

Miller has been actively involved in the State and National Associations throughout his career including six years on the NCMHA board, culminating in a 1998/1999 term as president. At the national level he served on the MHI Board and as chairperson of the Supplier's Board of Governors, MHI Membership committee and vice chairperson of the MHI Political Action committee.

Jim was recognized in 2009 for his tireless support of the industry when he was awarded the prestigious Jame E. Lavasque award which is presented annually to an NCMHA 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.

Miller stated "this industry has provided me with an opportunity to achieve my personal goals and dreams. I was also fortunate to have met and worked with some of the industry's most outstanding leaders. They mentored me and shared their wisdom and knowledge, providing me with the foundation that would be required to be successful in our industry. To tell the truth, I actually had to shed a few tears of joy as I read the notification letter. I thought about all the other industry individuals that had been previously inducted into the RV/MH Hall of Fame and was so proud to know I am now part of such a prestigious group of individuals."



# Palm Harbor Homes

Be the One and Only Palm Harbor Homes Modular Retailer in YOUR Market Area



For more information call 419-680-3771

### INVEST IN OUR FUTURE GIVE TO THE SCOTT MORTON EDUCATIONAL TRUST TODAY!

2016 was a good year for the industry, share the wealth and invest in our future! When deciding where to invest your hard earned money, give 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  
ph: 919.872.2740  
email: [bobbi@nc-mha.org](mailto:bobbi@nc-mha.org)



## New Laws *(continued from page 8)*

### Revised Lien Agent Law And Clarified Removal Of "Stale" Liens

This Bill provides for a lien to automatically expire after 30 years (unless renewed within that time) and clarifies the mechanics for the satisfaction, cancellation, and removal of liens, particularly "stale" liens (by affidavit) by either the owner of the MH or the owner of the land on which the MH is located. It also revises the mechanics lien agent law to exclude the purchase price of a MH from the calculation of the "cost of the undertaking," thereby eliminating the need to appoint a Lien Agent in most cases involving the purchase and setup of a MH. **STATUS: ENACTED (Session Law 2016-59; these provisions effective 07/01/2017).**

### Appropriation Approved to Put NC Building Code On-Line

While the NC Building Codes are currently available on-line via the Department of Insurance's website, the text is "read only" and is not "searchable". The final budget conference report for HB 1030 included an appropriation of \$425,000 to the NC Department of Insurance to make the Building Code Registry fully on-line and searchable. Thus, our members and the public will be able to access the NC building codes on-line without having to purchase the hard copy books. **STATUS: ENACTED (Session Law 2016-94; these provisions effective 07/01/16).**

### No Building Permit for Minor Repairs

This provision, which was inserted into SB 770 (North Carolina Farm Act of 2016) clarifies existing law by excluding certain minor repairs in residential and farm structures from any requirement to obtain a building permit. Specifically excluded is the replacement of windows, doors, exterior siding, or the pickets, railings, stair treads and decking of porches and exterior decks. With respect to plumbing, no permit is required for replacements that do not change size or capacity. **STATUS: ENACTED (Session Law 2016-113; this provision effective 10/01/16).**

### Revise Annual Permit Restrictions

Currently manufactured/modular homes not exceeding a unit width of 14 feet with a total roof over-

hang of 12 inches may apply for an annual permit if moving within a 25-mile radius from a specific dealer sales lot (permit co-issued) to customer's homesite, another dealer, or out of state. NCMHA met with legislative leaders and NC DOT leaders in an effort to remove or expand the 25-mile radius restriction. It was agreed that the most efficient and expeditious way to seek a change is through the NC DOT rulemaking process. Currently the NC DOT staff is proposing a host of rule changes and clarifications. Included in those changes is a provision to eliminate the 25-mile restriction altogether. **STATUS: In process through rule changes; a public hearing was held in November 2016 and effective date is expected in March 2017.**

## STAN TAYLOR

A Towne Insurance Agency

---

### MANUFACTURED HOUSING SPECIALIST

RETAILERS	MODULAR BUILDERS
<ul style="list-style-type: none"><li>• Inventory Insurance</li><li>• General Liability</li><li>• Auto</li><li>• Builders' Risk</li><li>• Umbrella Liability</li><li>• Workers' Compensation</li></ul>	<ul style="list-style-type: none"><li>• Builders' Risk</li><li>• General Liability</li><li>• Modular Set-up Bonds</li></ul>
	SERVICE/SET-UP CONTRACTORS
	<ul style="list-style-type: none"><li>• Liability</li><li>• Tow Trucks</li><li>• Property</li><li>• Bonds</li></ul>
COMMUNITY OWNERS	
<ul style="list-style-type: none"><li>• General Liability</li><li>• Rentals</li><li>• Workers' Compensation</li></ul>	

---

OUR 43<sup>RD</sup> YEAR SERVING THE  
MANUFACTURED HOUSING INDUSTRY



Stan Taylor Insurance · A Towne Insurance Agency  
Contact: Sara May · Paul Simson  
P.O. Box 18106 · Raleigh, NC 27619  
4515 Falls of Neuse Road · Suite 300 · Raleigh, NC 27609  
Phone: (919) 882-5165 · Fax: (919) 872-2033  
towneinsurance.com

Insurance products offered through Towne Insurance, a subsidiary of TowneBank, are not a deposit, not FDIC insured, and are not guaranteed by TowneBank.



## **Contributing to MaHPAC . . . Makes YOU a Winner Too**



## What is MaHPAC?

The purpose of the Manufactured and Modular Homebuilders Political Action Committee (MaHPAC) is to support North Carolina state legislators, legislative candidates, and local officials who identify with and support the aims of our Association. MaHPAC supports candidates who are concerned about housing issues, and who believe in fair and equal treatment for factory-built homes.



## Why Contribute?

In today's regulatory and political environment, government's involvement in our industry is at an all-time high. Whether through lending, sales transactions, record keeping or taxes, we are regulated by all levels of government now more than ever. Financial participation in the political and legislative process allows our manufactured and modular housing voice to be heard. We must support those candidates who support our views. We must support those candidates who are, well frankly, willing to help our industry. We have to raise more awareness about our issues and to do that WE MUST RAISE MORE PAC MONEY!

**C**ongratulations to Kent Suits of Suits Homes, Inc., Siler City, NC, who purchased the winning ticket drawn for the MaHPAC raffle (pictured above with his new boat and daughter Callie).

Chair Tonnie Prevatte negotiated with Chatlee Marine in Sanford for MaHPAC to purchase a boat at cost to raffle and raise much needed funds. The raffle kicked off in June at the 2016 NCMHA Annual Meeting at the Pinehurst Resort and wrapped up with Mr. Joe Sadler drawing the winning ticket at the NCMHA Board meeting on December 15<sup>th</sup>.

The Committee would like to thank everyone who supported MaHPAC by selling and/or purchasing tickets, with a special thank you to our top ticket sellers, Tonnie Prevatte, Luke Foster, Jeff Jones, Keith Miller, Jeff Butler, Harley Cole, Steve Collins, Roger McCarter, Ken McGee and Phillip Moncure.

A total of 1,156 tickets were sold which netted MaHPAC \$5,220. That may sound like a lot of money, however when you consider that this past election cycle MaHPAC contributed over \$20,000 to candidates who support our views and are willing to stand up for our industry, it pales in comparison. This is why we need your support and your checks! Your contribution to MaHPAC makes you a winner as well as the industry . . . you never know . . . you could end up with a beautiful new boat.

**Contribute to MaHPAC today!!  
Contact the NCMHA Office  
ph: 919.872.2740  
email: [bobbi@nc-mha.org](mailto:bobbi@nc-mha.org)**

# ASSOCIATION NEWS

## Annual Meeting Sponsorships Available

### SPECIAL EVENT

General Session & Lunch  
\$5,000

Welcome Reception  
(2 Available)  
\$2,000

Mahpac Golf  
Hospitality Cart  
\$1,000

Mahpac Golf  
Boxed Lunch  
\$1,000

Mahpac Golf  
Hole In One Contest  
\$500.00

### UNLIMITED SPONSORSHIPS

Platinum  
\$1,000

Gold  
\$750

Silver  
\$500

Golf Hole  
\$250

For more information contact:  
Dana Fox  
ph: 919.872.2740  
e-mail: dana@nc-mha.org



Gray

## Q & A with Frank Gray, NCMHA Legal Counsel

**Q:** When does the sales tax expansion for repair, maintenance and installation services take effect?

**A:** Effective January 1<sup>st</sup>, 2017 sales tax in NC will include tax on repair, maintenance and installation services. This means that any retail business providing these services must collect and remit sales tax, this includes services for both real and personal property. For manufactured housing retailers the main impact will be on installation. Sales tax will apply to the cost of set-up and installation unless the transaction qualifies for an exemption.

**Q:** What type of transaction qualifies for an exemption?

**A:** Recent directives issued by the NC Department of Revenue state that installation charges for "real property contracts" are exempt from sales tax. Under the new sales tax law, the term "real property" includes a manufactured home or modular home that is placed on a permanent foundation. Therefore, if a retailer/builder (or a set-up contractor hired by a retailer/builder) erects a manufactured or modular home on a permanent foundation, the set-up and installation charge is exempt from sales tax. Note that this exemption is limited. The installation of the home must be intended to become a permanent installation, and title must vest in the owner or lessor of the real property. This would almost always be the case with installation of a modular home. For the installation of a manufactured home, however, the application could differ. If the manufactured home is set-up on land owned by the customer, and the title is either cancelled or the title is issued in the same name as the property owner, installation charges would be exempt from sales tax. If, however, the manufactured home is set up in a mobile home park, or on other leased land where the home will not be owned or titled in the same name as the owner of the real property, installation charges will not be exempt from sales tax. The retailer should itemize the installation charge separately on the invoice and collect sales tax from the customer.

**Q:** Is there documentation needed for the exemption?

**A:** In order to document that an installation is exempt as a real property contract, the DOR has developed an Affidavit of Capital Improvement. This Form E-589C1 is available on the DOR website <http://www.dor.state.nc.us/downloads/sales.html>. Look under the heading "Affidavits". Failure to issue the Form E-589CI to substantiate that a transaction is for a real property contract will subject the set-up and installation to sales tax. Typically, a retailer should issue the Form E-589CI to its set-up contractor. The set-up contractor is supposed to pay sales tax on the materials he buys from his supplier to perform the set-up, but the Form E-589CI will document that the set-up contractor is not required to charge sales tax on the installation and set-up service.



## MHI Statement on Dr. Ben Carson Being Chosen to be Nominated as HUD Secretary

Arlington, VA (December 5, 2016) – Richard Jennison, President & CEO of the Manufactured Housing Institute (MHI), issued the following statement on Dr. Ben Carson being chosen to be nominated as the Secretary of Housing and Urban Development (HUD).

“I congratulate Dr. Ben Carson upon the announcement that President-Elect Trump will nominate Carson as the Secretary for the Department of Housing and Urban Development. MHI appreciates President-Elect Trump’s recognition that it will take a strong leader with national prominence to change the direction of our national housing policy and break down the barriers that have hindered the availability and affordability of housing across the country. We are enthusiastic about the high profile that the President-Elect has placed on this important agency with Dr. Carson’s nomination.

We look forward to working with Dr. Carson and his team to ensure he recognizes that a robust manufactured housing market is critical to increasing the availability of affordable housing, which is in short supply in many parts of the country. During this critical time for our nation’s housing markets, manufactured housing provides a reliable, and affordable supply of homes that meet a variety of housing and lifestyle needs.

As the primary regulator for manufactured housing, we must ensure that HUD’s regulations are reformed to foster housing affordability, uniformity and ease of compliance, and to minimize discrepancies and overlap with state and local codes. We hope that Dr. Carson and his team at HUD will revisit recent regulations that are cost prohibitive for consumers seeking to purchase a manufactured home, including the on-site rule, installation guidance and energy efficiency regulations. We also encourage him to address regulatory barriers to manufactured housing finance.

The housing crisis extends beyond inner-cities. We sincerely hope that President-Elect Trump and Dr. Carson will dedicate resources and attention to addressing the housing challenges, including those in rural America, and we stand ready to assist them in their efforts.”

Manufactured homes serve many housing needs in a wide range of communities—from rural areas where housing alternatives (rental or purchase) are few and construction labor is scarce and/or costly, to higher-cost metropolitan areas. Manufactured homes are a critical source of affordable housing for more than 22 million working families. The cost of a manufactured home is up to 35 percent less than the cost of a comparable site-built home, according to the U.S. Census Bureau. The affordability of manufactured homes has long made them the preferred choice for many families, including first-time homebuyers, retirees and families in rural areas.

MHI is the only national trade organization representing all segments of the factory-built housing industry. MHI members include home builders, lenders, home retailers, community owners and managers, suppliers and 50-affiliated state organizations. MHI members represent about 85 percent of manufactured homes produced each year.

### USEFUL ADDRESSES & PHONE NUMBERS

#### **NCDOT OSFM - Manufactured Building**

Mailing Address: 1202 Mail Service Center, Raleigh, NC 27699-1202

Street Address\*: 116 West Jones Street, Raleigh, NC 27603

Phone\*: (919) 647-0000 or (800) 634-7854

Website: [www.ncdoi.com/OSFM](http://www.ncdoi.com/OSFM)

\*PLEASE NOTE: The Department of Insurance is relocating their offices into the Albemarle Building in Raleigh during the first quarter of 2017. Please check their website for updates on their location and telephone numbers.

#### **NCDOT - Oversize/Overweight Permit Unit**

Mailing Address: 1561 Mail Service Center, Raleigh, NC 27699-1561

Phone: (919) 814-3701

Fax: (919) 662-4320

Website: [www.ncdot.gov](http://www.ncdot.gov)

To order permits:

Phone: (888) 222-8166 or (919) 814-3700

Single Trip Line: (888) 574-6683 Option 1

Single Trip Fax: (888) 222-8347 or (919) 662-4320

Annual Fax: (919) 662-4318

#### **NCDOT - Division of Motor Vehicles**

Address: 1100 New Bern Ave., Raleigh, NC 27697-0001

Phone: (919) 861-3015

Fax: (919) 733-0126

Website: [www.ncdot.gov/dmv](http://www.ncdot.gov/dmv)

#### **NC Department of Revenue**

Mailing Address: PO Box 871, Raleigh, NC 27602

Phone: (919) 814-1006

Website: [www.dornrc.com](http://www.dornrc.com)



# THE YEAR IN REVIEW





# THE YEAR IN REVIEW

## AWARDS

**James E. LaVasque Award**  
Hazel Stephenson

**Multi-lot Retailer of the Year**  
Clayton Homes of Roxboro

**Independent Retailer of the Year**  
Outlaw Mobile Homes, Inc.

**Rollan Jones Member of the Year**  
Roger McCarter

**President's Award**  
Brad Lovin, Dana Fox  
Bobbi Peterman

**Certificate of Appreciation**  
David Cranfield, Cliff DeSpain

**Steve Zamiara**  
**Excellence in Government Award**  
Commissioner  
Wayne Goodwin, NCDOT

### MaHPAC - Golf

**1st Place**  
Adam Harpe, Jim Miller,  
Andy Miller, Chris Vanderiet

**2nd Place**  
Al Gurner, Phillip Hathcock,  
Donnie Pritt, Todd Stanley

**Last Place**  
Cliff DeSpain, Angie DeSpain,  
Bob Doepke, Vito Montaperto

**Longest Drive**  
Bo Calloway

**Closest to the Pin**  
Bo Calloway

**MaHPAC - Raffle**  
Kent Suits



## TARGET INDUSTRY MEMBERS

ADVERTISE IN THE  
NORTH CAROLINA  
MANUFACTURED  
AND MODULAR  
HOUSING NEWS

To reserve your ad space  
today contact:

Bobbi Peterman  
ph: 919.872.2740  
e-mail: bobbi@nc-mha.org

## WANT ADS

Use "Want Ads" in the NC Manufactured & Modular Housing News to buy, sell, trade, hire new employees or even find a job. \$15 for the first 3 lines and then \$3 for each line after that.

Contact Bobbi at NCMHA at 919.872.2740 to place your ad today!



Causey

## Meet Mike Causey, Newly Elected NCDOT Commissioner & State Fire Marshal

North Carolina Insurance Commissioner and State Fire Marshal Mike Causey has been a small businessman, insurance agent, and insurance agency owner with 25 years in the insurance industry. Commissioner Causey is a native of Guilford County and still lives in the same house on the Causey family farm where he grew up, residing there with his wife of 43 years, Hisae, and their family pets.

Commissioner Causey learned the values of hard work as his family grew produce and raised livestock on the family farm and supplied farmers' markets in the Greensboro area. After high school, Causey entered a work/study program at Wake Technical College where he earned his degree in Engineering Technology. From there he went into the U.S. Army, where he served as a Military Policeman and played in the Army Band. After his military experience, Mike worked as a field engineer in the construction industry and later entered an engineering program at UNC-Charlotte. He soon began his career in the insurance industry, working with Metropolitan Life Insurance Company in Charlotte. He went on to learn virtually every facet of the insurance industry, working as an agency manager and superintendent of agencies for Standard Life Insurance Company and owning his own agency.

Along the way, Commissioner Causey continued his education with an undergraduate degree and graduate studies from High Point University. In addition to his experience in the insurance industry, Commissioner Causey has been a lifelong farmer and entrepreneur, owning several family businesses, including an antique store, a farm equipment dealership and a produce market.

Commissioner Causey likes to stay busy, and looks forward to learning the insurance and safety needs of North Carolina families and businesses as he seeks to serve the citizens of North Carolina.

**A strong membership  
benefits the entire  
industry, encourage your  
vendors to join NCMHA.  
For more information on  
membership contact:**

**Bobbi Peterman  
ph: 919.872.2740  
email: bobbi@nc-mha.org**





## HUD CODE Through November 2016

	Through NOVEMBER 2016		Through NOVEMBER 2015		Percentage Change
	Shipments	Market Share	Shipments	Market Share	
New England	1,334	1.8%	1,082	1.7%	23.3%
Middle Atlantic	3,183	4.3%	2,911	4.5%	9.3%
East North Central	8,161	11.0%	6,128	9.5%	33.2%
West North Central	2,989	4.0%	2,952	4.6%	1.3%
South Atlantic	15,916	21.5%	13,508	20.8%	17.8%
East South Central	10,961	14.8%	9,080	14.0%	20.7%
West South Central	20,839	28.1%	19,758	30.5%	5.5%
Mountain	4,793	6.5%	4,544	7.0%	5.5%
Pacific	5,109	6.9%	4,395	6.8%	16.2%

## MODULAR 2<sup>nd</sup> Quarter 2016

Shipments of Modular Homes by State Ranked from Highest to Lowest 2 <sup>nd</sup> Quarter 2016		
	Modular Shipments	% of Total
New York	497	13.3%
North Carolina	386	10.3%
Virginia	260	7.0%
Pennsylvania	248	6.6%
Michigan	134	3.6%
Maine	127	3.4%
Illinois	126	3.4%
Massachusetts	114	3.1%
Florida	113	3.0%
Iowa	103	2.8%
Minnesota	102	2.7%
New Jersey	100	2.7%
Wisconsin	95	2.5%
Texas	79	2.1%
South Carolina	78	2.1%
Colorado	74	2.0%
South Dakota	69	1.8%
Tennessee	68	1.8%
Ohio	67	1.8%
Louisiana	48	1.3%
North Dakota	46	1.2%
Indiana	40	1.1%
Connecticut	39	1.0%
Delaware	37	1.0%
Missouri	35	.9%
West Virginia	34	.9%
Nebraska	34	.9%
Montana	33	.9%
Maryland	24	.6%

	Through NOVEMBER 2016		Through NOVEMBER 2015			Percentage Change
	Shipments	Market Share	Shipments	Market Share	Rank	
1. Texas	11,875	16.0%	12,582	19.4%	1	-5.6%
2. Louisiana	5,869	7.9%	4,155	6.4%	3	41.3%
3. Florida	5,025	6.8%	4,518	7.0%	2	11.2%
4. Michigan	3,508	4.7%	2,585	4.0%	7	35.7%
5. Alabama	3,359	4.5%	2,590	4.0%	6	29.7%
6. North Carolina	3,060	4.1%	2,730	4.2%	4	12.1%
7. Mississippi	2,944	4.0%	2,396	3.7%	8	22.9%
8. California	2,904	3.9%	2,702	4.2%	5	7.5%
9. South Carolina	2,821	3.8%	2,273	3.5%	9	24.1%
10. Kentucky	2,517	3.4%	2,170	3.3%	10	16.0%
	<b>43,882</b>	<b>59.2%</b>	<b>38,701</b>	<b>59.7%</b>		<b>13.4%</b>

## North Carolina Product Mix November 2016

Shipments			Production		
Single-Section	Multi-Section	Total Shipments	Single-Section	Multi-Section	Total Production
118	121	239	163	157	320

North Carolina	2015	2016	% Change
Home Production	300	320	6.7%
Home Shipments	256	239	-6.6%

### Three Reasons to Support MaHPAC

1. Every dollar you contribute goes directly to help candidates for the NC House and Senate.
2. MaHPAC can provide more support to candidates than individuals directly.
3. MaHPAC focuses its support on key lawmakers who are most likely to shape the issues that affect our state's industry.

For more information on how you can give, call NCMHA at 919.872.2740.

## NCMHA

PO Box 58648  
Raleigh, NC 27658-8648  
919.872.2740  
919.872.4826 fax  
www.nc-mha.org

PRESORTED  
STANDARD  
US POSTAGE  
**PAID**  
RALEIGH, NC  
PERMIT #2483

# A REVOLUTION IN MOBILE HOME HVAC.

- A/C and Split Heat Pumps featuring **AccuCharge®** are designed to meet 13 SEER -15 SEER applications
- Package Heat Pump and AC Systems that meet all HUD and modular applications
- Industry leading warranty with **1 Year Labor/10 Year Parts** on condensers utilizing **AccuCharge®**
- Improved installation efficiency with **AccuCharge®** resulting in reduced time and labor costs for new system and change out installations
- Shipping available to the factory, dealer or installer
- **Revolv®** HVAC systems utilize **AccuCharge®** technology specifically engineered to meet the challenges of the manufactured housing industry



INDOOR COMFORT PRODUCTS  
**Revolv®**  
STYLECREST

stylecrestinc.com • 800.945.4440