

Home on the Road

Voice of West Virginia's factory-built housing industry **May 2010**



CMH obtains licenses for Home Show retail outlets

CHARLESTON -- State regulators approved new licenses in March for 11 manufactured housing retail locations previously owned by The Home Show of Hurricane.

The West Virginia Manufactured Housing Construction and Safety Standards Board (State Board) also approved a change of corporate name to Champion Home Builders Inc. for four out-of-state manufacturing plants.

Acting on a number of separate disciplinary issues, the State Board told 11 unlicensed companies to halt operations in West Virginia and imposed thousands of dollars in fines on others.

CMH Homes, Inc., of Maryville, TN, "bought out all The Home Shows, effective April 1," said Mitch Woodrum, director of the manufactured housing section of the West Virginia Division of Labor.

The eight West Virginia and three Kentucky locations of The Home Show were owned by Steve and Pam Brown on Hurricane. Steve Brown also was co-president of the industry trade association, the West Virginia Housing Institute Inc.

(Continued on p. 5)



Embassy Suites Hotel Charleston

2010 convention July 20-21 in Charleston

CHARLESTON – Joe Stegmayer, head of Cavco Industries, and the new owner of Fleetwood Homes, is the keynote speaker at the WVHI convention July 20-21 in Charleston.

At least four of 14 board seats will be vacant when the statewide convention is gaveled to order July 21 at The Embassy Suites Hotel in Charleston. Ten people have filed their candidacies and more are expected.

Phoenix-based Cavco recently purchased Fleetwood Homes, which has a plant at Rocky Mount, Va., after the Riverside, Calif.-based, Fleetwood filed for Chapter 11 bankruptcy protection last year.

Cavco, which began operations in 1965, is one of the largest producers of manufactured housing in the country. It employs 600 people in two manufacturing plants in the Phoenix area and one in Texas.

Involved in the Fleetwood deal were facilities and 700 people in seven states.

Stegmayer, who addresses the banquet dinner July 21, leads off the list of educational speakers attendees at WVHI conventions have come to expect.

General Counsel John Teare and Associate General Counsel Johnnie Brown, both Charleston lawyers, will head a two-hour panel discussion and Q-and-A session to open the convention at 3 p.m. July 20.

After the lawyers' forum, attendees will visit nearby Appalachian Power Park for a game of baseball on a magnificently manicured lawn.

(Continued on p. 3)

WVHI acts for financial integrity

CHARLESTON -- Faced with a continued drop in revenue, a decision has been made to maintain the financial integrity of the industry's trade association.

The board of directors of the West Virginia Housing Institute Inc. has voted to increase dues by \$50-a-floor. The change is effective July 1.

The increase to \$100-a-floor matches similar increases in Maryland and Tennessee and other nearby states.

WVHI has been one of the more active and successful association in the country. It won an antidiscrimination law, exemption from the SAFE Act, infused new industry membership on the state regulatory board, among several things it has been able to accomplish.

WVHI has drastically trimmed its budget, cut the office staff and reduced expenditures to the bare minimum to counteract falling revenue, said Executive Director Andy Gallagher.

"We have not been forced to make a fee change for more than 20 years, which is unprecedented," Gallagher said. "The board determined this action was necessary before WVHI's reserves were exhausted."

(Continued on p. 5)



Clay Center in Charleston

THE PODIUM

By Kevin Wilfong
WVHI Co-President



*Kevin Wilfong
WVHI Co-President*

I would like to take a moment to bid farewell to one of the finest people I have known in our business.

Steve Brown has decided to leave the industry. As part of that decision, he has resigned from the board of directors of the West Virginia Housing Institute Inc. and has stepped down as our co-president. His replacement is our able treasurer, George T. Gunnell of Clayton Homes, Inc.

Steve was a founding member of WVHI in 2004 when we were cautiously melding two separate rival groups. He and I assumed the helm of our joint venture.

Since that time, we have developed both a personal and working relationship that is unrivaled.

Steve's incredible personal drive and his vision for what our industry could be have been hallmarks of his co-presidency. At the state level, Steve has battled with regulators and tramped the halls of the Legislature to better our industry. At the national level, he has been a solid voice at MHI and other locales for what is best for manufactured housing.

And always and everywhere, Steve Brown has spoken for the individual retailer. Steve's strongest advocacy was reserved for retailer dealers.

The board of directors, the general membership and I wish him well for his future and that of his wife, Pam.

I do not know what the future holds for Steve and Pam, but I do know they are not the kind of people who will be out of action for long.

I enjoyed my service as co-president on the board with Steve.

I know all of you benefited greatly from the service Steve provided in serving you.

I also know he took great pride in you allowing him to serve both on the board and as co-president of the WVHI



Want to keep up on the latest with the factory-built housing industry in West Virginia? Want to be listed on our website or linked to it?

The West Virginia Housing Institute Inc. is at www.wvhi.org. Take a look at what we have on the site. Tell us what you want added or improved.

The inside scoop is in the members-only section. And you only have to call Andy Gallagher at (304) 346-8985 to join.

Golfing for the PAC

The West Virginia Housing Institute Inc.'s golf tournament takes place July 21 at South Charleston's Little Creek Golf Course. We look forward to having you participate.

The tournament funds our political action committee. As a result, we can take only personal checks that are made out to HousingPAC.

We cannot accept corporate checks.

We are asking each participant to make a donation of \$125 for the PAC fund this year, a figure we have tried to maintain at the same level over the years.

Please let us know if you plan to participate

Name _____

Company _____

Email _____

Handicap _____

WVHI 2010 convention tentative agenda

Embassy Suites Hotel, Charleston, WV

Tuesday, July 20, 2010

- 1 p.m. Registration Desk Opens —Atrium
- 3 p.m. Check-in at Embassy Suites -- Atrium
- 3-5 p.m. Meeting --Salon A
- Lawyers' Forum – Led by General Counsel John Teare and Associate General Counsel Johnnie Brown, here is an opportunity for two free hours of expensive legal advice.
- 5:30 – 6:30 p.m. Welcome reception -- Atrium
- 7-9:30 p.m. Baseball Appalachian Power Park, special reserved area with beer, hot dogs and ballpark fixin's. Come, have fun.

Wednesday, July 21, 2010

- 7-9 a.m. Breakfast--Embassy atrium. Hotel chefs will fix your order special.
- Morning session -- Salon E
- 8:45 – 9:00 a.m. Annual meeting with election of officers
- 9-9:30 a.m. Karen Coria discusses computers, the internet and what we need to be doing to market ourselves in the Brave, New World.
- 9:30-10:15 a.m. **George T. Gunnell and Judy Ritchie of Clayton Homes, Inc. discuss 10b forms and dealing with state regulators as we go into the second decade.**
- 10:15-11 a.m. Karen Ruckle with United Bank of Westover discusses industry financing.
- 11:30 a.m. **Golf Tournament begins -- Little Creek Country Club, South Charleston**
- This beautiful and challenging par 72-plays out on 6,096 rolling and wooded yards. A short trip by car across to South Charleston.**
- Lunch: On your own.**
- Free Time** Not a player – All Charleston is available to you.
- 5:30:7 p.m. Cocktails -- Atrium
- 7-7:45 p.m. Reception and banquet -- Salon D
- 7:45-8:30 p.m. Joseph Stegmayer, CEO of Cavco Industries, Inc., and Fleetwood Homes, will discuss manufactured housing issues. Judy Ritchie runs our political action committee-fundraising auction.
- 8:30-9:30 p.m.

Thursday, July 22, 2010

Enjoy breakfast and we'll see you next year

Contact: Andy Gallagher (304) 415-4187



Appalachian Power Park situated in downtown Charleston Gunnell new WVHI Co-President with Wilfong



Gunnell

WVHI longtime Treasurer George Gunnell of Hurricane was the unanimous choice of the board of directors to replace Steve Brown as association co-president after Brown resigned.

Gunnell, who works for Clayton Homes, Inc., and formerly was employed by The Home Show, will serve with Co-President Kevin Wilfong of Fairmont “I am pleased with George’s selection,” Wilfong said. “We find this co-presidency suits our organization perfectly.” “George has vast experience with the finances of the organization already and is a perfect choice,” agreed General Counsel John Teare.

Conference from p. 1

The statewide meeting and board election takes place on the morning of July 21.

The meeting will be followed by our speakers -- Karen Coria, the widow of the late Leff Moore, speaking on ways computers and internet can help promote business; WVHI Co-President George Gunnell and Judy Ritchie, both of Clayton Homes, Inc., will discuss 10b form and how to deal with state regulators; and Karen Ruckle with United Bank in Westover will discuss financing for our industry.

Golf follows at Little Creek Country Club’s nearly 7,000-yard fairway in South Charleston. Nongolfers can visit many appealing sites in downtown Charleston, including the Capitol and the Clay Center for the Arts.

Stegmayer is the dinner guest speaker, after which Judy Ritchie will lead us in our political action fundraising auction.

“The event is taking place in the stunning background of the Embassy Suites, which has everything a guest would want,” said WVHI Co-President Kevin Wilfong of Fairmont.

“With a slight uptick we are seeing in business, we are looking for an even stronger turnout than we had last year,” Gunnell said.

At least 4 positions available
on WVHI board

CHARLESTON — At least four positions are open on the West Virginia Housing Institute Inc.'s board of directors.

Candidates can seek the positions when the statewide WVHI meeting takes place July 21 during the WVHI convention.

The board includes 14 members and two co-presidents.

Changes in the industry prompted the large number of vacancies.

At least 10 people have expressed an interest in running for the positions.

Home on the Road Newsletter

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WVHI

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Home on the Road is a publication of the West Virginia Housing Institute Inc., published four times a year (March, June, September and December).

Free subscription with paid membership dues. All advertising must be paid in advance. *Home on the Road* reserves the right to reject any advertising. Make checks payable to WVHI. Send ads with payment and news to Andy Gallagher.

Advertising rates

Full page: \$200

Half page: \$100

Quarter page: \$60

Classified: \$30 for each 3 lines

These rates are double for nonmembers.

Convention sponsorship opportunities

WEST VIRGINIA HOUSING INSTITUTE INC.
ANNOUNCES
2010 CONVENTION SPONSORSHIP LEVELS

Sponsors Earn Great Recognition, Rewards &
Opportunity to Celebrate the Industry in West Virginia
Each comes with yearlong recognition on our webpage at www.wvhi.org

_____ Platinum: \$5000.00 — Four free registrations and two nights lodging for two rooms.

_____ Gold: \$2,500 — Two free registration and two night's lodging.

_____ Silver: \$2,000 — Two free registrations and one night's lodging.

_____ Bronze: \$1,500 — Two free registrations.

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_____ Iron: \$750 — Listing in *Home on the Road*

_____ Wood: \$500 — Listing in *Home on the Road*

The Officers, Board of Directors and Members of the West Virginia Housing Institute Inc. applaud your success and continued support.

Name: _____

Company _____

Name _____

Company Ad-

dress: _____

Telephone _____

Fax _____

Email _____

Please send your check today and become a valued member of the 2010 Convention Team that's working hard to make sure this year's annual event at The Embassy Suites Charleston July 20-21 is not only possible but exciting, educational and fun for all those attending. WVHI is a nonprofit organization.

West Virginia Housing Institute Inc.

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Industry News

SAFE Act changes in West Virginia OK

CHARLESTON — Legislation to preclude manufactured and modular housing staff from having to become licensed mortgage brokers was revived this year by the West Virginia Legislature.

But the administration of Gov. Joe Manchin did nothing to weaken the exemption negotiated on behalf of the industry last year.

That exemption says sales staff do not have to undergo the extensive testing and licensing under the act.

“As always, we appreciate Governor Manchin’s support in this important area for us,” said WVHI Co-President Kevin Wilfong of Fairmont.

February Shipments Improve by 6

CHARLESTON — Manufactured housing shipments improved slightly in February in West Virginia when compared to February 2009.

Floor shipments for this February totaled 71 in the state, while shipments of 66 floors were reported for the same period last year.

“It is not as much as I would like, but it is better than the alternative,” said WVHI Co-President Kevin Wilfong of Fairmont.

January shipments were down 6.3 percent when compared to 2009.



State Board from p. 1 Brown, who helped found WVHI, has resigned as a board member and co-president.

Champion Enterprises Holding, LLC, of Troy, MI, announced earlier this month it injected \$50 million into manufactured housing manufacturing company Champion Enterprises, Inc., to take it out of bankruptcy.

The State Board approved the following changes of names to Champion Home Builders Inc.: Atlantic Home Division, Claysburg, PA; Redman Homes, Ephrata, PA; New Era Building Systems, Strattonville, PA; and Redman in Topeka, IN.

The change was effective March 19, according to Woodrum.

The State Board levied fines of \$1,200 against two companies and reprimanded nine others in telling all 11 to cease operations in the state because they failed to obtain proper licenses.

The State Board fined 16 other companies \$3,700 for various infractions and cited more than 40 for failing to file quarterly reports to the DOL concerning their operations.

State Dues survey 2010

- Pennsylvania: \$100 a floor.
- Maryland: \$100 a floor
- Ohio: \$150 for multi or MOD and \$100 for single
- Tennessee \$100 a floor as of Jan. 1, 2010
- Kentucky: \$75 per floor; \$165 per modular
- Virginia: \$70 per floor and \$300 per plant
- Arizona: \$200 per home (not per floor)
- California: \$150 per home
- Colorado (which as about the same population as us): \$100 a floor, Michigan: \$75 a floor.
- Montana (with 700,000 people): \$75 a floor and \$150 for a mod.
- Nevada: \$100 per floor.
- New York: \$125 per floor.
- North Carolina: \$50 per floor

Board integrity from p. 1) “We absolutely believe this was the only solution to the continued loss of funds,” WVHI General Counsel John Teare said. “Other states are facing the same problem and are adopting the same solution.”

“In order to maintain our presence, prevent encroachment on our successes and work for additional influence and advantages for our members, we have to adequately fund the organization to ensure its survival. “All our members can recall times when our industry suffered regulatory and legislative setbacks when there was no one actively engaged and observing on a daily basis across multiple local and national groups, committees and regulatory agencies,” Teare said.

Remember the regulatory and legislative setbacks

WV Housing Institute Inc. 2010 convention

July 20-21, 2010

Embassy Suites Hotel

300 COURT STREET ~ CHARLESTON, WV 25301

www.EmbassySuitesCharlestonWV.com

The Embassy Suites Hotel has reserved a block of suites at the rate of **\$119.00/single, \$129 double, \$139.00/triple, \$149.00/quad**

To reserve a suite at this rate, please make your reservation by **05/31/2010** by calling **304-347-8700 x2035 (Pat Thorner in-house reservationist)** or **1-800-EMBASSY** or go online to www.embassysuitescharlestonwv.com. **After this date the rooms will no longer be available.** Please note that the Embassy web site details points of interest in the Charleston area.

You must use the **H-I-I** 3-letter code when making reservations in order to receive the discounted rate. Online enter this 3-letter code in the group/convention code space.

Check-In time is **4 PM** and Check-Out time is **Noon**. Requests for early arrival, late departure, room type or floor assignments cannot be guaranteed. Reservations must be cancelled by **4 PM** the day of arrival to avoid charges.

Self Parking for \$9.00 is charged nightly to your room if you use our parking garage.

Embassy Suites offers a **complimentary shuttle** to and from Yeager Airport. Also available is an indoor pool, sauna, whirlpool and exercise facility and a 24-hour business center.

EMBASSY SUITES HOTEL

300 Court Street

Charleston, WV 25301

www.EmbassySuitesCharlestonWV.com

Telephone: 304-347-8700 Fax: 304-345-8276



WEST VIRGINIA
HOUSING INSTITUTE, INC.

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P R O V I D I N G T H E
A M E R I C A N
D R E A M

COME JOIN NOW!!! CUT AND MAIL – MEMBERSHIP DATA

Firm Name: _____
Street Address: _____
Mailing Address: _____
Telephone (____) _____ Fax (____) _____
Home Phone (____) _____ Email _____

DUES STRUCTURE:

MANUFACTURER: Dues shall be One Hundred Dollars (\$100.00) per floor for each home shipped within the West Virginia to dealers, contractors, retailers or sales locations in West Virginia. These dues shall be remitted to the West Virginia Housing Institute Inc. on a monthly basis.

_____ We will send \$100.00 per floor shipped to West Virginia on a monthly basis.

RENTAL COMMUNITY AND CONTRACTORS:- Per Annum
\$100.00

ALL OTHER CATEGORIES: - Per Annum
\$250.00

_____ Title _____ Signature

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WVHI
PO Box 2182
Charleston, WV 25328-2182