

WEST VIRGINIA HOUSING INSTITUTE INC.

HOME ON THE ROAD

Voice of West Virginia's factory-built housing industry

JANUARY, 2006



SENATOR BOWMAN HOLDS KEY TO LEGISLATION



KATARINA VICTIMS IN HOUSTON

Home Shows Help Katrina Victims

By Judy Ritchie

The Home Show/Elkins

HURRICANE – The

Home Shows, owned by the co-president of the state's factory-built housing association, provided substantial assistance, not only in the form of housing, to people in the Gulf Coast area displaced last year by Hurricane Katrina.

(Continued on page 7)

CHARLESTON – A Northern Panhandle legislator holds the key to the top legislative priority this year of the factory-built housing industry in West Virginia.

The West Virginia Housing Institute Inc. wants to eliminate a series of discriminatory ordinances in towns and cities across the state that limit our ability to locate in urban areas only because our products are manufactured homes.

The bill proposed by the Institute must be given a green light by state Sen. Ed Bowman, D-Hancock, before it can be acted upon by the 14-member Senate Committee on Government Organization he chairs. If that panel endorses it, the bill should get a favorable nod in the Legislature.

The legislation was approved by a House of Delegates committee last year, but stalled in the state Senate without action.

"Many of these ordinances reflect a prejudice carried over against our product when they were known as mobile homes," said



Senator Ed Bowman
Key Legislator

Kevin Wilfong, co-president of the Institute and owner of Middletown Home Sales in Fairmont. "That type of thinking must be changed. The factory-built product of today is far superior even than stick-built housing and should be recognized as such."

Bob Cannon of Beckley, chief of the Beckley-Raleigh County Code Enforcement Department and president of the West Virginia Code Officials Association, has endorsed the Institute's bill and has recommended it to his association. Cannon, a top adviser to the state Municipal League, helped draft the measure to ease potential concerns of urban leaders.

The proposal prohibits town and cities from discriminating against the location of our products within their boundaries solely on the basis they are factory-built homes. But they can be restricted, just like any stick-built housing, if they do not conform to restrictions that apply to all other

(Continued on page 5, Bowman)



Early Registration Call

The West Virginia Housing Institute's second annual convention is July 19-21.

Early bird registration forms available inside.

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CLENDENIN HONORED BY HUD FOR ANTIDISCRIMINATION

CLENDENIN – A northern Kanawha County community has been lauded by federal officials as a model for removing laws that drive up the cost of affordable housing because it lifted restrictions on factory-built homes.

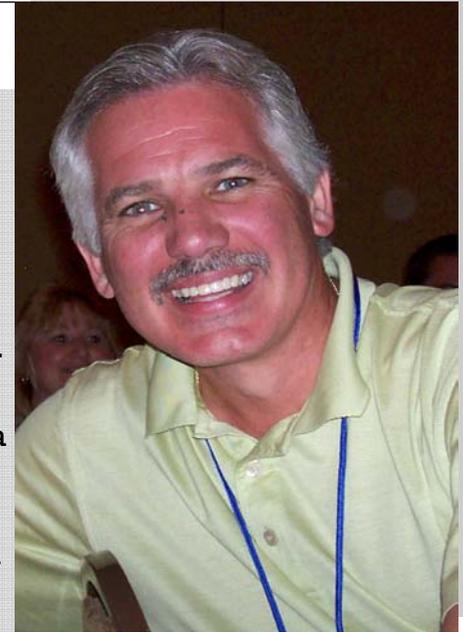
U.S. Housing and Urban Development Secretary Alphonso Jackson recognized Clendenin for efforts to break down barriers and create an inclusive environment for families seeking decent homes. "We know regulatory barriers can increase housing costs by as much as 35 percent, making it impossible for many working families to live in the cities where we work," said Jackson. "Other communities around the country can learn from Clendenin's efforts."

(Continued on page 6, Clendenin)

The Podium

By Steve Brown

WVHI Co-President of the West Virginia Housing Institute Inc.



Steve Brown

Co-President

I encourage you to read and understand the front-page story in this publication concerning our key legislative issue—eliminating antidiscrimination ordinances against our products in urban areas.

This problem is by no means isolated to West Virginia. It is emblematic of the national prejudices that cling to our industry from a bygone day. To the unenlightened, we remain a Frankenstein monster. Similar laws exist in some other states.

But you will also read in this publication about the special recognition the U.S. Department of Housing and Urban Development gave the Kanawha County community of Clendenin for its stand to repeal this type of archaic legislation. We should all recognize HUD's vision for our industry.

Intelligent people interested in providing high-quality and affordable housing know our product. They know we are on the cutting edge of providing the American Dream that young and old can afford. Our product is required to meet standards not imposed on stick-built housing. It is excellent housing.

I am writing to remind you that our association, in its infancy now, needs to play a major role in economic development in this state in the future. Already, we are part of the governor's planned conference on housing. Our homes should form the skeleton upon which future development is crafted. We have the housing that is affordable for the workers and the factories.

What we need to do is beef up our presence on the state political scene.

We need to do that by supporting our newly formed political action committee – Housing PAC.

Major political leaders in this state, particularly in Gov. Joe Manchin's office, are sympathetic to many of our issues. They have repeatedly shown their interest in our industry already. Also Rep. Nick Rahall, D-W.Va., and House Speaker Bob Kiss, D-Raleigh, spoke to our regional meeting in Beckley; Rep. Shelley Moore Capito, R-W.Va., recently joined our national caucus in Washington. We thank them for that.

We need to show our friends our appreciation by helping them in this and future election cycles. We do that through political donations.

I encourage you to remember that a little now can go a long way. We have made a start by recently forming the PAC. Individually, you can give a maximum of \$2,000 and your family members, employees and friends can, too.

How about remembering Housing PAC next time you get frustrated at facing regulatory red tape, or a permit that was not issued, or a law you find unfathomable?

How about all of us helping our friends in the next election?

Send your personal checks to Housing PAC, 1118 Kanawha Blvd. E, Charleston, WV 25301. We must help each other to help ourselves.

BILL COULD HAVE MAJOR EFFECT ON RETAILERS; SOLOMON ARGUES FOR INDUSTRY

The Legislature & Regulatory Issues

You may have to certify flood plain info or lose your license

CHARLESTON – Industry retailers could lose their licenses if they fail to properly perform under a bill proposed by a legislative panel looking into upgrading flood-plain matters.

The legislation seeks to modify the state's manufactured construction and safety standards to ensure the stability of factory-built housing during floods.

The bill tells the West Virginia Manufactured Housing Construction and Safety Standards Board to draw up a rule to "require all new or

previously owned manufactured homes, outbuildings and propane or fuel-oil tanks utilized for such homes" to be "sufficiently secured" to ensure they are not washed away during a flood.

The bill tells the board it must enact a rule to meet the mandate and that the rule may be even "more stringent" than that adopted by the Federal Emergency Management Agency.

The proposal says the retailer or installer if the homeowner is doing it himself must obtain a certificate from the county or

municipal flood plain manager that the home is not being sited in the flood hazard location

"It shall be the responsibility of the licensed dealer for new homes and the licensed dealer or installer of used homes to obtain the site certification or installation approval and to provide a copy to the customer's insurance company and the board," it reads.

If the provisions are violated, the retailer could lose his license, the bill says.

Board member Steve Solomon of Morgantown challenged the legislation, say-



Steve Solomon

Questioned Reasons

Manchin chooses WVHI Co-Pres for statewide housing board

FAIRMONT – A leading figure statewide in the factory-built housing industry has been named to a housing development panel by Gov. Joe Manchin.

Kevin Wilfong, co-president of the West Virginia Housing Institute Inc., has been chosen to serve on the board of directors of the Affordable Housing Trust Fund. The term of the owner of Mid-

dletown Home Sales runs through June 30, 2008.

Wilfong, of Fairmont, joins the board as a result of a last year's law expanding the trust board membership. The group seeks to provide a range of housing to lower- and middle-income families.

The fund promotes stronger partnerships between public agencies and private profit and non-profit groups, and helps



Kevin Wilfong

increase the capacity of community-based housing organizations by encouraging businesses and individuals to

contribute funds and help provide affordable housing.

It has received a commitment of \$1 million over two years from the state Housing Development Fund and a grant of \$550,000 from the Benedum Foundation.

He is concerned they will fold eventually, leaving solid retailers with a bad name and require the state's recovery fund to foot the bill for repairs.

Board member Dave Shaw, a Fairmont banker, volunteered to draw up financial stability benchmarks that the panel could consider at its next meeting to establish financial criteria levels be-

ing it would place an additional and unreasonable burden on retailers to ensure houses are not being located in the flood-plain.

"I'm not against safety, but to put all this on a licensee, ... there has to be some fairness," Solomon said.

Solomon also complained no one in the factory-built housing industry, including the West Virginia Housing Institute Inc., had been consulted on the proposed legislation.

Division of Labor program specialist Andrew A. Brown said he has been working with the Joint Judiciary subcommittee A on drafting the proposed bill. "This is the result of a legislative study," Brown said, adding the legislation has not been introduced yet.

Brown also said the provisions are not new and that they are required already under federal law.

fore a license is issued.

Meanwhile, the Kenova application was held in abeyance.

FINANCES REGULATORS' CONCERN

CHARLESTON – The regulatory board that oversees the factory-built housing industry will delve into the financial stability of new companies applying for a license.

Member Steve Solomon raised the issue at the January meeting of the West Virginia Manufactured Housing and Safety Standards Board.

The panel held up for further study the application of a re-

tailer from Kenova, who claimed to have a \$40,000 line of credit.

The board can examine a company to establish if it has "adequate financial stability," but the panel has never determined what parameters should used.

Solomon, a retailer from Morgantown, fears the agency licensing fly-by-night companies that lack proper resources.

STATE HOUSING CONFERENCE PLANNED TENTATIVELY SET FOR LATE MAY



CHARLESTON -- West Virginia's factory-built housing industry is participating in planning for the state's first state-wide conference on housing issues since 1990.



Joe Hatfield

Under the direction of the West Virginia Housing Development Fund, Gov. Joe Manchin has asked a number of groups, including the West Virginia Housing Institute Inc., to develop housing issues to be presented to his administration and the Legislature for consideration.

The conference is tentatively scheduled for May 31 and June 1 and 2 at the Charleston Marriott Hotel Town Center. A range of industry leaders is being asked to attend to participate in the dialogue.

Three general housing topics will be the focus, fund director Joe Hatfield said. They are:

--code-related issues: state codes and inspections, enforcement; flood plain management;

--disappearance of affordable housing: as the result of escalating housing costs, hazard insurance, and cost of capital; factory-built housing; homebuyers lack financial knowledge; importance of good credit -- fiscal responsibility;.

--smart-growth issues: lack of availability of infrastructure, failing systems, accommodating new growth. This includes housing/community development -- a wheel of growth -- each component is interdependent. Creative "appropriate" housing for the future to accommodate older population, migrant individuals, disabled -- building houses that can grow/change with changing family needs.

Three major issues on house conference agenda from May to June

Factory-built housing a priority of appraisers subcommittee

CHARLESTON — Housing industry leaders in West Virginia have listed appraisals for factory-built housing as a priority subject for a new group interested in breaking down stumbling blocks in the development of housing in the state.

Jon Rogers, senior deputy director of Fannie Mae in Charleston, chairs a special 15-member subcommittee set up by the Interagency Housing Council to study problems associated with appraisals in the state. The West Virginia Housing Institute Inc. is a member of the subcommittee.

The council was formed last year under the direction of the state Housing Development Fund, to bring together all federal, state and private agencies involved in the development of new housing in the state, and the expansion of existing housing.



Jon Rogers

"Our committee has been charged with providing expert opinion and bringing recommendations to the Interagency Housing Council relative to one of the vital components of the housing industry, the appraisal process," Rogers said.

"We have identified five areas of focus that often present challenges and will attempt to offer solutions to those challenges. Those additional areas of study are:

- Communication between appraisers and the lending and housing industries
- Gathering of data, particularly in rural areas
- Availability of appraisers in certain areas
- Industry standards.

"At our most recent meeting, we agreed to focus on the issue about whether the numbers of appraisers and their availability are lacking in certain areas of the state," Rogers said.

The group has decided to work with the appraiser licensing board to conduct a survey to determine the level of service and coverage they provide. The primary idea is to make appraisal services available in rural areas and to deal with underserved markets.

Members of the factory-built housing industry believe that are an underserved and underappreciated market to appraisers, said Kevin Wilfong, co-president of the West Virginia Housing Institute Inc.

Although it is a lengthy process to become an appraiser, the state has more than 800 appraisers, up from 650 in 1997. More than 160 are based outside the state and do work in border counties. They must take certain courses and then undergo 2,000 hours in apprentice work to qualify for a license.

housing. Furthermore, the home has to have a base of at least 22 feet, which precludes singlewides.

The Institute has kept the Municipal League, which represents the mayors of town and cities, aware of its proposals.

"These type of restrictions against our homes are a national nightmare that we face in some states," said Steve Brown, co-president of the Institute and co-owner with his wife, Pam Brown, of The Home Shows, based in Hurricane, Putnam County. "Slowly, laws are being modified to conform to the realities of our housing and what it is today. We hope West Virginia will be in the vanguard of that change."

"We believe countless people are being denied an opportunity to purchase our homes and locate them where they would be attractive additions to any neighborhood," Wilfong said. "We're being ghettoized by people with whom we should be forming solid bonds to help families get affordable and safe housing."

"Senator Bowman is a thoughtful leader who is known for fairness in handling legislation and he has shown a willingness to listen to our position," said Institute lobbyist AV Gallagher.

We urge all members to contact Senator Bowman at his Senate office to ask that he put our bill on the agenda of his committee and have the members vote on it. Please call Senator Bowman at (304) 357-7918 or write to: The Honorable Ed Bowman, West Virginia state Senate, 214W, State Capitol, Charleston, WV 25305.

"This bill is good business and makes good sense," Brown said. "For your own future, we encourage each of you to call and write Senator Bowman."

We also encourage you to contact other members of Bowman's committee and ask that they have him put the bill on the committee's agenda for a vote. They are: Senators Billy Wayne Bailey, D-Wyoming; Donna Boley, R-Pleasants; Truman Chafin, D-Mingo; Steve Harrison, R-Kanawha; Evan Jenkins, D-Cabell; Jeff Kessler, D-Marshall; Charles Lanham, R-Mason; Brooks McCabe, D-Kanawha; Joe Minard, D-Harrison; Sarah Minear, R-Tucker; Bob Plymale, D-Cabell; Russ Weeks, R-Raleigh; and Randy White, D-Webster.

Each can be reached by writing to the senator in care of the state Senate, state Capitol, Charleston, WV 25305.



Bob Cannon

We're moving up in the world.

WANT TO JOIN US?

HOMExpo is the one and only factory built housing show in the northeast. With over 50 manufactured and modular homes on display representing 20 different manufactures....plus 110 supplier exhibits displaying everything making news. Come see what makes the industry exciting!



HOMExpo2006
Today's Homes Built
with Tomorrow's Technology

March 15-17, 2006
GIANT Center
Hershey, PA
www.pahomexpo.com

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PA Manufactured Housing Assoc. & the PA Propane Foundation

HOMExpo '06

NEW CUMBERLAND, Pa. -- HOMExpo '06. Single, multi-sectional homes as well as modular homes will be rolling over the hills of central Pennsylvania and into Hershey as the Northeast's only industry tradeshow opens March 15 at Hershey's GIANT Center.

For two-and-a-half days, industry professionals will walk the two-story building scouting the best and the newest products. Crossing over the bridge connecting the GIANT Center to the HersheyPark Arena will be the 50-plus HUD code and modular homes awaiting inspection by the show goers.

The industry show begins at 9 a.m. March 15 and 16, with supplier/lender booths and all homes open for inspection. The evening of the 16th is the industry reception, which is open to all show attendees.

The reception will be held at the show headquarters hotel, the Wyndham Harrisburg/Hershey, 5 miles from the GIANT Center. The 17th is a half-day show from 9 a.m. till noon, after that the supplier exhibits will be broken down and shipped to their next location.

The next two days are devoted to the buying public.

Energy Star means big savings

WASHINGTON -- Energy Star. You've heard it. What is it?

The Energy Star label, issued by the U.S. Environmental Protection Agency, is an assurance a home meets the highest standards of energy performance. The label guarantees the home will use less energy, saving the homeowner money on monthly energy bills.

"With over 100 manufactured home plants already certified to build Energy Star homes, most home manufacturers offer Energy Star versions of their homes," stated Chris Stinebert, president of the Manufactured Housing Institute (MHI). "Not only do Energy Star homes provide significant energy savings to owners, but they also provide a level of comfort not found in most homes today."

While the cost of an Energy Star qualified home is slightly higher, lower energy bills more than offset this cost putting money back in the homeowner's pocket each month. "There is a competitive issue here too," Stinebert said. "Offering a home with superior energy performance that also has lower monthly total costs simplifies the buyer's decision."

An Energy Star manufactured home may not look different from other homes, but the homeowner will feel the difference in overall comfort and in energy savings. The home uses substantially less energy for heating, cooling and water heating.

Homeowners can expect to save about \$300-\$900 each year on utility bills, plus have a higher resale value when they decide to sell. Also, Energy Star homes financed with an FHA loan qualify for a special energy efficient mortgage making the buyer eligible for a more expensive home.

These and other benefits for homeowners as well as tips and resources for retailers are described in the MHRA publication [***ENERGY STAR Qualified Manufactured Homes: Guide for Retailers With Instructions for Installers and HVAC Contractors***](#) available for free on the MHRA website (www.mhrahome.org).



OPPORTUNITIES FOR THE FACTORY-BUILT HOUSING INDUSTRY

CHARLSTON — State government is buying land to establish housing for people forced from their homes by natural disasters.

Gov. Joe Manchin said the idea to have the West Virginia Housing Development Fund buy the land for permanent housing is unique in the nation.

"We know it's going to happen again, a flood or a natural disaster," Manchin told The Associated Press, "People need a place to call home for a period of time."

Manchin said the land could be used to help national disaster victims, such as those displaced by Hurricane Katrina, but will be purchased primarily to help West Virginians who often are flooded from their homes, too.

Housing fund Executive Director Joe Hatfield said the fund is buying a lot in Mingo County that can hold 40 factory-built houses. The fund already owns for other pieces of property in the southern counties.

Industry supports universal fee of \$20

CHARLSTON – Legislation to impose a universal fee of \$20 on factory-and stick-built housing sales is being supported by the West Virginia Housing Institute Inc. this year.

The lobbying group for the industry opposed the measure in 2005.

Joe Hatfield, executive director of the West Virginia Housing Development Fund, said this measure would generate \$1 million that would be matched by \$3 million in federal assistance to help build housing.

About \$100,000 of that \$1 million would come from our sales, Hatfield estimates.

The same fee would be imposed on stick-built housing to build the fund.

(from page 1, Clendenin)

HUD's *America's Affordable Communities Initiative* is designed to combat outdated, excessive and duplicative regulations that significantly increase costs and limit affordable housing and is motivating communities like Clendenin to take a look at housing regulations and determine which no longer serve a public purpose.

Clendenin, 20 miles north of Charleston, was a boomtown until the 1970s when it started to lose population and businesses. Two years ago, the mayor and other local leaders began to work with HUD to determine how to improve available housing. The town amended its building codes to allow factory-built housing within its town limits.

Barriers being targeted by HUD include statutes, ordinances, regulations, fees, processes and procedures that restrict development of affordable housing without providing a health or safety benefit. These barriers exclude working individuals from living in the communities where they work. In addition, senior citizens often find it impossible to locate suitable homes or apartments near their adult children, and young families are unable to find a home in the communities where they were raised.

By recognizing communities like Clendenin, HUD hopes to encourage others around the country to re-examine their regulatory climate to find creative solutions to allow for development of affordable housing.

HUD is the nation's housing agency committed to increasing homeownership.

(continued from P. 1, Katrina)

More than 50 singlewide factory-built housing units left Home Show locations across the state headed south to Texarkana, Texas. One of the largest retailers in the country, The Home Shows, with locations in West Virginia and Kentucky, is owned by Steve and Pam Brown of Hurricane. Steve is co-president of the West Virginia Housing Institute Inc.

From that strategic storage location the homes were being transported to sites prepared by the national emergency preparedness agency, FEMA, for temporary housing for the many residents who lost their dwellings during Hurricane Katrina.

“Through the assistance of many local media companies, The Home Shows solicited donations from the great folks of West Virginia and Kentucky to be shipped in these homes,” Steve said.

The Federal Emergency Management Agency required that all items be new and that they not include clothing or perishable commodities.

“At many locations, supplies started flowing in at such a quick pace that storage units had to be used for the donated items. Most of these items included personal hygiene, toys, food, and school supplies,” Brown said.

The outpouring of state residents was heartwarming.

Various organizations and groups also contacted individual Home Show locations to set up operations to adopt homes. These organizations tried to cover the immediate needs that the families moving into the home would have.

They worked on supplying bed and bath linens, along with kitchen utensils and cookware. These groups varied from church organizations, businesses, a Red Hat Society, and even individual families.

Money donations were also made where upon the request from the donor our employees did some old fashion “bang for the buck” purchasing of items for a home in that donors name, Steve said.

Katrina made landfall in Louisiana last Aug. 29 with winds whirling at 125 miles per hour. It caused severe damage to vast areas of Louisiana, including New Orleans; and Alabama and Mississippi. A total of 1,383 are known dead. Another 4,000 people are unaccounted for. More than 1.5 million people were displaced. Damage is estimated at \$75 billion, making it the most expensive natural disaster in U.S. history.



Judy Ritchie

National Congress & Expo for Manufactured and Modular Housing

April 18-20, 2006 | Paris Hotel, Las Vegas, NV

Building Dreams—One Home At a Time



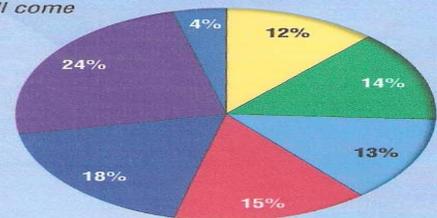
When it comes to bringing together the leaders from within the modular and manufactured housing industries, the National Congress & Expo does it best! Everything you need to expand your business is here under one roof. It's your opportunity to network with nearly 1500 industry captains just like you—manufacturers, developers, community owners & managers, finance companies, retailers and suppliers—who make a positive difference in the modular and manufactured housing industries!

The Congress offers informative and interactive educational workshops and general sessions tailored to meet your needs. Whether you're a novice or an industry veteran, you'll come away with new business ideas and strategies to increase your industry profits and advance your career!

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2005 Attendee Demographics

Home Manufacturers
Developers
Retailers
Financial/Lender
Suppliers
Community Owners
Other

