

6.13.2017

Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 Seventh Street, S.W. Room 10276
Washington, D.C. 20410

Attention: Regulations Division Office of General Counsel, re: Executive Order 13777.

“All truth passes through three stages. First, it is ridiculed. Second, it is violently opposed. Third, it is accepted as being self-evident.”

- Arthur Schopenhauer.

My name is Soheyla Kovach, born in Tehran, and I received my medical degree in Hungary. Alongside my husband, L.A. "Tony" Kovach, we publish MHLivingNews.com and MHProNews.com, the first trade media listed is one I built personally. We have lived in conventional as well as manufactured homes. We know first-hand that a manufactured home can live as well - or better - than conventional housing does.

We've lived in, and worked in, manufactured home land-lease communities. We do consulting and professional services for retailers, communities, producers, lenders and other service providers.

We've done video interviews in a variety of states, and have covered stories from across the country, and some international ones on factory-built housing too.

From behind the video camera, or editing those videos, as well as from the experiences noted above, we have a deep, first-hand knowledge of the issues and challenges that face our beloved manufactured home industry. We worked hard, for example, [to help revive the Louisville Manufactured Housing Show](#), which before we were asked to promote that event, had been canceled the year before, and had trended down for several years.

Today that event is thriving, see the linked comment above, one of several such thank you letters and messages.

We do the work, not just the cheerleading, for manufactured home owners and professionals.

Against that backdrop, I'd like to not only echo the uploaded statement of my husband, Tony Kovach, but also elaborate on some items he did not dig into. By referencing the articles linked below, which lay out a series of facts, and allegations, let me say as a member of LifeStyle Factory Homes, LLC - the parent to MHProNews.com and MHLivingNews.com - the following.

The home owners we've met, interviewed and worked with routinely love their homes.

Be they on privately owned land, or in a land-lease community, they enjoy good living for less money.

We've interviewed those of humble means. We've also done videos with people who own and love their manufactured home who no doubt were millionaires, and all in between.

The problems the industry faces are several, but they can be boiled down to a few.

The public at large, public officials and regulators all too often are going by outdated myths.

A great example is a recent study by Michigan State Univ. (MSU).

MSU made various sensational claims about manufactured housing and tornadoes. When Tony and two professionals from MHARR engaged the writers of that research in an email exchange, an all on-the-record dialogue, what Prof. Mark Skidmore, an economist, admitted directly contradicted much of their own research. They had not considered a variety of facts. They relied in part on Census Bureau data, which incorrectly called homes 'mobile homes' even if they were HUD Code manufactured homes.

<http://www.mhpronews.com/industry-news/industry-in-focus/climate-change-tornadoes-and-mobile-homes-dangerous-oversights-mark-skidmore-admits-michigan-state-univ-study-s-omissions-revealing-analysis-report>

By not considering the engineering, or what code a house was built to (HUD code, pre-HUD code ANSI or no code at all), they failed to consider the elements that might cause a house to fail in a tornado. That's a huge miss, that skews all that they did (see the linked article above). Dr. Tim Reinhold with IBHS has said in an interview with [MHLivingNews.com](http://www.MHLivingNews.com) that a manufactured home is stronger - so long as it is properly installed, and has proper add-ones - than any conventional house, unless that site-built house is built to hurricane standards.

<https://www.manufacturedhomelivingnews.com/is-extreme-weather-declining-rising-climate-depot-report-housing-windstorm-safety-redux/>

How many would know that to be true?

Everyone working at HUD should know it! HUD should act on that knowledge, and not act against the interests of home owners, prospective home buyers, and those investors and professionals that make up the Manufactured Home Industry.

Consider what the prior HUD Code program director said in this video interview, because it is pivotal to understand the value that manufactured homes offer.

<https://www.manufacturedhomelivingnews.com/the-solution-to-the-affordable-housing-crisis-is-hiding-in-plain-sight/>

That video that I edited of Tony interviewing Bill Matchneer, JD. Bill Matchneer was a prior director of the HUD Code manufactured housing program. So his comments and insights are very relevant. It ought to be required viewing for everyone in the federal government who has anything to do with manufactured housing.

That includes anyone who wants to consider the impact of regulations.

A retailer we video interviewed told us that he wanted to see the Manufactured Housing Improvement Act of 2000 enforced. He explains that many of his buyers are prior owners of conventional housing. Please see the second video on this page.

<https://www.manufacturedhomelivingnews.com/multi-billion-dollar-bombshell-hud-affordable-housing-solution-ignored/>

That page also links a HUD PD&R study. People believe that manufactured homes depreciate. Well, they can, but as the 2008 mortgage/housing collapse demonstrated, that can happen to conventional housing too. That HUD PD&R reflected the fact that manufactured homes could raise the value of a neighborhood it is placed in. And that the homes could appreciate in value.

Now the industry has known these facts and others to be true, such as the NFPA report that proved that manufactured homes are safer against a fire than a mobile home, and safer than a conventional house as well.

<https://www.manufacturedhomelivingnews.com/avoidable-tragedies-mobile-home-fires-vs-manufactured-home-and-conventional-housing/>

The industry has known that manufactured homes are more energy saving, not less so. Dr. Harold Hunt's findings are linked below.

<https://www.manufacturedhomelivingnews.com/not-your-grandfathers-trailer-house/>

So how is it possible that HUD hasn't grasped the value of the manufactured homes that they regulate? HUD and state SAA dispute resolution facts demonstrate how amazingly low the complaints are.

<https://www.manufacturedhomelivingnews.com/federal-data-spotlights-manufactured-home-industry-quality-regulatory-questions/>

Which brings us to some problems that must be spotlighted in order to solve the industry's woes, so that free enterprise can solve much of the nation's affordable housing crisis, with little or no tax dollars needed. Just enforce the law, and level the

playing field.

These two articles spell out much of what has gone wrong, and how it can be made right.

<http://www.mhpronews.com/featured-articles/may-2017/your-nothing-more-than-a-bunch-of-d-mn-republicans>

<http://www.mhpronews.com/featured-articles/june-2017/about-the-pc-bush-obama-years-president-trump-and-industry-politics-telling-it-like-it-is>

The Justice Dept. ought to investigate some of the concerns raised. It is allegedly industry insiders, working with 'deep state' types in HUD's program, that have held manufactured housing back. That's true on issue after issue.

That's why the Atlantic magazine said about 5 years ago that independent dealers were an endangered species.

That's why the consolidation statement made by MHI/NCC's Jenny Hodge is so important to understand.

<http://www.mhpronews.com/blogs/daily-business-news/jenny-hodge-national-community-council-public-time-bomb-deployed-on-manufactured-housing-institute-prominent-mhi-lender/>

The industry slide was caused when the funny money financing bubble burst in the late 1990s and early 2000s. While tragic, it was much worse with conventional housing. So the industry ought not to be punished for something that others did too, and much more harmfully to the nation.

The affordable housing crisis can't be solved without unleashing the potential of manufactured homes.

While the following article begins by talking about Tiny Houses, it concludes with quotes from industry professionals on zoning hurdles; HUD enforcing the MHIA of 2000 could fix it.

<http://www.mhpronews.com/blogs/daily-business-news/squamish-over-vancouver-bc-tiny-house-controversy-leadership-mh-parallels/>

To Summarize

1) The solution to the affordable housing crisis can in many cases be accelerated by using HUD code manufactured homes, the enhanced preemption of the Manufactured Housing Improvement Act of 2000 (MHIA 2000). Certainly preserving existing housing and other factors are needed too, but manufactured homes ought to be front and

center.

2) Enforcement of the law (MHIA 2000) and draining the swamp at HUD's program management are essential.

3) MHI ought not to be trusted, see the above, as they have allegedly worked in collusion with HUD and others to the detriment of independent businesses and producers.

4) Educate those in the program about the realities linked above.

Understanding of the realities of the product vs. the history from the mobile home era. Enforcing the law. Leveling the playing field. Draining the swamp at HUD. Don't allow back-handed, alleged de-facto collusion between MHI and HUD (or other agencies).

Do those things, and the manufactured home program will thrive. Millions will buy. Millions of jobs will be created. The federal budget for HUD and affordable housing programs will naturally be reduced over time, thanks to the work of the free market.

To paraphrase Mark Weiss from MHARR said, set manufactured housing free. The industry is not asking for handouts. We want to be regulated, that's to the benefit of consumers and honest industry builders. But make that regulation reasonable and per the MHIA 2000 law, not regulatory overreaches that harm independents to the advantage of larger operations.

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Thank you.

Soheyla Kovach