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MHARR ALIGNS MH INDUSTRY GOALS WITH PRESIDENT TRUMP AND HUD SECRETARY TURNER'S AFFORDABLE HOMEOWNERSHIP VISION

Washington, D.C., March 31, 2025 – A delegation of officials from the Manufactured Housing Association for Regulatory Reform (MHARR) met with HUD Secretary Scott Turner and senior HUD staff on March 25, 2025 to provide the Secretary with a first-hand opportunity to hear the concerns of smaller industry businesses regarding crucial issues affecting the manufactured housing industry. As explained in a two-tiered presentation provided to the Secretary (copy attached) these issues include -- (1) serious ongoing flaws in the operation of the federal manufactured housing program at HUD; (2) key bottlenecks suppressing the growth and expansion of the HUD Code industry; and, most importantly, (3) the <u>resolution</u> of those bottlenecks in alignment with the vision expressed by both President Trump and Secretary Turner for the future of affordable homeownership. The MHARR delegation included MHARR Chairman Peter James, MHARR Chairman Emeritus Edward J. Hussey, Jr., MHARR President and CEO Mark Weiss, and MHARR Founding President/Senior Advisor Danny D. Ghorbani.

The MHARR group first emphasized the <u>crucial</u> need to maintain the reasonable and <u>cost-effective</u> regulation of the manufactured housing industry <u>at the federal level</u>, <u>within HUD</u>. That federal-level regulation, established by the 1974 National Manufactured Housing Construction and Safety Standards Act and maintained <u>and strengthened</u> by the Manufactured Housing Improvement Act of 2000 (2000 Reform Law), is <u>essential</u> because while there are many other types of factory-built dwellings, manufactured housing is – and continues to be – the <u>most affordable</u> type due to its three key federally-controlled pillars – (1) uniform, performance-based federal standards; (2) uniform federal enforcement; and (3) "broad and liberal" federal preemption.

Significantly, though, the MHARR delegation stressed that the production of affordable mainstream manufactured homes, <u>through nearly all of the 21st century</u> has suffered because of ongoing mismanagement of the HUD manufactured housing program and, most particularly, the failure of the program – including under its present leadership – to <u>fully and properly implement</u> <u>all</u> of the major program reforms legislated by Congress as part of the landmark 2000 Reform Law. In particular, MHARR pointed to HUD's failure to fully implement the enhanced federal preemption of the 2000 Reform Law in order to prevent the discriminatory exclusion of manufactured homes (and manufactured homeowners) from entire jurisdictions based on prohibitive zoning mandates. MHARR emphasized that the 2000 Reform Law provides HUD with <u>ample authority</u> to override such mandates targeting safe, high-quality, affordable manufactured homes that <u>HUD itself regulates</u>, and that HUD should <u>and must</u> exercise that authority.

In addition, MHARR addressed both the manipulation of appointments to the statutory Manufactured Housing Consensus Committee (MHCC) to deprive independent industry manufacturers of their <u>collective</u> representation, as well HUD's failure to ensure full and fair competition for the manufactured housing program's "monitoring" contract, resulting in multiple <u>de facto</u> sole source procurements and what amounts to a fifty-year <u>monopoly</u> on the monitoring contract by one entity (albeit under different corporate names) since the very inception of the federal program. MHARR emphasized that all of these failures, together with the lack of competitive-rate consumer financing for the nearly 80% of industry production purchased through personal property loans, constitute major bottlenecks not only to the proper operation of the federal program, but, more importantly, to the increased production and <u>utilization</u> of non-subsidized affordable mainstream manufactured housing at a time of unprecedented <u>need</u> for inherently affordable housing and homeownership.

Next, and perhaps most importantly, the MHARR delegation stressed that inherently affordable, non-subsidized mainstream HUD Code manufactured housing should and must be part of the vision expressed by both President Trump and Secretary Turner for expanding the availability of affordable homeownership for all Americans. While emphasizing that manufactured homes should be permitted for siting in every jurisdiction in the United States, mainstream HUD Code manufactured housing can, should and must be included in the vision of the President and Secretary for the placement of affordable homes, including homes with removable chassis, as would be authorized by Sen. Tim Scott's "ROAD to Housing" Act, would create a new paradigm for HUD, the industry and American homeowners, to promote and expand the availability of affordable homes of manufactured homes, not only within any such new initiative, but also as part of all other HUD housing and homeownership programs, as affordable homeownership would be difficult to achieve without HUD Code manufactured homes as an essential part of that effort.

In Washington, D.C., MHARR President and CEO Mark Weiss stated: "We wish to express our gratitude and appreciation to Secretary Turner for the generous time that he shared with MHARR to hear the views and concerns of its members. In this introductory meeting, we sought to stress that mainstream, affordable HUD Code manufactured housing has much to offer for the nation and for millions of Americans as a non-subsidized, private-sector source of inherently affordable homeownership. We also emphasized that MHARR stands ready at all times to work with both the Secretary and President Trump to address and overcome the nation's affordable housing crisis."

The Manufactured Housing Association for Regulatory Reform is a Washington, D.C.based national trade association representing the views and interests of independent producers of federally-regulated manufactured housing.