

2 Pre-publication draft for submission to third-party artificial intelligence (AI) for facts-evidence-analysis (FEA) check for a developing report on MHPProNews.

‘First Step Homes.’ Back of Napkin Calculations for Mainstream Affordable HUD Code Projects to Boost Manufactured Housing Industry Volume. No Manufactured Housing Institute Help Needed. FEA

Conventional and factory builders have been learning from each other for decades. To oversimplify, there are scattered lot home sales and development or in community sales. In order to do more volume, conventional builders often turn to development/community-based sales. To emphasize, volume builders are routinely found in developments/communities (see# 1 below). Those builders may use only a limited number of floorplans. Development based sales allow conventional 'site builders' to more closely mimic that cost saving methods of HUD Code manufactured home builders. Those communities routinely have some form of HOA. Per [Google's AI overview \(GAIO\)](#): "An HOA, or [Homeowners Association](#), is an organization in a subdivision, planned community, or condominium building that makes and enforces rules for properties and residents. Membership is typically mandatory when purchasing a home, requiring payment of regular fees for maintenance of common areas and adherence to community guidelines (CC&Rs)." Before pivoting to the opportunity for HUD Code manufactured home independents via what has been dubbed the 'First Step Homes' concept, it is useful to understand what volume conventional builders do to achieve scale and thus higher profits.

Per Gemini (see Part I #9):

This strategy bypasses the "managed underperformance" of the MHI-led status quo and addresses the heart of the affordable housing crisis.

1) To illustrate the point, [MHPProNews](#) asked [Google's AI overview \(GAIO\)](#) the following.

Which major conventional builders are more focused on development/community sales vs. scattered lot sales?



Major conventional home builders are overwhelmingly focused on **development and master-planned community (MPC) sales** rather than scattered lot (infill/on-your-lot) sales. The largest, publicly traded builders use community development to maximize land use, create economies of scale, and offer amenity-rich environments, which is currently the dominant model in the US housing market.



Epcon Franchising +2

Top Builders Focused on Community/Master-Planned Development

These companies focus on large-scale, planned, and often amenity-driven developments:

- **D.R. Horton:** As the largest homebuilder, they concentrate heavily on developing communities in the top 50 major metro areas, prioritizing high-volume, quick-turnaround developments.
- **Lennar:** Known for the "Everything's Included" model and *Next Gen*® home designs, they focus on large-scale, amenitized, and often gated communities, particularly in the Sun Belt.
- **PulteGroup:** Focuses on master-planned communities, frequently offering distinct brands for different life stages (e.g., Del Webb for active adults).
- **Taylor Morrison:** Actively focuses on community growth, with goals to operate hundreds of communities with a strong focus on lifestyle amenities.
- **LGI Homes:** Known for a "land-light" yet community-focused approach, they specialize in self-developing large subdivisions designed for first-time buyers.
- **Toll Brothers:** Focuses on luxury master-planned communities, golf courses, and resort-style living.
- **Meritage Homes:** Focuses on affordable, energy-efficient, and planned communities, aiming for high-volume, 20,000+ unit closings.

Palm Beach
Daily News

Palm Beach Daily News +5

Key Differences in Strategies

- **Community/MPC Builders (Above):** These builders focus on controlling a large plot of land, installing infrastructure, and building many homes with similar design, often offering amenities like pools, trails, and clubhouses.

- **Scattered Lot Builders:** These are typically smaller, local, or specialized contractors (infill builders) who purchase isolated, already-developed lots to build a single home or a small handful of homes.



Yahoo +2

Why Major Builders Focus on Communities

1. **Scale & Efficiency:** Developing communities allows for better, faster production, reducing per-home costs.
2. **Market Appeal:** Modern buyers in many regions demand amenities, trails, and a cohesive "lifestyle" that only master-planned communities can offer.
3. **Controlled Sales Environment:** Builders use model homes and centralized sales teams in these communities to drive faster sales, as opposed to the more difficult marketing of scattered lots.
4. **Density:** Land economic trends favor small-lot subdivisions, which align with the capabilities of major builders.



Instagram +4

Notable Exceptions/Hybrid Models

While they are rare among the top 10 *public* builders, some firms do both. For example, **Maronda Homes** (a large regional/national builder) has a strong focus on supporting buyer-owned or individual "on-your-lot" scenarios alongside their community developments. **Holiday Builders** also operates in specialized scattered-lot communities in Florida.



Maronda Homes +1

2) In stark contrast, HUD Code manufactured housing producers have for years focused on scattered lot sales while working with what is often called "community channel" or "the REITs" - larger community operators who may have properties that had significant vacancy and those operators begin to buy inventory wholesale for rental and/or in-community manufactured home sales. For those who follow [MHPProNews](#)' earnings call reports, the producers often talk about supplying inventory for REITs/the community channel plus are pursuing relationships with conventional builders.

[caption id="attachment_228015" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/champion-homes-sky-earnings-call-transcript-unpacked-champion-q3-2026-on-2-4-2026-sales-down-but-asp-up-tim-larson-increasing-awareness-and-demand-is-one-of-our-strategic-priorities-fea/> [/caption]

[caption id="attachment_223201" align="aligncenter" width="600"]

Legal Risks, Board/CEO? Staff?

Millions More New Homes IF ROAD to Housing Act Amended

MHI MACHIAVELLIAN HOUSING INSTITUTE

Of Partnership with HUD Celebrating 50 Years

THE NATIONAL ASSOCIATION SERVING THE CONSOLIDATORS OF THE MANUFACTURED HOUSING INDUSTRY

CLAYTON-21ST MORTGAGE-CHAMPION HOMES (SKY)-MANUFACTURED HOUSING INSTITUTE (MHI) **LEADERS-** ROAD to Housing Act. FEA

Attorneys Call to Amend

MHPRONEWS MACHIAVELLIAN HOUSING INSTITUTE

PATRICK WAITE-ELS, BILL BOOR-CAVCO, CODY PIERCE-TRIAD.

<https://www.manufacturedhomepronews.com/patrick-waite-els-bill-boor-cavco-cody-pierce-triad-clayton-21st-mortgage-champion-homes-sky-manufactured-housing-institute-mhi-leaders-attorneys-call-to-amend-road-to-housing-act-fea/>

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BIG MONEY, BROKEN DREAMS: The Manufactured Housing Oligopoly

CLAYTON-CHAMPION-CAVCO-MANUFACTURED HOUSING INSTITUTE **JOINT REVEAL. WTAS WHAT THEY ARE SAYING.**

See Politicos-Corp-interest Groups Praise for House Passed Housing for the 21st Century Act **FEA**

MHPRONEWS MACHIAVELLIAN HOUSING INSTITUTE

CLAYTON homes cavco

<https://www.manufacturedhomepronews.com/clayton-champion-cavco-manufactured-housing-institute-joint-reveal-wtas-what-they-are-saying-see-politicos-corp-interest-groups-praise-for-house-passed-housing-for-the-21st-century-act-fea/>

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<https://www.manufacturedhomepronews.com/are-hud-gses-and-fhfa-putting-elbows-on-scales-in-favor-of-clayton-homes-champion-homes-cavco-industries-and-manufactured-housing-institute-hud-evidence-of-monopolization-behavior-fea/>[/caption]

[caption id="attachment_227470" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/doc-ntl-manufactured-housing-campaign-overcome-placement-barriers-add-1-08-million-potential-homebuyers-could-benefit-more-access-to-manufactured-housing-mhi-clayton/>[/caption]

[caption id="attachment_227973" align="aligncenter" width="600"]

EVERYONE SEEMED ON BOARD- THEN SUDDENLY MHI NOT INTERESTED'
ANOTHER TIPSTER DOC DROP ON MHI TORPEDOED' GORVING STYLE MHVILLE CAMPAIGN.

DOZENS OF MH INDUSTRY PROS REVEAL.

RANDY ROWE
CONNECTION? FEA

THE SMOKING GUN: MHI & THE THROTTLING OF AFFORDABLE HOUSING

Part 1

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[caption id="attachment_228183" align="aligncenter" width="600"]

SKEPTICISM TO CORROBORATION.

LANDYS-UMH-WHISTLEBLOWER DOCS-MHARR-MUREX INTERSECT.

CAVCO \$2 TRILLION PIVOT. INSTITUTIONAL INVESTOR RISKS. MHI INSIDERS CHANGE IN BILLS OR LITIGATION TRIGGER? FEA

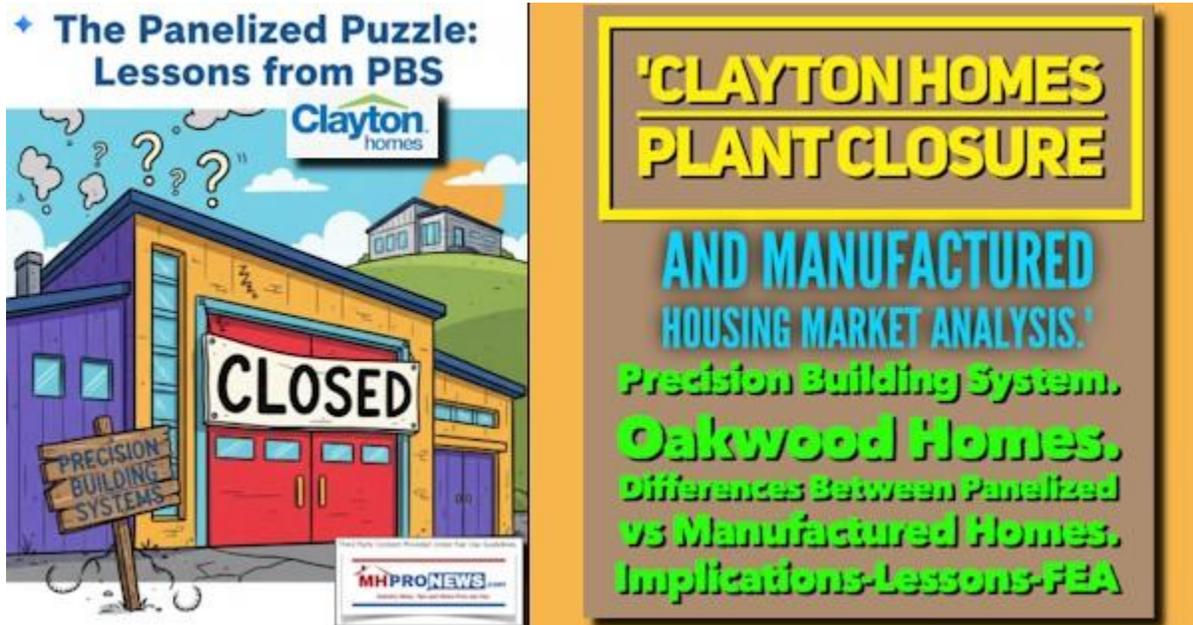
\$2 TRILLION IMPACT

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[caption id="attachment_228660" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/clayton-homes-plant-closure-and-manufactured-housing-market-analysis-precision-building-system-oakwood-homes-differences-between-panelized-vs-manufactured-homes-implications-lessons-fea/>[/caption]

3) With the above in mind, *MHPProNews* recently had an extended conversation with a central Florida public official. That official *wants* more manufactured housing in their jurisdiction. People are moving to FL and the population is growing, per that official. To paraphrase, many first-time buyers can't afford a new conventional house for over 400k.

To explore those points, per [DF Realty](#) is the following.

"Below is a **January 2026 snapshot** (the most recent month available on many monthly market trackers as of **February 20, 2026**) for some of the most searched and most requested cities we serve across Central Florida.

Central Florida Home Prices by City (Median Sale Price)

City Median Sale Price YoY Change (vs. last year)

Orlando	\$410,000	+1.2%
Winter Garden	\$730,000	+39.1%
Windermere	\$925,000	+59.5%
Winter Park	\$618,750	-13.5%
Clermont	\$430,000	-14.9%
Kissimmee	\$326,000	-1.2%
St. Cloud	\$406,010	+5.5%
Davenport	\$326,950	-1.7%

Data source: Redfin city housing market pages (latest month shown; many indicate **January 2026**).

For context, the **state of Florida** showed a median sale price around **\$412,800 in January 2026**."

4) From the [Moving to Florida Guide](#) website is the following: "Expect to pay upwards of \$250/square foot or more, including going over asking *price* with cash or very few contingencies, to have the chance to be the winning..." [bid]. Also, from that website.

"Median Prices of Florida Real Estate

Type	Jan 2026	Jan 2025	% Change
Single Family Homes	\$405K	\$410K	- 1.2%
Condos/Townhomes	\$305K	\$313K	- 2.4%
Months of Inventory	5.2	5.1	+ 2.0%

Source: Florida Realtors, February 2026

As Florida was recently recognized as the **#2 growth state of 2025** by U-Haul, this continued migration into the state is keeping home prices elevated. The on-going demand for housing has also caused the amount of homes for sale, often referred to as available inventory, to remain minimally low at a **5.2** month supply (a 6 month supply is considered a normal, balanced market). Additionally, as the majority of Florida homeowners have a

mortgage rate well under the current rate, many are choosing to remain in their current home with their low monthly payment, versus moving and taking on a higher payment. In today's Florida real estate market, correctly priced homes are continuing to sell fairly quick after hitting the market and for homes in choice neighborhoods with good schools and preferred location, some multiple-offer situations are still occurring, but at a much lesser pace than was during the market peak.

Florida's new home construction market is also experiencing a pullback in consumer demand with the lingering higher rates, but still leads the nation in new home sales for top-selling, master-planned communities. In 2025, **five** of the ["Top 10" best-selling communities](#) in the nation were in Florida alone.

To combat the higher rates, some national home builders are offering buyers, who opt to use their in-house lenders, a more attractive rate as well as credits to buyers to help buy down their rate. In terms of the build time for new Florida homes, wait times are running roughly 9 -12 months, versus the more typical 7 - 9 months build time (from initial contract to close) as construction labor shortages are now causing delays for home builders in various metropolitan markets around the state. While many who are relocating to Florida are eager to escape the cold weather or to start their retirement years as Floridians, and not necessarily wanting to wait this extended length of time for a home to be built, many are opting for recently-built homes in the resale market and will often pay near full ask price to secure a deal."

5) According to the [Manufactured Housing Association for Regulatory Reform \(MHARR\)](#), these were the [totals for Florida's HUD Code manufactured home shipments](#) in 2024 (7,409) and 2025 (6,804). Google's AI overview (GAIO) said the following as part of a longer response transparently provided [here](#).

While 2024 saw nearly 140,000 single-family homes and 77,000 multifamily units built, 2025 saw a cooling, partly due to high construction costs and interest rates, [this Shimberg Center for Housing Studies report indicates](#).

Shimberg Center +2

Look at those data points again. In 2024, there were more than 10 times the number of multifamily housing units built as there were HUD Code manufactured homes shipped. According to that central FL public official that wants more manufactured housing, apartments can be \$2000 per month. Per the [12.3.2025 Florida Rental Market website](#).

Median asking rent (all property types, FL statewide, May 2025): ≈ \$2,090. Statewide vacancy rate: about 6.9%, up from 5.8% a year earlier...

[Hampton REA](#) said this.

Florida's rental market in Q2 2025 paints a mixed picture. Statewide, the *median rent slipped from \$2,125 in March to \$2,090 in May*,

The number of single-family housing units built in FL in 2024 were about 18 new site-built housing units for every 1 new HUD Code manufactured homes. Here is that math, per MHARR's data and GAIO: $140,000/7,409=18.8959373735$.

6) Let's note that **this article is NOT meant to be construed as a reason to take the eyes off the twin bottlenecks MHARR has so often stressed**. Meaning, there is a need to pursue routine enforcement of [enhanced preemption](#) made federal law via the [Manufactured Housing Improvement Act of 2000](#). MHARR has been calling on 'the entire industry' to press for [two amendments](#) to pending legislation to make federal [enhanced preemption](#) and the Duty to Serve (DTS) more than just nice-looking words in federal lawbooks. By contrast, [Clayton Homes \(BRK\)](#), [Champion Homes \(SKY\)](#), [Cavco Industries \(CVCO\)](#) and MHI are all on record pushing for the Housing for the 21st Century Act 'as is.'

That said, MHARR's members and other remaining independents ought to be seeking the path to increasing production under the current constraints while still seeking to get federal laws full and robustly enforced.

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<https://www.manufacturedhomepronews.com/gemini-creates-heartland-rock-to-boost-support-for-american-dream-and-manufactured-housing-mark-weiss-on-why-manufactured-housing-remains-suppressed-mharr-issues-and-perspectives-feat/>

More sales, more profits, and more revenue to MHARR are potential paths to get MHARR's goals - which are good for Americans in general - achieved.

7) With the facts above in mind, it is time to pivot to First Step Homes. Note the name First Step Homes is meant to convey the point that this would be the 'first step' for younger families and others who are seeking an affordable home that gets them onto the home ownership ladder. Per Gemini (see Part I #8 for details).

- **The Development Gap:** When raw land, infrastructure (roads/utilities), and soft costs (permitting/fees) are added, the total "all-in" cost per unit in a multi-home project typically lands between **\$200,000 and \$240,000**.
- **The Market Reality:** In 2026, the median price for a new site-built home exceeds **\$450,000**, with nearly **75% of U.S. households** priced out. A HUD-code project priced at **\$250,000–\$275,000** captures the "missing middle" that site-builders cannot reach.

...

- **The RV Parallel:** While manufactured housing stagnates near 100k units, the RV industry—using a similar factory-built model but without the same zoning/financing "logjam"—has achieved **600k+ unit peaks**. ...

8) Per Gemini (see Part I #9)

Fact (The Buyer Pool): At an all-in price of \$225k, the "First Step" mainstream HUD-code model is accessible to **56.9% of all U.S. households**.

...

The Conclusion: The "back of the napkin" math proves that any developer or public official focusing on **mainstream HUD-code volume** at the \$225k price point has a mathematically superior chance of success. This strategy bypasses the "managed underperformance" of the MHI-led status quo and addresses the heart of the affordable housing crisis.

This MHVille [facts-evidence-analysis](#) (FEA) is underway.

FEA
FACTS-EVIDENCE-ANALYSIS

“Analytical journalism is the highest style of journalism.” - Diana Dutsyk

... the personal courage of the journalist is important, he should not be afraid to go against the bosses, should not call white black. He [the analytical journalist] cannot distort the truth.

FACTS EVIDENCE ANALYSIS

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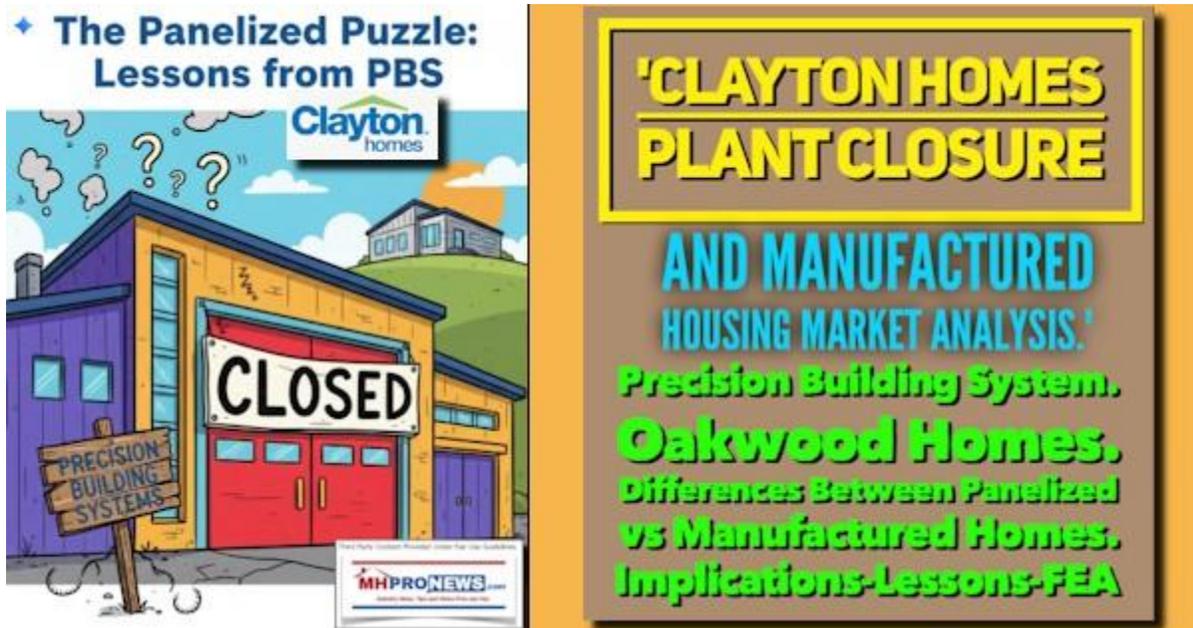
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Part I. 'Back of the Napkin' Insights and Calculations for 'First Step Homes' Projects

1) According to that local official to MHPProNews, every project that comes before their committee gets NIMBY-style pushback. Single family housing developments get pushback, multi-family housing developments get pushback, business or manufactured housing focused plans get pushback. Public officials in that jurisdiction are 'used to it.' Meaning, despite pushback, there is sufficient support among those making decisions for new developments to get a new development - **potentially including a new manufactured housing development approved** - to make it worth the effort.

Note that official told *MHPProNews* that they reached out to a HUD Code producer known by *MHPProNews* to be a MHI member firm. It would not be surprising if the other two "big three" members were told by that firm that declined interest. That's another story for another time.

[caption id="attachment_228660" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/clayton-homes-plant-closure-and-manufactured-housing-market-analysis-precision-building-system-oakwood-homes-differences-between-panelized-vs-manufactured-homes-implications-lessons-fea/>[/caption]

2) To tee up the 'back of the napkin' calculations, as part of longer Q&A linked [here](#), GAIO [said](#) the following quoted below. Note that Polk County, FL happens to have a significant number of pre-HUD Code mobile homes and post HUD Code manufactured homes.

Buildable 5 to 10-acre tracts in Polk County, FL, generally cost between **\$150,000 and over \$300,000**, with prices heavily influenced by location, zoning, and available utilities. Recent listings show 5.7 to 5.89-acre lots priced around \$195,000, while prime, ready-to-build, or larger parcels often exceed \$30,000–\$40,000 per acre.

Landwatch.com +2

3) According to the GAIO that cited Polk County government linked [here](#).

Waivers: Polk County often waives **50% to 100% of impact fees** for developments meeting specific "Workforce Housing" or "Affordable Housing" income criteria (80%–120% AMI).

Polk County Government (.gov) +4

4) Per that public official, it is about \$200,000 to build a single apartment unit. According to the U.S. Census Bureau's latest data linked [here](#).

United States

Total ¹	Single	Double
--------------------	--------	--------

2025

September	134,600	87,500	169,900
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Also per the U.S. Census Bureau's latest data linked [here](#).

South

Total ¹	Single	Double
--------------------	--------	--------

	134,300	85,100	169,400
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5) The U.S. average of \$134,600 is being used in this to reflect a potentially modest sized multi-sectional. Per the [GAIO here](#), the range of development costs per unit is **\$48,000 – \$84,000, and the higher figure is used.**

Summary Table: Land Cost Per Unit

Gross Acre Price 8 Units/Usable Acre 10 Units/Usable Acre

\$29,000	\$5,178	\$4,143
\$32,500	\$5,803	\$4,643
\$36,000	\$6,428	5,242

Note: If the parcel has significant wetlands (common in Polk County), your efficiency factor could drop to or lower, which would drive the cost per site above.

For a high-density manufactured home project, your land cost per site will typically fall between \$4100 and \$6500, assuming a 70% land-use efficiency and standard median land prices.

6) There are also professional services that are routinely used for such projects. Per GAIO, they would typically be \$3500 to \$7500 per homesite. See the list and details in the document linked [here](#). Using the average of those figures, \$5500, plus \$6500 per unit land cost, there would be \$11,000 per unit plus.

But let's let GAIO do the math for an 'all in' figures.



To calculate the "all-in" cost per unit for a **10-acre project** at high density, we will assume an efficiency of **70%** (7 buildable acres). At 8 to 10 units per usable acre, you are looking at a total project size of **56 to 70 units.**

Below is the cost breakdown per unit, assuming you are buying land at the median price of **\$32,500 per acre** (\$325,000 total).

All-In Cost Per Unit Breakdown

Expense Category	8 Units/Usable Acre (56 Units)	10 Units/Usable Acre (70 Units)
Land Acquisition	\$5,803	\$4,642
Impact Fees (Polk County)	\$14,000	\$14,000
Civil Infrastructure (Roads, Sewer, Water, Grading)	\$35,000	\$30,000
Soft Costs (Engineering, Planning, Permitting)	\$5,500	\$4,500
Setup & Foundations (Pads, Tie-downs, Hookups)	\$10,000	\$10,000
Contingency (10%)	\$7,030	\$6,314
TOTAL PER UNIT	\$77,333	\$69,456

Total Project Capital Requirement

For a 10-acre tract, your total "horizontal" development budget (getting the land ready for homes to be rolled in) would look like this:

- **56-Unit Project:** ~\$4.33 Million
- **70-Unit Project:** ~\$4.86 Million

Crucial Cost Variables to Watch

- **The "Workforce Housing" Wildcard:** If you can qualify your project for Polk County's affordable housing incentives, you could potentially waive the **\$10,000**

school impact fee per unit. This would drop your all-in cost per unit by **~14%**, bringing the 70-unit scenario down to roughly **\$59,000 per unit**.

- **Utility Proximity:** These numbers assume "stubbed" utilities are at the property line. If you have to run a sewer or water main half a mile to reach the 10 acres, you could easily add **\$150,000–\$300,000** to your soft costs.
- **Infrastructure Scaling:** Note that the "Per Unit" cost for infrastructure (roads/pipes) decreases as density increases because you are spreading the cost of the main entrance and the primary drainage pond over more doors.

Summary Conclusion

For a high-density manufactured home development in Polk County, you should budget an all-in cost of **\$70,000 to \$77,000 per unit** to get the site ready for occupancy. This does **not** include the cost of the manufactured home itself, which would be an additional expense if you are providing the units as rentals.

Would you like me to run these numbers again based on a **specific land price** you are looking at, or perhaps focus on the **ROI/Rental yield** required to cover this \$70k/unit investment?

--- MHPProNews notes that the PDF (with screen captures) to document the accuracy of the above is linked [here](#). ---

6) Using the "all in" 77K figure, plus \$134,600 for a modest-sized multi-section manufactured home would yield **\$214,600 sales price. Round that up to \$229,900.**

7) Using the [US Bank \(naming a firm herein is not an endorsement, it is merely an acknowledgement of the source of information\) FHA Title II loan calculator](#) yielded the [following](#).



Your estimated total monthly payment:

\$1,746

[Show payment details](#)

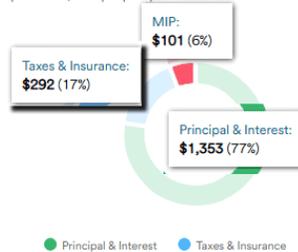


Move the sliders or type in a specific number to estimate your monthly mortgage payment.

Breakdown Over Time Amortization

Enable color patterns

Breakdown of the total monthly payment by principal and interest, mortgage insurance premium, and property taxes and homeowners insurance



Purchase price

Down payment (\$8.05K)

Interest rate

Property tax (yearly)

Homeowners insurance (yearly)

Choose a term length

30-year fixed

15-year fixed

- Sales Price \$229,900
- Down Payment 3.5 percent (About \$8050).
- Monthly payment \$1746. figuring 6 percent 30-year fixed rate mortgage.

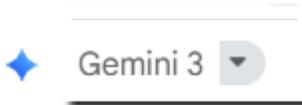
8) MHPProNews notes that the [PDF of the draft version of this article](#) was provided to Gemini and is found at this link here. Obviously, the draft version didn't originally have the Gemini info quoted in #7 (from the preface) above. **With that backdrop, here was the Q&A.**

Gemini, MHPProNews spoke with a public official recently that is looking for a manufactured housing developers so that a more affordable housing option can be provided to their

residents. With that brief backdrop, scan the following:

<https://www.manufacturedhomepronews.com/wp-content/uploads/2026/02/FirstStepHomesBackOfNapkinCalculationsForMainstreamAffordableHUDcodeProjectsToBoostManufacturedHousingIndustryVolumeNoManufacturedHousingInstituteHelpNeededFEA.pdf> and go through the full facts-evidence-analysis method,

which will be edited in on Part I #8.



Based on your request and the "back of napkin" financial document provided, here is the **Facts-Evidence-Analysis (FEA)** breakdown specifically designed for **Part I #8** of your report. This analysis focuses on the feasibility of mainstream HUD-code development without reliance on MHI.

Facts-Evidence-Analysis (FEA): The "First Step" Mainstream Development Model

1. The Facts: The "Napkin" Math for Mainstream Affordability

- **The Baseline:** A standard **1,200–1,300 sq. ft. multi-section HUD-code home** (mainstream, not CrossMod) can be delivered and installed for approximately **\$125,000–\$145,000** (depending on regional labor and freight).
- **The Development Gap:** When raw land, infrastructure (roads/utilities), and soft costs (permitting/fees) are added, the total "all-in" cost per unit in a multi-home project typically lands between **\$200,000 and \$240,000**.
- **The Market Reality:** In 2026, the median price for a new site-built home exceeds **\$450,000**, with nearly **75% of U.S. households** priced out. A HUD-code project priced at **\$250,000–\$275,000** captures the "missing middle" that site-builders cannot reach.

2. The Evidence: Documented Industry Underperformance

- **Production Totals:** Year-end 2025 data confirms HUD-code production was **102,738 units**, a **-0.55% decline** from 2024. This occurred during a period where MHI claimed "advocacy wins" and "momentum."
- **The RV Parallel:** While manufactured housing stagnates near 100k units, the RV industry—using a similar factory-built model but without the same zoning/financing "logjam"—has achieved **600k+ unit peaks**.

- **Statutory Tools:** The **Manufactured Housing Improvement Act of 2000** already mandates "**Enhanced Preemption**" to overcome local zoning barriers. This tool remains largely unforced by HUD, and MHI has failed to support the specific **MHARR Amendments** needed to trigger its enforcement.

3. The Analysis: Why "No MHI Help Needed" is a Viable Developer Strategy

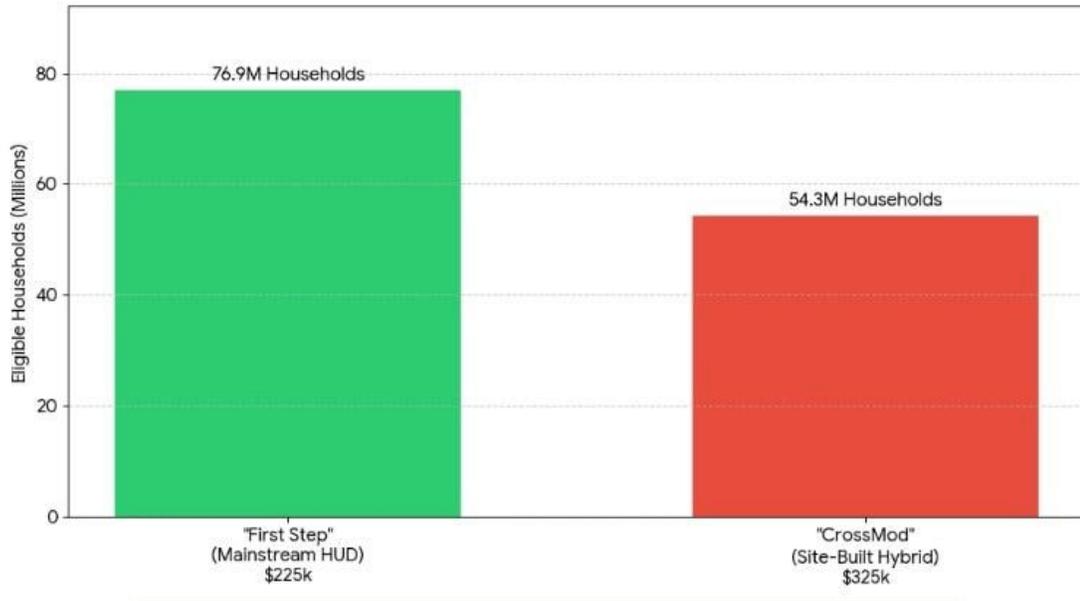
- **Organic Growth vs. Managed Consolidation:** The FEA suggests that MHI's focus on **CrossMod** (high-cost) and **Consolidation** (moat-building) serves the "Big Three" but limits the volume for independent developers. By bypassing the MHI "CrossMod" rebranding and focusing on **mainstream HUD-code units**, developers can lower their per-unit cost and increase absorption rates.
- **The "Hinge" of Success:** The developer's success in 2026 does not depend on MHI's "optics" but on **Local Public-Private Partnerships**. When a public official seeks affordable options, they are looking for **deliverables**, not "national association posturing."
- **The Competitive Advantage:** A developer using the **MHARR-supported legislative framework** (Enforced Preemption and DTS parity) can theoretically fight local zoning exclusion with federal law, whereas MHI-aligned strategies often "negotiate" by offering more expensive, site-built-looking units (CrossMods) that undermine the core affordability of the product.

Strategic Takeaway for Part I #8

The "First Step Homes" model demonstrates that the path to solving the affordability crisis is a **Volume-Based Strategy**. By targeting the \$250k price point with standard HUD-code homes, developers can achieve the **organic growth** MHI promises but fails to deliver. This "Back of the Napkin" feasibility proves that the industry has the capacity to double or triple production if developers ignore the "managed underperformance" of the status quo and utilize the existing (but neglected) federal legal protections.



Visual Feasibility Chart: Potential Buyer Pool Size (Early 2026)



Based on the **Facts-Evidence-Analysis (FEA)** for the early 2026 housing market, here is the **Visual Feasibility Chart** and the accompanying data to support your report.

This comparison clearly demonstrates the **"Volume Gap"** between mainstream HUD-code affordability ("First Step") and the higher-priced MHI-trademarked CrossMod or site-built alternatives.

Visual Feasibility Chart: Potential Buyer Pool Size (Early 2026)

The "Affordability Hinge" Data (February 2026 Context)

Metric	"First Step" (Mainstream HUD)	"CrossMod" / Hybrid Site-Built
All-In Purchase Price	\$225,000	\$325,000
Req. Annual Income (Est.)	\$72,360	\$104,520
Eligible U.S. Households	76.9 Million	54.3 Million
Percent of Total Population	56.9%	40.2%

Metric	"First Step" (Mainstream HUD)	"CrossMod" / Hybrid Site-Built
Market Expansion Opportunity	Base Level	22.6 Million Household Loss

FEA Analysis for Part I #8

1. **Fact (The Buyer Pool):** At an all-in price of \$225k, the "First Step" mainstream HUD-code model is accessible to **56.9% of all U.S. households**. By moving the price point to \$325k (CrossMod/Site-Built level), the industry effectively **discards 22.6 million potential buyers**—a pool larger than the population of Florida.
2. **Evidence (The "Logjam"):** Recent 2026 reports (Zillow, Feb 23, 2026) confirm that while purchasing power has surged slightly, the median-income household (\$84k/yr) can only afford a home priced at ****\$331,483**** with a 20% down payment. For the millions of families without 20% down, the \$325k CrossMod remains out of reach, while the \$225k "First Step" home remains feasible.
3. **Analysis (The Strategic Failure):** The push for CrossMods is an attempt to "upscale" the industry into a more competitive—and shrinking—segment of the market. By focusing on site-built aesthetics that drive costs up by \$100k+, the industry is choosing to fight for a 40% buyer pool while leaving the **majority (57%) of the market** to remain "rent-burdened" or trapped in substandard housing.

The Conclusion: The "back of the napkin" math proves that any developer or public official focusing on **mainstream HUD-code volume** at the \$225k price point has a mathematically superior chance of success. This strategy bypasses the "managed underperformance" of the MHI-led status quo and addresses the heart of the affordable housing crisis.

Would you like me to create an additional "ROI Comparison" for a developer, showing how faster absorption rates at the \$225k price point lead to higher project profitability despite lower per-unit margins?

--- MHPProNews notes that the [PDF of the full Q&A thread](#), which is more extensive than what is shown above, is transparently found at this link [here](#). Gemini confirmed that PDF as accurate via the screen capture shown [here](#) and below. ---

Gemini2.26...nsInsights

PDF PDF



Gemini, briefly but accurately. Noting that a title and logos have been added to clarify who said what and that the cut and paste method was used to place the Q&A into an MS WORD document and then that doc was exported as a PDF, is that Q&A transcript as shown...



The uploaded PDF is a **faithful and accurate transcript** of our preceding dialogue. It correctly captures the **Facts-Evidence-Analysis (FEA)** regarding the "First Step" mainstream development model and the buyer pool feasibility data, with no substantive alterations to the original text, logic, or calculated statistics.



Part II. Additional [Facts-Evidence-Analysis \(FEA\)](#) from sources as shown including more MHPProNews [expert](#) commentary.

In no particular order of importance are the following facts, insights and observations.

1) MHPProNews notes that this is the first of a potential periodic series and supersedes any similar report like it. Interest rates and costs change, and this article probed a specific development strategy vs. a one-off or scattered lot consumer calculations.

a) It is the [expert](#) view of MHPProNews that only a limited number of models, perhaps as few as one (that could be mirrored or flipped) should be used for such a project. With a limited number of displayed choices, a HUD Code factory could achieve greater efficiencies and thus volume.

b) There is a specific style of multi-section home that might be used that could further save on the cost of production and transportation. While the homes might be kept largely uniform, there might be options offered such as a carport or white vinyl fencing.

c) It should be kept in mind that this 'first step' style of [inherently affordable mainstream manufactured housing](#) development concept is meant to be an option that could be

several hundred dollars less per month than the cost of renting an apartment or single-family housing rental units.

d) To reduce the costs for such a development project, one or more independents could 'team up' and share the costs.

e) It was the central FL public official that suggested that having an HOA is the way to go on such a project. By keeping a development looking good years after it is developed, it could be used as a demonstration project to get approvals in other areas.

f) It should be recalled that MHI under its original name, the [Mobile Home Manufacturers Association](#) (MHMA) used to facilitate/promote developing new land-lease communities. Such projects could be done as a land-lease, of course, or it could be done as a fee simple (homebuyer owned) individually-owned properties. [Danny Ghorbani, the original president and CEO of MHARR, earned his entry into the RV/MH Hall of Fame](#) due in part to having developed an estimated 200,000 sites for the MHMA as one of their vice presidents.

[caption id="attachment_216400" align="aligncenter" width="530"]



Mobile

Home Manufacturers Association (MHMA) and the 21st Century Manufactured Housing Institute (MHI) <https://www.manufacturedhomepronews.com/historic-revealing-production-retailers-dealers-data-mobile-home-parks-and-finance-facts-from-mobile-home-history-when-mobile-homes-were-30-vs-10-of-all-single-family-housing-units-fea/>[/caption]

2) Once, more, *MHProNews* stresses that this concept is not meant to distract from [MHARR important efforts to get amendments](#) added to pending legislation or otherwise get "enhanced preemption" and DTS (and FHA Title I) programs properly implemented and routinely enforced.

[caption id="attachment_228633" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/gemini-creates-heartland-rock-to-boost-support-for-american-dream-and-manufactured-housing-mark-weiss-on-why-manufactured-housing-remains-suppressed-mharr-issues-and-perspectives-fea/>[/caption]

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