

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

## **Champion Homes (SKY) Q4 2026 Earnings Call Transcript. Homes Direct Deal. Record HUD Sales? Community Sales Down. Lesli Gooch, Mark Yost, and Tim Larson Investor Relations Insights. FEA**

**“People live better when they have less financial stress,” [Lindsey Bostick](#) said. “They can do more of what they really want to do with their lives when they pay less for their home.”** Bostick, then with [Sunshine Homes](#), added: **“I didn’t sacrifice by buying a manufactured home, I’m money ahead. The intelligent, informed professionals, business people, builders, real estate agents and others who are buying and selling manufactured homes are proof that the industry has evolved.”** Her remarks are a microcosm of what an industry image/education campaign might look like. That is from an article that included a quote from then Skyline Homes (SKY) senior management executive, Terry Decio (see below). Straight talk can be compared and contrasted with posturing, diversionary, or misleading expressions to see what lessons emerge. As [MHPProNews](#) has reported for years, some [statements can be technically true but can still be misleading](#). [Paltering and other forms](#) of misleading language or [red herring/razzle dazzle](#) or style distractions can mask or distract what’s occurring. That [article that included quotes from Lindsey Bostick that included remarks by Terry Decio](#), included a [historic letter from then MHI vice president Lesli Gooch, Ph.D., to HUD officials on the topic of zoning](#). As that letter from "Dr. Gooch," now CEO of MHI will help frame what MHI member Champion Homes (SKY) CEO Tim Larson said during their recent earnings all (see Part I below). There were arguably several misleading remarks in the Champion earnings call discussion that follows in Part I which will be unpacked in Part II.

1. But to further frame the issues, Champion's asserted record year for production will be considered. The 'old Champion,' then known as Champion Enterprises-(NYSE:CHB), last high-water mark was achieved in 1998. As part of the 5.27.2026 earnings call in Part I below, Champion CEO Larson said, "we earned the business of 26,622 customers in fiscal 2026, the record number of homes sold since the company went public in 2018." Per [their investor relations pitch](#), that represents all homes sold of whatever type in all of North America. What that fails to mention is that the firm says they are over 70 years old (see screen shot below). In calendar [1998, Champion produced 68,264 HUD Code manufactured homes](#). So, based on 87 percent of their total factory-built housing production being HUD Code manufactured homes (per their [investor relations pitch on page 11 here](#)), that would represent about **23,161** ( $26,622 \times .87 = 23,161.14$ ) new HUD Code manufactured homes. To further frame that comparison, the estimated 23,161 HUDs

Champion (SKY) produced in 2026 would have made them the #6 builder back during the industry's glory days.



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## ABOUT US

Champion Homes, Inc. is one of the largest homebuilders in North America and employs approximately 9,300 people. With more than 70 years of homebuilding experience and 46 manufacturing facilities throughout the United States and western Canada, Champion Homes, Inc. is well positioned to build a wide variety of manufactured and modular homes, ADUs, park-model RVs and modular buildings for the single-family, multi-family, and hospitality sectors.

### CHAMPION HOMES, INC. BY THE NUMBERS

9300

Employees in North America

46

Manufacturing Facilities

84

Retail Sales Centers

3M

Over 3 million homes sold

70

Over 70 years of building manufactured housing



3:55 PM  
5/27/2026

From a longer thread in Part II #1.

### ...Executive Summary

An exhaustive multi-era Facts-Evidence-Analysis (FEA) tracking Skyline Corporation, Skyline Champion, and now **Champion Homes (SKY)** reveals a consistent structural paradox. While corporate leadership leverages high-profile political events, public webinars, and legislative talking points to project a narrative of robust advocacy, an evaluation of the empirical record reveals a distinct lack of measurable outcomes.

A historical cross-reference of the July 2020 White House deregulation event featuring former President Trump, VP Pence, then-Skyline Champion CEO Mark Yost, and MHI CEO Lesli Gooch reveals that despite the photo opportunity, core statutory pillars—specifically federal *enhanced preemption* under the Manufactured Housing Improvement Act of 2000 (MHIA 2000), individual chattel loan liquidity under the Duty to Serve (DTS) mandate, and FHA Title I modernization—were entirely omitted from the substantive administrative push. This systemic pattern demonstrates that Champion Homes (SKY) and MHI utilize symbolic political optics to placate retail investors and legislators while passively accepting an underperforming, constrained regulatory environment that functions as an artificial "moat" to insulate consolidated corporate footprints from independent market competition.

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## Analytical Evaluation of the SEC Materiality Gap

When comparing the text of Champion Homes' Q4 2026 earnings call with their May 2026 investor relations pitch deck, severe disclosure contradictions emerge:

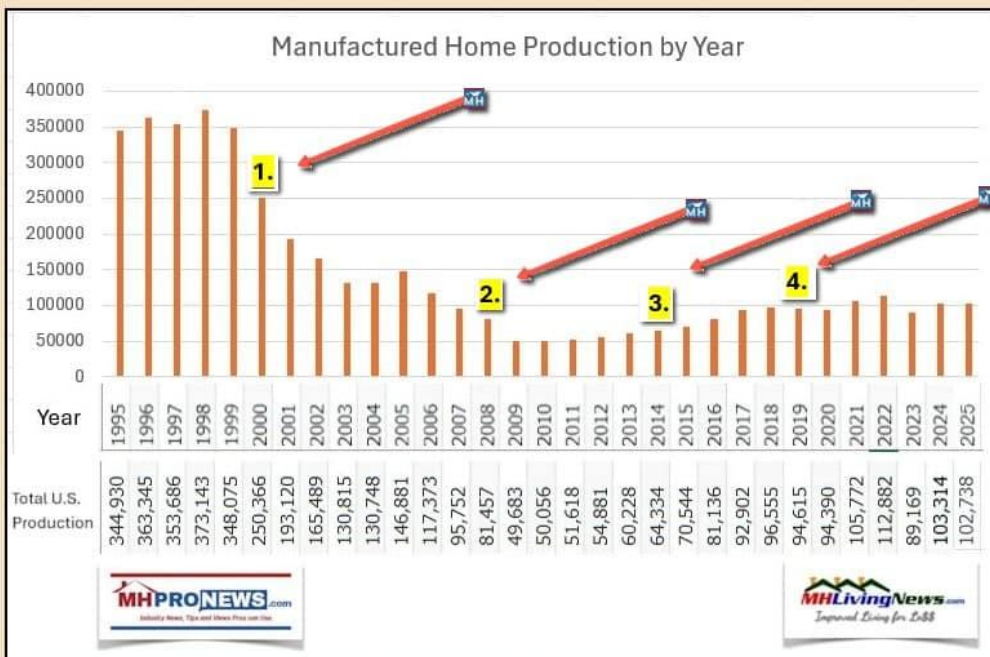
1. **The Illusion of Market Expansion:** The IR deck presents a landscape of smooth legislative progress, citing the ROAD Act and local planning initiatives as evidence that zoning and placement barriers are easing.
2. **The Operational Reality:** The earnings call reveals that community sales channels are down and regional retail demand remains heavily restricted by local placement bans and elevated chattel financing costs.
3. **The Materiality Implication:** Under SEC guidelines, presenting an optimistic regulatory outlook to retail investors while privately acknowledging—and failing to legally challenge—the systemic structural constraints that cap total production represents a severe transparency failure.

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## 2. Total [U.S. HUD Code manufactured home production by firm in 1998](#), ranked 1-6.

1. Champion Enterprises, Auburn Hills, MI (NYSE:CHB) 68,264
2. Fleetwood Enterprises, Riverside, CA (NYSE: FLE) 66,222
3. Oakwood Homes, Greensboro, N.C. (NYSE: OKW) 38,237
4. Clayton Homes, Knoxville, TN (NYSE: CMH) 28,429
5. Cavalier Homes, Addison, AL (NYSE: CAV) 24,387
6. Skyline Corp., Elkhart IN (NYSE: SKY) 17,286

[caption id="attachment\_232154" align="aligncenter" width="646"]



1. Due in part to a lack of robust enforcement by HUD, the 2000 Reform Law was followed by a sharp decline in production. Some identify that industry consolidation began with Berkshire Hathaway (BRK) taking a stake in vertically integrated Oakwood (2002) and Clayton Homes (2003).

2. HERA 2008 and its "Duty to Serve" (DTS) has never been properly implemented on single family manufactured housing by the FHFA, which was part of its intent. Production fell and stayed low. It was until 2016 that production recovered to a similar level as the year when HERA was DTS enacted. MHPProNews notes that while single family manufactured housing has not been provided by Fannie Mae and Freddie Mac, those Government Sponsored Enterprises (GSEs) has provided billions in lending on land lease communities. Consolidation surged in the manufactured home community (MHC) sector as that lending became popular for purchase money or refinancing of land-lease properties.

3. In 2014, Richard "Dick" Jennison told MHPProNews in a video recorded interview that the industry should 'grow slowly.' That is in fact what occurred in MHVille, a slow rebound from the roughly 50,000 home production levels in 2009 and 2010. That slow growth continued despite the fact that Jennison said the next year in another MHPProNews video recorded remark to dozens of industry pros that they industry's goal should be 500,000 new homes produced and shipped annually.

4. The new class of manufactured homes was later rebranded as CrossMod® and in 2019 the industry was told that their commissioned research showed that term was far more popular than "manufactured home." The next year, production dipped modestly instead of growing sharply.

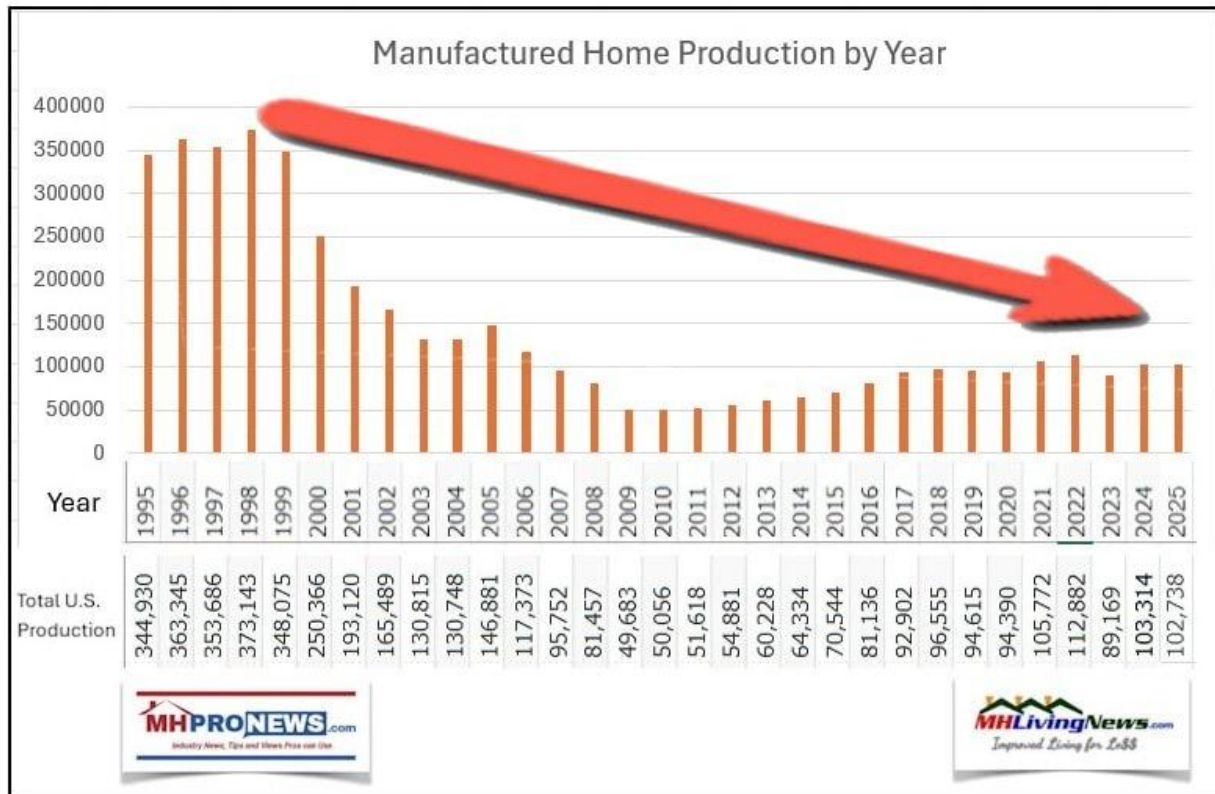
Restated, MHI leadership in much of the 21<sup>st</sup> century history reveals claims made without promised delivery on better results following.

This chart and annotations were created by manufactured housing industry expert using human intelligence (HI).

<https://www.manufacturedhomepronews.com/what-happens-if-congress-passes-housing-reform-yet-manufactured-home-industry-growth-stalled-will-govt-shareholders-affordable-housing-seekers-residents-sue-mhi-corps-institutional-investors-fea/> [/caption]

3. The above is per the data collected by the now defunct [Merchandiser](#). That list of the top 6 was selected because today, Champion Homes (SKY) is the product of the merger between [Champion and Skyline](#). If those two firm's totals for the year above were added together (since those [two firms later merged](#)) as a point of reference, that would yield.  $68,264 + 17,286 = 85,550$ . That 85,550 new HUD Code homes produced by those two firms in 1998 would be equal to about [83.27 percent of all the production in 2025](#) (total U.S. production 102,738). Even #1 Clayton Homes (BRK) today is unlikely to exceed the total production for either Champion Enterprises (CHB) or Fleetwood Enterprises (FLE) achieved in 1998.

[caption id="attachment\_228773" align="aligncenter" width="652"]



<https://www.manufacturedhomepronews.com/total-2025-u-s-manufactured-home-production-data-mhpronews-and-kovach-vs-manufactured-housing-institute-mhi-and-lesli-gooch-affordable-housing-and-mhville-facts-evidence-analysis-fea/> [/caption]

4. From the [MHPProNews](#) flashback report in 2018 linked [here](#).

### The Masthead

” I’m tired of being the best kept secret. I’m ready to help house America.” – Terry Decio, Skyline Homes, to MHPProNews. What happened? The Rest of the Story, 1... Several of the brands that the industry knows today are not the same brand as they were a decade or more ago.

5. The Champion Homes (SKY) press release and related [facts-evidence-analysis](#) (FEA) is found below. It is useful reading for this specific report, as the 'Homes Direct Deal' is cited multiple times.

[caption id="attachment\_232480" align="aligncenter" width="600"]

**Champion Homes Announces Definitive Agreement to Acquire Retail Locations from Homes Direct**  
PER BERKSHIRE HATHAWAY via BusinessWire and Champion Homes (SKY)

**CHAMPION HOMES (SKY)**  
Strategic National Direct-to-Consumer Distribution

**ACQUISITION AGREEMENT**

**HOMES DIRECT**  
Expansion of Retail Footprint  
Vertical Integration (Manufacturing + Retail)

**MHVILLE FACTS—EVIDENCE—ANALYSIS**

 <b>Manufacturing/Retail Sync</b>	 <b>Strategic Growth</b>
 <b>Factual Basis (Public Filings)</b>	<b>Analysis</b> Industry Consolidation Increased Market Share Optimized Customer Access

MHPProNews.com | Facts-Evidence-Analysis

<https://www.manufacturedhomepronews.com/champion-homes-announces-definitive-agreement-to-acquire-retail-locations-from-homes-direct-per-berkshire-hathaway-via-businesswire-and-champion-homes-sky-mhville-facts-evidence-analysis/>[/caption]

6. That letter from Dr. Gooch on behalf of MHI linked [here](#). The [letter was addressed to: Edward L. Golding, Principal Deputy Assistant Secretary at HUD and Helen R. Kanovsky, General Counsel](#) at HUD. Gooch's letter on behalf of MHI said in part the following.

Dear Mr. Golding and Ms. Kanovsky:

On behalf of the Manufactured Housing Institute (MHI), I wanted to bring to your attention a growing trend of municipalities using zoning ordinances to mandate manufactured housing construction standards beyond the HUD Code and as a result effectively “zoning out” manufactured housing.

Unchecked, this trend could reduce the supply of critically needed affordable housing across the country. We ask that HUD develop a more robust pre-emption policy based on the 2000 Manufactured Housing Improvement Act and take a more proactive role in discouraging these efforts.

That letter was dated, May 26, 2016. That's a decade ago. Since then, several developments have occurred, but for the most part, the concerns raised in that letter remain much the same. Some asserted, things regarding zoning and placement barriers may be worse in various jurisdictions. Reports about two MHI linked organizations are shown below.

[caption id="attachment\_230462" align="aligncenter" width="600"]



Mary Gaiski - EVP at  
Pennsylvania Manufactured  
Housing Association

**'PERCEPTION IS  
GREATEST CHALLENGE  
TO AFFORDABLE HOUSING-  
PARTICULARLY FOR  
MANUFACTURED HOUSING.'**

**TESTIMONY OF PENNSYLVANIA  
MANUFACTURED HOUSING ASSOC EVP  
MARY GAISKI-SENATE POLICY  
COMMITTEE-FEA**

MHPRONEWS.com

<https://www.manufacturedhomepronews.com/perception-is-greatest-challenge-to-affordable-housing-particularly-for-manufactured-housing-testimony-of-pennsylvania-manufactured-housing-assoc-evp-mary-gaiski-senate-policy-committee-fea/>

[caption][caption id="attachment\_226298" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/manufactured-housing-association-files-suit-2025-004477-cz-vs-govt-case-specifics-plus-broader-insights-why-is-purported-manufactured-housing-improvement-act-linked-case-under-reported-fea/>[/caption]

7. More from that [MHI/Gooch letter to Golding and Kanovsky](#).

We believe that HUD has the authority to move beyond a case-by-case approach to this challenge. The Manufactured Housing Improvement Act of 2000 (the Amended Act) significantly strengthened the preemptive language originally contained in the National Manufactured Housing

Construction and Safety Standards Act of 1974. One of the purposes of the Amended Act is to “ensure uniform and effective enforcement of Federal construction and safety standards for manufactured homes.” The amended statute also specifies; “Federal preemption....shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards....” Yet, despite this broadened authority that was granted in 2000, the last time HUD updated its guidance in this area was in 1997. Though this guidance prohibited municipalities from using manufactured housing construction and safety code standards that are different from the HUD code to regulate or exclude manufactured housing, we believe the Amended Act largely renders this guidance obsolete.

...

It is past time for HUD to revise and update its 1997 policy on pre-emption to affirm that local zoning actions cannot be used to “affect the uniformity and comprehensiveness” of

the federal preemptive standard and to ensure that no state or municipality “adopt or enforce standards that have the effect of precluding or restricting manufactured homes from being installed as permanent residences on any site zoned for residential uses.” Further, state and local governments should only subject a manufactured home and the site upon which it is placed to the same development standards as a single family dwelling. Additionally, there may be cases, such as in Richmond VA, where aggressive code enforcement, or changes to locally enforced manufactured housing construction standards, could adversely impact protected classes under Fair Housing statutes.

As further background, we have attached our correspondence with the Office of Manufactured Housing Programs (OMHP) and the Office of the General Counsel (OGC) on these matters in June 2015, December 2015, and March of 2016. We have not received any response to these letters.

Let's presume for discussion's sake that each point is accurate (as far as it goes). Then that letter begs questions. Why didn't MHI sue? Why didn't firms like Clayton Homes (BRK), Champion Homes (SKY), and Cavco Industries (CVCO) sue to get their rights enforced under existing law? MHARR very publicly made such an offer. Why didn't MHI and/or MHI linked firms join forces with MHARR and sue to get the federal 2000 Reform law and "[enhanced preemption](#)" enforced? Or why didn't MHI and its leader brands, in [concert with an MHI affiliate like Texas](#), sue to get their rights enforced?

[caption id="attachment\_145993" align="aligncenter" width="600"]



<https://manufacturedhousingassociationregulatoryreform.org/the-incredible-shrinking-zoning-problem-september-2019-mharr-issues-and-perspectives/>[/caption]

From CEO Tim Larson's remarks in Part I below regarding the [pending legislation](#) known as [21st Century ROAD to Housing Act](#). To set the table for what follows, much of this discussion is about overcoming zoning barriers at the state level (KY, TX, MT).



Yes. That's great. I mean big picture, it's encouraging to see the bill pass in the House. And obviously, we look forward to continue with the legislative process. We'll see how long that time takes. I would say the activity that's

<https://www.manufacturedhomepronews.com/systemic-issue-impacts-companies-investors-consumers-better-understanding-earnings-calls-and-role-of-analysts-using-example-of-champion-homes-q3-2025-earnings-call-transcript-mhville-fea/>going on not only at the federal level, but we are seeing in some states. We've talked about Kentucky, Texas, recently, we had Montana that's deployed an approach that gives more parity to offsite built homes. You'd like to see those proof points. And hopefully, that extends to other states with even greater populations.

In terms of the timing, that's going to come down to how long do we get through the legislative process, the rulemaking then ultimately HUD, their ability to put it into the regs.

Posturing activity for the sake of optics is not necessarily the same thing as taking the most logical steps that would in fact achieve the claimed goal of increased production and thus "growth." When prior Champion CEO was at the Trump-Pence White House along with Lesli Gooch for a discussion on removing barriers for more affordable housing, where is the meeting readout that clearly insisted on getting HUD to enforce the 2000 Reform Law and "[enhanced preemption](#)" enforcement? Why didn't Champion (and others in the MHI orbit)

insist on suing to get the law enforced AND insist on amendments to the pending legislation that would mandate enforcement of laws that have heretofore been ignored, as Gooch's letter cited above clearly revealed?

8. It is with those background points that this [MHVille](#) mashup of [facts-evidence-analysis](#) (FEA) is underway.

**Mashup**     
A mashup involves blending two or more elements to create a new, integrated whole.

**MH**  

**MHVille Defined**   
**Pro MANUFACTURED HOUSING** despite artificial barriers, internal consolidation-concentration industry self-limits. 

**FEA Model**

 **FACTS**  **EVIDENCE**  **ANALYSIS**

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**Part I.** Earnings Call Transcript per the *Motley Fool* at this link [here](#). MHPProNews notes the Fool offered commentary and other insights not shown below. What follows is provided under [fair use guidelines](#) for [media](#). Highlighting is added by MHPProNews. A few apparent typos were adjusted by MHPProNews.

### **Full Conference Call Transcript**

**Timothy Larson:** Thank you, Ellen. It's great to welcome you to Champion Homes as our new Director of Investor Relations. Good morning, everyone. Fiscal 2026 results reflect a year of strong execution and performance. We navigated a challenged macro environment by being agile and active across the business with our customer-centric approach as our North Star. On our call a year ago, we shared our strategic priorities, and we are encouraged by the progress of our team and the impact we are experiencing in the marketplace. This is best reflected in the fact that across Champion, we earned the business of 26,622 customers in fiscal 2026, the record number of homes sold since the company went public in 2018.

Off-site built homes continue to be a compelling affordable solution to the national housing crisis. With the average price of a home in the U.S. hovering near \$500,000, Champion Homes provides today's buyers with a high-quality, attractive brand-new home at a fraction of that cost. That relative value proposition only becomes more powerful in a higher cost, higher uncertainty environment. And that's one of the reasons why we are so encouraged by the road ahead at Champion. We're pleased that the ECN transaction closed last month. and we're putting a portion of that capital to work towards our strategic priorities by expanding our retail channel and elevating the customer experience.

In support of those strategies, we announced today the acquisition of Homes Direct. Homes Direct is a beacon of the manufactured housing industry with locations in Arizona, California, Colorado, New Mexico and Oregon. This acquisition expands our presence in the West adding 11 retail locations and will bring our number of company retail stores in the U.S. to 95. Homes Direct's founder is Ray Gritton, an industry pioneer and well-respected leader. It's personally been a pleasure to work with him on this transaction. He and his team had a business model that's a great fit with our vision and culture, and we look forward to further collaborating with Ray and the Homes Direct team.

The 11 retail locations have annualized revenues of approximately \$70 million, and we see a strong pipeline of local market demand and commercial opportunities. We expect the transaction to close in our fiscal second quarter. The Homes Direct transaction demonstrates our commitment to expanding our retail presence and utilizing our capital to support our strategy. Our team's agile execution across our strategic priorities is creating

meaningful differentiation in our products and overall customer experience. And that's why we continue to outperform the industry. Performance that was also recognized this recent quarter with two industry honors that reflect how our homes are evolving and elevating.

The team was honored by the National Association of Homebuilders with their Best in American Living Gold Award, and the team earned a 12th consecutive excellence award from the Manufactured Housing Institute. Each reflects our enduring commitment to innovation and operating excellence. Now I'll review our fourth quarter and full year performance. Fourth quarter net sales were \$621.3 million, up 4.6% versus the prior year and above our sales expectations for the quarter. Although extreme weather caused some headwinds early in the quarter, our team managed through it effectively. Manufacturing capacity utilization, including idle facilities, was 59% in the fourth quarter consistent with the third quarter sequentially and slightly below the 60% we reported in the same period last year.

Manufacturing orders increased 7% year-over-year in the fourth quarter. Manufacturing backlog ended the quarter at \$316 million, up \$50 million or approximately 19% sequentially. The average backlog lead time was 8 weeks, consistent with both the prior quarter and the same period last year. We continue to pace production with demand in each market, and we are encouraged by where our backlog stands today. Having entered into our key spring selling season, as additional context on the quarter, HUD industry shipments were down approximately 9% in the 3-month period that ended in March 2026 compared to the prior year.

Champion Homes outperformed the broader market during this period, only slightly down low single digits, further reflecting the team's execution, tenacity and strength of our product portfolio. From a channel perspective, sales to our independent retailers increased year-over-year. We continue to receive positive feedback and adoption of our dealer portal and its capabilities reflecting our commitment to invest in the growth of our dealers. This channel worked through inventory levels through the first 3 quarters, and it was back to more normal ordering levels through Q4. Our captive retail channel delivered another quarter of year-over-year growth, including continued strong execution as we've integrated Iseman.

Captive retail sales represented 37% of consolidated sales in the fourth quarter versus 35% in the same period last year. The retail team continues to provide timely new homes at the right price value for today's buyers. In the community channel, as anticipated, sales were down in the fourth quarter versus the same period last year. This included some impact from the extended weather in the northern markets. Despite the fourth quarter impact, sales in this channel grew year-over-year. In the builder developer channel, sales grew year-

over-year, continuing the momentum in this strategically important channel. We recently announced our offsite construction event that will be in June in York, Nebraska.

This one-of-a-kind event offers builders an in-person experience to see how offsite construction can help them grow their business. We hosted a similar event last year in Cleveland with over 200 attendees. These events help educate homebuilders on what's possible with offsite as they hear directly from builders growing their business with Champion. Our joint venture with Triad continues to produce strong results and provides diverse financing options for our retailers and consumers. As I noted earlier, an investor group led by Warburg Pincus completed the acquisition of Triad's parent company, ECN. In our current fiscal first quarter, we received the proceeds from the sale of our 19% ownership interest of ECN of CAD 189.1 million.

We are pleased to continue our joint venture with Triad and to collaborate with the new ECN leadership team. On the legislative and regulatory front, we are very encouraged with the continued progress since our last call. Last week, the House of Representatives passed the 21st Century Road to Housing Act with an overwhelming majority supporting the bill. It is now headed back to the Senate for final approval before it will be sent to the White House for signature. It's clear the bipartisan focus on solving the affordable housing crisis remains strong including support for manufactured housing. More broadly, we continue to monitor HUD code evolution, chassis rulemaking and zoning reform activity at the state and local levels.

Each of these represent a potential catalyst that could further expand the addressable market for our best-in-class homes. Looking ahead, despite continued macro uncertainty in the market, I remain confident in our team's ability to be agile and evolve while advancing our strategic initiatives. With the spring selling season underway, we're pleased with the order activity we've seen so far albeit with the backdrop of a dynamic consumer and economic environment. Our team remains focused on driving results and building on the momentum I shared earlier. Our balance sheet is strong, and our capital allocation strategy is disciplined. We remain focused on investing in our strategic priorities that support sustainable growth and create shareholder value.

I will now turn the call over to Dave to further discuss our financial performance.

**David McKinstry:** Thanks, Tim, and good morning, everyone. I will begin by reviewing our fourth quarter fiscal 2026 financial results, including a discussion on our balance sheet and cash flows. I'll then finish with our outlook for the first quarter of fiscal 2027. Net sales for the fourth quarter were \$621.3 million, an increase of 4.6% compared to the prior year period, coming in slightly ahead of our expectations of low single-digit revenue growth. In

the United States, the number of homes sold in the fourth quarter decreased 0.6% to 5,908 with the total for the full fiscal year coming to 25,718 homes. The average selling price per U.S. homes sold in the fourth quarter increased 4.6% to \$98,600.

This was driven by a shift towards more multi-section homes and higher prices on homes sold through our company-owned retail sales centers. Captive retail sales represent 37% of our consolidated sales in the fourth quarter compared to 35% in the same period last year. In Canada, homes sold increased to 243 from 230 in the prior year. Canadian revenue increased year-over-year, benefiting from higher volume and favorable foreign exchange rates. Adjusted gross profit increased 4.6% to \$159.4 million with an adjusted gross margin of 25.7%, which is essentially flat compared to the fourth quarter of last year. The company's effective tax rate for the fourth quarter was 20.3% versus an effective tax rate of 17.1% for the year ago.

Adjusted net income attributable to Champion Homes in the fourth quarter increased 1% to \$37.7 million or \$0.68 per diluted share compared to \$36.3 million or \$0.63 per diluted share in the prior year. Adjusted EBITDA for the fourth quarter increased 6.3% to \$55.9 million. Adjusted EBITDA margin increased slightly to 9% compared to 8.9% in the prior year. Now let's turn to cash flow, which continues to underscore the strength of our operating model. As of March 28, 2026, we had \$638.3 million in cash and cash equivalents. For the full fiscal year, net cash provided by operating activities was \$303.9 million. This is an increase of 26.2% compared to \$240.9 million in fiscal 2025.

That strong operating cash flow generation reflects the earnings power of the business and disciplined working capital management. During the fourth quarter, we continued to return capital to shareholders repurchasing and retiring \$50 million of our common stock. For the full fiscal year, we repurchased a total of \$200 million worth of shares. Additionally, earlier this month, our Board refreshed our share repurchase authorization back to \$150 million. This is part of our broader capital allocation strategy to drive shareholder value. I'll now share a view of our first quarter of fiscal 2027. Looking at the first quarter of fiscal 2027, our team is staying focused on executing on our strategic priorities.

We remain cautiously optimistic while acknowledging several macro uncertainties. The consumer environment reflects ongoing affordability challenges with CPI remain elevated and consumer purchasing power under pressure. In this context, Champion Home's value proposition as attainable housing solution becomes even more compelling. We continue to monitor the macroeconomic environment and its impact on supply chain dynamics, energy costs and broader consumer sentiment. Our team is actively tracking developments and managing these variables. Looking ahead to the first quarter of fiscal 2027, we expect

revenue to be approximately flat versus the prior year as the team continues to constructively manage through a challenging environment for the consumer.

Looking at adjusted gross margin, we expect near-term adjusted gross margin in the 24.5% to 25.5% range. As we mentioned last quarter, the market continues to experience inflationary pressures which accelerated throughout Q4 and now into Q1. While we're managing margins through efficiency and value, these initiatives lag input cost inflation. Additionally, we expect modest headwinds from channel and product mix. In the near term, these factors will impact margins, but over the long term, we expect stability as inflation moderates and our margin initiatives are implemented. We continue to manage SG&A prudently with a focus on advancing our strategic growth priorities and driving execution.

In Q1, we expect adjusted SG&A as a percent of sales to be in the 16% to 17% range, which is consistent with our run rate following the Iseman acquisition. As a reminder, ENERGY STAR tax [ threats ] expire July 1, which is expected to increase the fiscal 2027 effective tax rate by approximately 3% to 4% compared to fiscal 2026. It's important to note that our outlook does not include the impact of Homes Direct acquisition as we expect that to close in Q2. Lastly, we expect to continue to drive strong operating cash flow, which provides flexibility to deploy capital in a disciplined way to support our strategy.

We're investing our balance sheet and growth through our announced acquisition of Homes Direct, while also returning capital to shareholders through our share repurchase program. These actions reflect a balanced approach to maximizing shareholder value. With that, I'll turn the call back to Tim.

**Timothy Larson:** Thank you, Dave. We appreciate the time to share our results. They reflect the Champion team's unwavering commitment to our customers and executing on their strategic priorities. We look forward to continue to expand demand for our products, growing the adoption of off-site build homes across the U.S. and Canada and driving long-term value for our shareholders. And now let's open the line for questions. Operator, please proceed.

**Operator:** *[Operator Instructions]* We'll take our first question from Daniel Moore with CJS Securities.

**Dan Moore:** Maybe just talk a little bit about the cadence of order rates and traffic that you're seeing over the past few months and thus far into fiscal Q1. And any update on just the general health and outlook as far as community and builder developer would be great.

**Timothy Larson:** Dan, I appreciate your question. Yes, certainly, we reflected in our backlog, the momentum we started to see in March, and that was encouraging. And I would say the environment at our captive retail, we can see good traffic. As we progress

through the quarter, we've also seen some uptick in aspects of our community channel. As you know, the community channel is pretty broad, but we're encouraged by some of those operators that are looking to have orders filled here.

I would say, at the consumer level, you're seeing a broad array of consumer dynamics, part of why we have a good portfolio of products as we can appeal to some of those site-built buyers looking for an affordable home, and that helps us in the environment, albeit with the entry-level consumer maybe on a bit more pressure. But on the balance, we're encouraged as we look at the orders so far within the quarter and we'll obviously be updating that at our next quarter. But overall, the backlog was helpful as we go into this quarter.

**Dan Moore:** Really helpful. And I appreciate the outlook and the color on gross margins. Just talk a little bit more about incremental input cost pressures, what you're seeing? And if you kind of think about the expectations for margins, given where we sit today as we move forward, do we see fiscal Q1 as sort of bottoming, leveling off? Obviously, dependent on the direction of those factors, but any color beyond kind of the current build would be great.

**David McKinstry:** Yes, Dan. So I think just generally speaking, we're seeing it through the marketplace. We actually signaled on our Q3 call that we had started to see inflation tick up on some of our larger categories forest products. We've seen it on lumber. We've seen it in OSB. As we move through Q4, what we saw ultimately was some more inflation on things like steel. And then obviously, we're seeing it on petroleum products as well.

So a lot of our portfolio is starting to see some of those input cost pressures, which then, as I mentioned in the prepared remarks, we're taking actions to offset whether it be through efficiency or value or mix and how we drive that to the consumer. But those actions are lagging the rate of inflation that we're seeing. So as we think about it, we know that it will have a probably an outsized impact, that difference, if you will, on Q1. It's hard to say how we get beyond that. But that will obviously have an impact. The other thing that I'd mention is the mix impact.

So beyond just inflation, just the mix impact Tim mentioned just a moment ago about the community channel, as we see that come back, that's a little bit of a headwind to us. And then the other thing that I'd mentioned, obviously, the consumer being a little bit more, maybe, price conscious. We're seeing them manage that, which has an impact on our mix as well. So those are the things I'd call out in margin here in Q1. And then as we think about it going forward, obviously, we're just going to have to monitor all those different factors that drive it.

**Operator:** Really helpful. Last one and I'll jump back down but any -- just any additional color on the Homes Direct acquisition? 11 retail locations, purchase price, expected accretion and whether or not that's an area that those regions are an area where you expect to continue to look to build out organically or via M&A as we move forward.

**David McKinstry:** Yes. Thanks, Dan. No, the Homes Direct acquisition is really a great opportunity for us and the collective Homes Direct team. If you think about the West Coast for us, we've got great plant locations, including a great plant in Chandler, Arizona, that today works with Homes Direct, which is right adjacent to the plant gives us the model that we can replicate across those other 10 locations as those locations now work even more with our plants. We do business with them today, and that's been a key part of the relationship, but they still have other products that they carry other brands.

We're going to migrate those over time like we have with Iseman and obviously, we've had success there that you've seen in our results. So we're very encouraged by it. The other great thing about Homes Direct is they have a really great customer experience and post-sale experience on the service side, they're highly rated for that. That just speaks to the strength of their team, their people and their processes and when you combine that with what we've been able to do on our other captive retail integrations and the playbook that's being built, we really see opportunity as we go forward and accretively growing that business. We've demonstrated that with Iseman, obviously, with regional.

So we're really encouraged by adding another 11 stores to our West Coast operating and our overall retail footprint.

**Operator:** We will move next with Greg Palm with Craig-Hallum.

**Greg Palm:** I wanted to follow up on gross margin commentary a little bit because it seems like you're -- I understand some of the input cost inflation, but you're getting at least like sequentially obviously, much higher utilization. I forget if you said mix was going to be a headwind sequentially, but you've also got JV flow-through income, which presumably was a pretty big tailwind in Q4. I'm guessing that continues. So can you just -- I mean, can you quantify maybe how much is directly from input costs? And just to be clear, I mean, is there anything else going on?

I mean, I don't know, competitively, is there anything that's a little bit more of a concern now versus 3 or 6 months ago?

**Timothy Larson:** Yes, I think we hit on a large majority of that. The biggest piece is going to be the input cost, but the mix piece is another factor that we're seeing drive through in Q1. So the largest portion of our gross margin headwind is going to be the input cost inflation, as I mentioned, those actions that we're taking to offset it will lag just a little bit. And then

the mix impact is going to be the kind of secondary item. From an overall competitive, we mentioned the consumer and where the consumers had that impact on mix. But as we look at the other variables, we don't see anything that will be significant.

As we look at price, we expect our price to be relatively sequentially flat as we move forward in time. Again, the mix impact may impact that a little bit. But there isn't anything out of those things that are going to be really big drivers to the sequential impact.

**Greg Palm:** Okay. And sorry, is the mix from less homes going through captive? Or is it just more homes going through community channel? What exactly is the mix impact?

**David McKinstry:** Yes. So it's going to be a couple of things. We did talk about the community channel. The community channel will be a little bit of a headwind for us as we think about Q1. The other one isn't as much of a channel dynamic but more of a product mix dynamic and that's going to be more as the consumers looking to hit price points that maybe are a little bit lower from a monthly payment perspective and what that does is essentially says, "Okay, this is the price point I have to hit.

This is the product that goes with it", and that's going to be the secondary impact is more of that product mix as the consumer manages their overall spend.

**Greg Palm:** Yes. Okay. Makes sense. And then, I guess, in light of the Road to housing Act, Tim, I'd love to just get some more of your comments on kind of the longer-term benefits, how long some of this stuff might take to play out, but there's obviously some pretty sizable opportunities going on behind the scenes. So just kind of curious to get more thoughts around that.

**Timothy Larson:** Yes. That's great. I mean big picture, it's encouraging to see the bill pass in the House. And obviously, we look forward to continue with the legislative process. We'll see how long that time takes. I would say the activity that's going on not only at the federal level, but we are seeing in some states. We've talked about Kentucky, Texas, recently, we had Montana that's deployed an approach that gives more parity to offsite built homes. You'd like to see those proof points. And hopefully, that extends to other states with even greater populations.

In terms of the timing, that's going to come down to how long do we get through the legislative process, the rulemaking then ultimately HUD, their ability to put it into the regs. And that process we're anticipating. We're working through as much as we can proactively but we know that's going to take some time. In advance of that, not only are we working on [indiscernible] from a product perspective and a readiness. We continue to work, for example, in our builder developer channel with local municipalities to have more proof

points to demonstrate how offsite built homes can solve affordability and then get the benefit of the tailwinds as these things roll out. So it's encouraging.

We've been very active on the policymaking front, not only things that I've mentioned, but obviously, you heard about the potential for the institutional investor impact, and that was really key that we advocated on our behalf of community customers and the critical element that they provide on renting and affordability solutions for a range of consumers. So Greg, I look at it's positive. It's just going to be a question of how long in time does it take and we're certainly preparing for those aspects and are encouraged by the progress that we're seeing.

**Operator:** We will move next with Matthew Bouley with Barclays.

**Matthew Bouley:** Maybe just one here on the guide for Q1. I think you said flat revenue year-over-year. I just wanted to unpack that a little. It sounds like you have positive order rate price/mix has obviously been positive. I think you said it's going to be consistent sequentially. So I guess that would still be up year-over-year. And correct me if I'm wrong. And then you've got the Home Direct acquisition. So I guess how much does that acquisition contribute to the quarter? Is that included in that guide? And then just maybe if you could kind of break out those pieces of volume and price mix and kind of why the revenue would end up flat.

**Timothy Larson:** Yes. Thanks. So first, Homes Direct is not in the guide. We don't expect to close that until our fiscal second quarter. So Homes Direct is not included in that guide. From a net sales perspective, in the flat guide, so what I did say on prices, we expect it to be relatively flat sequentially. Now what that means from a year-on-year perspective is the amount of growth in our rate of price will be not as high as it was in Q4. So recall, and we've mentioned this in the past that we took price within our captive retail. So we've now lapped that as we head into Q1.

So while we'll still realize price year-on-year, it won't be at the same rate that we did in Q4. So that's an important thing to keep in mind. The other thing that I would note here is as we look at -- especially in our year ago comp. We shipped a little bit heavier in Q1 as opposed to Q4. So there is kind of a benefit, if you will, of some of the production that we had in Q4 of last year that went into Q1.

As we think about them this year, really, we're managing -- ramping up our production with the orders or producing with the orders that we see in hand and then matching it to our shipments, whereas again, we got a little bit of a benefit of production helping Q1 shipments in the year ago. So those are the two things that I would call out to watch on the flat year-on-year guide going forward.

**Matthew Bouley:** Okay. Perfect. Thank you for clarifying on Homes Direct. I missed that. You said that. And then so maybe just another one here on the numbers. You had mentioned the petroleum impact. Obviously, you guys own your own fleet. I'm curious, I mean, in some cases, does that actually advantage you competitively versus if any -- versus someone, let's say, have to use a common carrier? And then specifically, in terms of your own costs, I mean, do you use surcharges? Do you try to build petroleum and fuel into the price of the product? How do you actually kind of mechanically go about offsetting this kind of headwind?

**Timothy Larson:** Yes. So a couple of things. I'd start with as we think about the fleet. The petroleum costs are typically built into the rates that are charged from a competitive lane rate perspective. So while the advantage wouldn't come necessarily within the fuel price, it comes more from a service and everything else. Now as you think about petroleum and the input cost of petroleum, it's not just diesel fuel. I think there's petroleum that goes into a ton of the products that we play in our homes every day. So as we mentioned that, that drives the input costs on the materials that go into our homes. It's not necessarily the cost of the diesel fuel itself.

Those of you who think about it, we are seeing those lane rates go up. And that's part of how we think about the overall cost of our homes as we go forward. And how we manage that, of course, is how do we drive efficiency within our supply chain to make sure that we're delivering homes and building homes that have the right quality, the right cost and everything that goes with it as we think about all the other levers, how do we manufacture most efficiently in our plants and then how do we balance making sure that we're competitive and offering the right value to our consumers in each of the markets we serve.

**Operator:** We will move next with Mike Dahl with RBC Capital Markets.

**Michael Dahl:** The first one is a follow-up on cost dynamics. So obviously, a lot of moving pieces, but can you bucket for us or quantify roughly speaking, kind of, a, the total percentage that you're facing in terms of inflation on a year-on-year basis? And then if there's any way to break down what's kind of wood-based versus things like plastics or steel. I think that would be helpful. And then on the offset side, I think when things were really stressed during kind of the COVID boom period, you also had some tools like escalator clauses.

Maybe that's not as applicable when you have shorter lead times and backlog today, but just remind us if there's any other levers like that, that could kind of kick in and help to quickly mitigate?

**Timothy Larson:** Yes. I'll first hit kind of the big picture pieces. As we think about the pricing in this market, we're going to work with our dealers, our communities appropriately, but we've got to be balanced to that from a consumer perspective because they're looking to get the home that's the best value for their consumer. So we do have those levers if needed but the macro picture is how do we balance volume, price, margin capacity utilization for the best outcome. And so we have to be thoughtful on those drivers, and I'll let Dave speak a little bit to your questions and some of the cost input.

**David McKinstry:** Yes, we won't get into the specifics of each of the cost buckets. But I think if you look at the year-on-year pressure we have in gross margin, the majority of that is going to come through the cost increase we're seeing with a couple of other smaller drivers in there that I've already mentioned. But if you think about then the size of our spend categories, the forest products is going to be the largest of our spend categories. We know we're seeing cost pressure in that. You can see that through any public market data as well. So that can give you an idea of what we're seeing on the forest product side.

Steel is not going to be near the size of our forest product spend, but we're definitely seeing the rate of inflation within the steel category. And then as I mentioned, the petroleum price impact and what it has on the rest of our spend buckets, that's kind of across the board, if you will, or maybe more widespread is probably better said. So you're going to see that impact across many different smaller categories within our spend buckets.

**Timothy Larson:** And I think the thing to keep in mind is the timing of these elements, as Dave mentioned earlier, the actions we take around there, whether it be price related or operational efficiency, those can be a little bit paced post this immediate impact. A bigger picture as we go forward longer term, whether it's our product portfolio, our various channels, we've got the opportunity to continue to have strong margins and things that you've seen historically. It's just [ true ] as we work through this window, we've got to balance that and manage that for the factors that I mentioned.

**Michael Dahl:** Got it. Okay. That's helpful. Just shifting gears to the Homes Direct acquisition, kind of have a 2-parter here, First, you did mention that you already do some business through Homes Direct or with Homes Direct. So of the \$70 million in annualized run rate revenue, is that incremental? Or could you help us understand what portion of that is incremental versus what you already sell through them? And the second part is you mentioned a couple of things that seem kind of unique about this specific business within the retail landscape.

And I was hoping you could go into a little more detail about some of those dynamics in terms of -- it looks like how they deal with the customers. It's more of an end-to-end kind of

support platform. So maybe just talk a little more about what's unique and how portable some of that will be to the rest of your locations?

**Timothy Larson:** Yes. Great question, and I'll start where you ended. So Homes Direct really does look at it end to end. And when I met Ray a few years ago, we had introduced to have a few minute conversation, it turned into an hour because we're talking about the customer experience and where that could go and it's because they really see the opportunity to help that customer all the way from when they're online through their living in their home and that end to end and they take care in both their team's training and the ways the homes are displayed in retail. Some of you have been to the Chandler location.

You know what I'm talking about in terms of that overall experience. The other element you asked about is what percent of volume are we today? We don't break it out specifically, but what I can share with you at each of those other 10 locations, there's a number of other brands on the store and on the lot. And so there's meaningful opportunities for us over time to migrate those to all of our Champion brands and portfolio of products across the plants in the West. So you'll see that over time come through. And obviously, we've had the benefit you've seen in our Iseman acquisition, how we've added our own products over time.

So that -- there is accretive opportunity and upside there as we go forward. And obviously, the \$70 million they do today is in those 11 stores, and we're a portion of that, but we're certainly not all of it.

**Operator:** We will move next with Philip Ng with Jefferies.

**Philip Ng:** Any color on how we should think about the margin profile from a Homes Direct standpoint? Will this be additive, whether it's gross margins and EBITDA? and when we think about cost synergies, any more color in terms of what are the big buckets here?

**Timothy Larson:** Phil, in terms of Homes Direct, it certainly is going to be positive. We get the benefit of the retail margin in addition to the manufacturing margin. As we move more products that they today get from other sources to our sources, that helps the plant because you get better utilization. So there's a positive element on the margin side from those drivers. In terms of the cost side. For us, they're a retail operator. They don't have manufacturing. So some of those traditional synergies we see, we don't see in that aspect.

But what we do see is the opportunity to build on the playbook of our retail and sharing the best practices not only with Homes Direct, they're going to be sharing with us that affects our other 83 location. So there's some synergies in terms of the effectiveness of retail and then because we've added retail stores over the years, we do have some cost benefit because we can have some common capabilities around marketing, our overall staff levels

that support retail but it's more about the organic growth and the growth in the West, that's the opportunity versus a cost play.

**Philip Ng:** Okay. That's helpful. Once this is properly integrated, Tim, what percentage of your sales mix is captive retail?

**Timothy Larson:** Yes. Certainly, right now, you see us in that mid- to upper 30s depending on the quarter, so that -- this is going to benefit that. But we're also growing our other channels, whether it be builder developer and depending on the cycle community. So that's going to move around. But ultimately, we see it as growing our path to retail.

**Philip Ng:** Okay. Helpful. A question for Dave. I mean you gave some color, Dave, for 1Q gross margins in that 24% to 25.5% range, appreciating some of the continuous improvement in cost out initiatives you're looking to ramp up hasn't kicked in yet, but is there a path perhaps in the back half where margins get back in that 26%, 27% range? And is taking price, especially on your captive retail side of things a consideration right now?

**David McKinstry:** Yes. So I think as we think about it, a lot of variables going into the -- beyond Q1, right? So what is the rate of inflation we're going to see beyond the quarter from where we're at today, what are we going to see from all the different dynamics within our mix portfolio and really the impact that is happening to the consumer because of the general macro trends. So those are some of the unknown questions. As we think about it, obviously, you mentioned some of the efficiency things that we spoke about. We're going to start implementing here as we move through the quarter and into the back half of the year.

The other thing that I would mention, you asked about the price side of things. We're always trying to balance the competitive side on pricing. So that's really a regional by market discussion that we're always constantly having is what is the right price point to meet the demand for our consumer, manage our overall margin profile with the capacity within our plants. The products that we offer, all those different levers that go into it. So something that we're always looking at. But it's a more dynamic discussion as we think about it.

So as we think about it, we'll see how all those factors come together in the back half of this calendar year and really update you as we go forward.

**Philip Ng:** Okay. A follow-up, I guess. Is the expectation -- I mean it's very dynamic. But based on what you know today, should we expect inflation peaking in 1Q and then you kind of build off of that? Or that inflation dynamic you actually could pick up even more as the year progresses based on what you know today? And on the freight side of things, is that a pure pass-through or you have to take price there?

**Timothy Larson:** Yes. So dynamic market, you said it. It's a dynamic market. So it's hard to say exactly where it will be beyond Q1 as we head into Q2 and Q3. From a freight perspective, it is mostly a pass-through, but it's part of the broader cost side of things that we're looking at with each of our partners as we go forward and ultimately, the consumer. So yes, it's broadly a pass-through. But again, it impacts the total price of our homes.

**Operator:** We will move next with Jesse Lederman with Zelman & Associates.

**Jesse Lederman:** Dave, it sounded like when you talked about mix shift from a price point perspective in fiscal 1Q '27 coming up here, you expected kind of a shift back to more single-section homes, whereas that momentum has been shifting more towards multi-section perhaps as the lower end of the income spectrum is priced out or people are mixing down to a larger manufactured home perhaps. Can you just talk through maybe what you've seen in the last couple of quarters and how that's trending so far in the first quarter?

**David McKinstry:** Yes. I'd say bigger picture, longer term, we have seen more trend to the multi-section. I do think as we go forward here in Q1. We mentioned the community channel and maybe some more optimistic outlook. Obviously, it's a little bit mixed. But that has -- they tend to be more single unit. So that will have an impact. That's kind of a channel mix. As we think about the product mix, it's not necessarily multi versus single. There's a lot of dynamics with it, right? There's going to be options and all the different customizations that consumers can make. Those are choices that they're making to manage the overall price point.

So it's not necessarily as easy as single versus double. But as we think about going forward, our consumer's a broad spectrum. It's not just a single consumer. And so we are seeing more consumers who stepped in from traditional site built who are buying more of the multi-section. At the same time, you have community operators who tend to be more single section and then you have all the in between, right? And that's going to be a mix of both single multi, but then again, back to the different product variations that we have and the options that we offer our consumer.

And I think that's really a testament to the strength of our overall portfolio and the different products and options that we can offer to the consumers.

**Jesse Lederman:** Awesome. Appreciate that. With the Triad JV and based on some commentary the team has made in the past, it sounds like you have a really good grasp on the potential home buyers and their different metrics and qualification. Is there anything you could share from that perspective on what you're seeing over time in the last few

quarters, maybe quarter-to-date on the health of the prospective buyer. And anything you can quantify would be great.

**Timothy Larson:** Yes. Great question, Jesse. So big picture, we know that the industry in the first 3 months of the calendar year was down 9%. So obviously, you had some pressure at the consumer levels that affected year-over-year. On the positive side, we outperformed that pretty significantly, and part of the benefit was we were to bring in consumers that were maybe traditional site-built buyers. We see that in our data and the product portfolio Dave just mentioned. Now that group of customers, obviously, is against 100,000 annual units. So it's going to take time over time to bring more of those customers in as we grow the overall addressable market.

But one of the things we're seeing on the entry-level consumer, as you can imagine, is inflation is going to more disproportionately impact that entry-level buyer because when they look at their monthly payment, their cash flows, when things like gas prices jump up, et cetera, there's some more pressure there. So what we've been doing is making sure we have the right entry-level price point product. At times, that means a little less options. And then as Dave mentioned, there is that trend in the community channel as well.

So that's why we want to continue to have a broad growth products, a range of channels to reach those customers and then our online and marketing digital efforts were creating a broader reach to engage a broader set of buyers. And those buyers are tying back to the various segments that you referenced that we can start to learn from that data and really look at how we make sure that we are matching to the broadest set of buyers in the market. So that's why these nuanced elements are so key because you're working in a very multifaceted environment across channels, across consumers, and we're very fortunate to have better data in order to drive that.

**Jesse Lederman:** Dave, really helpful. Last one for me. I'd love to get a little bit more color on the community channel, maybe if you have a better sense now than the last couple of quarters of what kind of caused the slowdown kind of later last year and what your confidence is for the recent inflection here to maintain into the balance of the year here.

**Timothy Larson:** Yes. Thanks, Jesse. So as we think about the community channel, you've got a range of operators and each of them have various portfolios of projects, some new builds and expansions, more lots in their communities, some are these change outs of existing homes. They also have the factors, which is are they heavy rental or are they more land lease and those all have factors in terms of their cycles. Are they upgrading existing homes rather than purchasing new.

So when we work with each of those operators, we're working with their plans and their build outs relative to those factors, and we are seeing some operators that are more in adding of those lots and new homes or those replacements. We do have some operators that are more just managing their portfolio and do more in the updates. And so what we're signaling is, this quarter, we saw more of an uptick whereas in previous they were managing more inventory or coming off of, if you will, the growth that they had throughout the pandemic. So I would say it's encouraging, but it's mixed depending on the community operator.

And obviously, we're working closely with them by regions of the country. And what I'm encouraged by our plant teams, et cetera, is how they're working with them on specific products to really hit the need for their price points and their initiatives within each of those operators.

**Operator:** And at this time, there are no further questions in queue. I will now turn the meeting back to Tim for closing comments.

**Timothy Larson:** Yes. I appreciate everybody joining, and I just want to congratulate the Champion Homes team on a really strong F '26, obviously, a record number of year of homes, and we're carrying that momentum and we really appreciate all of you joining us today and the continued interest. And obviously, there's so much opportunity ahead with the broader housing market as we navigate the current environment, and we look forward to updating you on our next quarter call. Thanks so much.

**Operator:** Thank you. This brings us to the end of today's meeting. We appreciate your time and participation. You may now disconnect.

Part II. Additional MHPProNews Facts-Evidence-Analysis (FEA) and Information from Sources as Shown.

In no particular order of importance.

1. The following are pull quotes from Champion CEO Larsen, from the transcript in Part I above. In no particular order of importance. Lower case letters are added by MHPProNews.

a) On the legislative and regulatory front, we are very encouraged with the continued progress since our last call. Last week, the House of Representatives passed the 21st Century Road to Housing Act with an overwhelming majority supporting the bill. It is now headed back to the Senate for final approval before it will be sent to the White House for signature. It's clear the bipartisan focus on solving the affordable housing crisis remains strong including support for manufactured housing. More broadly, we continue to monitor

HUD code evolution, chassis rulemaking and zoning reform activity at the state and local levels.

Each of these represent a potential catalyst that could further expand the addressable market for our best-in-class homes. Looking ahead, despite continued macro uncertainty in the market, I remain confident in our team's ability to be agile and evolve while advancing our strategic initiatives.

b) Off-site built homes continue to be a compelling affordable solution to the national housing crisis.

c) We remain focused on investing in our strategic priorities that support sustainable growth and create shareholder value.

d) The consumer environment reflects ongoing affordability challenges with CPI remain elevated and consumer purchasing power under pressure. In this context, Champion Home's value proposition as attainable housing solution becomes even more compelling.

e) We're investing our balance sheet and growth through our announced acquisition of Homes Direct, while also returning capital to shareholders through our share repurchase program. These actions reflect a balanced approach to maximizing shareholder value.

f) I would say, at the consumer level, you're seeing a broad array of consumer dynamics, part of why we have a good portfolio of products as we can appeal to some of those site-built buyers looking for an affordable home, and that helps us in the environment, albeit with the entry-level consumer maybe on a bit more pressure.

g) Homes Direct...but they still have other products that they carry other brands. We're going to migrate those over time like we have with Iseman and obviously, we've had success there that you've seen in our results.

h) The community channel will be a little bit of a headwind for us as we think about Q1.

i) Yes. That's great. I mean big picture, it's encouraging to see the bill pass in the House. And obviously, we look forward to continue with the legislative process. We'll see how long that time takes. I would say the activity that's going on not only at the federal level, but we are seeing in some states. We've talked about Kentucky, Texas, recently, we had Montana that's deployed an approach that gives more parity to offsite built homes. You'd like to see those proof points. And hopefully, that extends to other states with even greater populations.

j) In terms of the timing, that's going to come down to how long do we get through the legislative process, the rulemaking then ultimately HUD, their ability to put it into the regs.

k) We continue to work, for example, in our builder developer channel with local municipalities to have more proof points to demonstrate how offsite built homes can solve affordability and then get the benefit of the tailwinds as these things roll out. So it's encouraging.

l) We've been very active on the policymaking front, not only things that I've mentioned, but obviously, you heard about the potential for the institutional investor impact, and that was really key that we advocated on our behalf of community customers and the critical element that they provide on renting and affordability solutions for a range of consumers.

m) Now as you think about petroleum and the input cost of petroleum, it's not just diesel fuel. I think there's petroleum that goes into a ton of the products that we play in our homes every day. So as we mentioned that, that drives the input costs on the materials that go into our homes. It's not necessarily the cost of the diesel fuel itself.

n) what I can share with you at each of those other 10 locations, there's a number of other brands on the store and on the lot. And so there's meaningful opportunities for us over time to migrate those to all of our Champion brands and portfolio of products across the plants in the West. So you'll see that over time come through. And obviously, we've had the benefit you've seen in our Iseman acquisition, how we've added our own products over time.

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**MHI BOARD RISK**

**'LEGAL PRECEDENT SHOWS DIRECTORS LIABLE FOR OVERSIGHTS'**

**'GROSS PERSONAL LIABILITY CAN PIERCE PROTECTIONS LIKE D&O INSURANCE'**

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[directors-liable-for-oversights-if-negligence-is-gross-personal-liability-can-pierce-protections-like-do-insurance-civil-crimi/](#) [/caption]

To the longtime Skyline Corp executive Terry Decio's remarks cited in the preface above.

[caption id="attachment\_146512" align="aligncenter" width="600"]



**"I'M TIRED OF  
[MANUFACTURED HOUSING] BEING  
THE BEST KEPT  
SECRET.  
I'M READY  
TO HELP  
HOUSE AMERICA."  
- TERRY DECIO,  
SENIOR EXECUTIVE  
WITH WHAT AS  
THEN  
SKYLINE HOMES,  
NOW SKYLINE-CHAMPION (SKY).**

Still from MHLivingNews "Inside MH" video.

*Terry's comment begs the question. Why is it that MHI, Berkshire Hathaway or other giants are failing to properly promote manufactured housing? See what prior MHI chairman Joe Stegmayer had to say in a video posted at this link here:*

<https://www.manufacturedhomepronews.com/joe-stegmayer-cavco-industries-mhi-chairman-insights-from-innovative-housing-showcase/> [/caption][caption

id="attachment\_227973" align="aligncenter" width="600"]

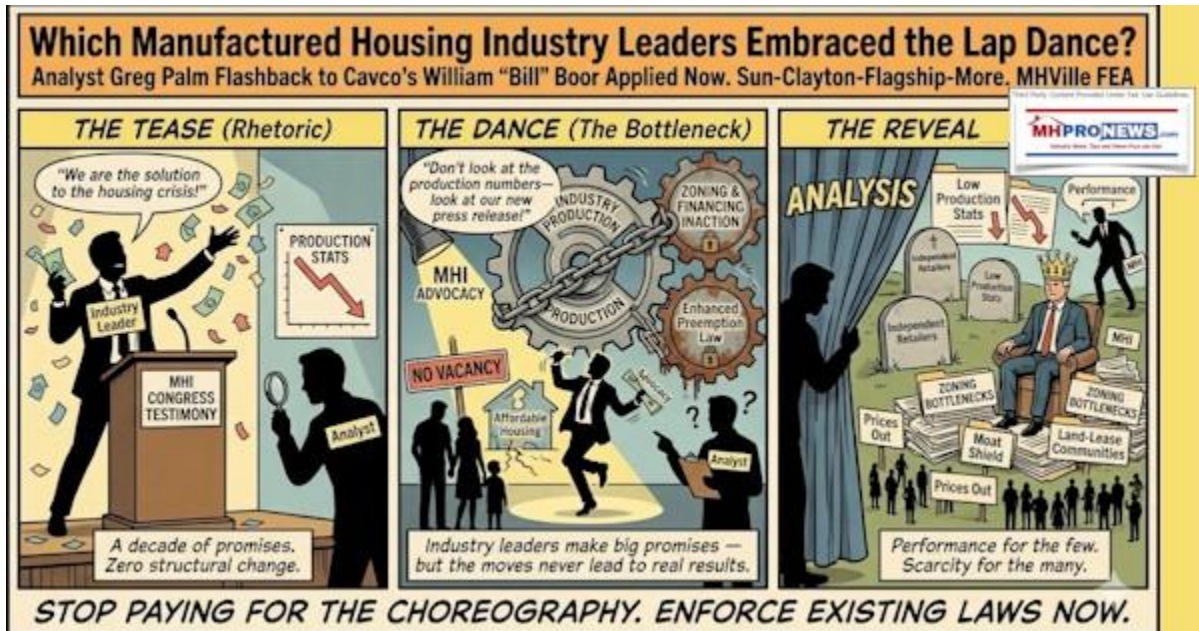


<https://www.manufacturedhomepronews.com/everyone-seemed-on-board-then-suddenly-mhi-not-interested-another-tipster-doc-drop-on-mhi-torpedoed-gorving-style-mhville-campaign-dozens-of-mh-industry-pros-reve/>[/caption][caption id="attachment\_227278" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/whistleblower-tips-lesli-gooch-hard-hits-on-manufactured-housing-institute-torpedoing-and-3-cs-decision-makers-mhi-accused-of-deliberately-blocking-industry-growth-efforts-mhville-fea/>[/caption]

[caption id="attachment\_231730" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/which-manufactured-housing-industry-leaders-embraced-the-lap-dance-analyst-greg-palm-flashback-to-cavcos-william-bill-boor-applied-now-sun-clayton-flagship-more-mhville-fea/>

[caption id="attachment\_231749" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/cavco-industries-manufactured-housing-lap-dance-thesis-for-investors-analysts-advocates-what-cavco-says-vs-what-cavco-does-is-not-just-ironic-its-potentially-material-facts-evidence-analysis/>

[caption id="attachment\_232361" align="aligncenter" width="600"]

# MHI WERE MASTERFUL WORKING THROUGH IT ALL

Cavco Plant Groundbreaking, CEO Boor's Earnings Remarks & The 21st Century Housing Bill Unpacked

A Facts-Evidence-Analysis (FEA) Special Report

Restraint of Trade / Regulatory Moat

Zoning

DOE Energy Rule

Zoning

Financing (DTS)

Cross-Platform AI Verified

Gemini Copilot

MHProNews

MHProNews  
Manufactured Home ProNews

<https://www.manufacturedhomepronews.com/mhi-were-masterful-working-through-it-all-new-cavco-plant-groundbreaking-plus-ceo-boor-revealing-remarks-on-house-bill-housing-for-the-21st-century-cvco-quarterly-and-annual-results-fea/>[/caption][caption id="attachment\_232417" align="aligncenter" width="600"]

## Apparent Disconnects Between Public Statements and Measurable Industry Outcomes—

### Cavco's Bill Boor, MHI, ROAD Act, DTS-Chattel Failure, Consolidation and Affordable Housing Crisis FEA

"MHI were masterful working through it all."  
— Bill Boor, President & CEO Cavco Industries

MHI  
Manufactured Housing Institute  
We Are the Industry Voice

21<sup>st</sup> CENTURY ROAD TO HOUSING ACT  
SENATE BANKING COMMITTEE:  
DOES NOT PREEMPT LOCAL OR STATE ZONING

DTS ENACTED IN 2008  
CHATEL LENDING FAILURE  
EFFECTIVELY NO DTS-BACKED SECONDARY MARKET SUPPORT

AFFORDABLE HOUSING CRISIS

MANUFACTURED HOME SHIPMENTS - STAGNANT FOR YEARS  
Manufactured Home Production by Year

PUBLIC STATEMENTS  
Growth Solutions Commitment

MEASURABLE OUTCOMES  
Stagnation Underperformance Crisis

CONSOLIDATION BENEFITS  
ELS "Smoking demand coupled with almost no new supply is a strategic advantage" for ELS  
SUN "Competing supply demand fundamentals... virtually no new supply."  
Frank Rullo "There's always a new community" "MHI's argument is solid."

WE NEED AFFORDABLE HOMES!

ACCOUNTABILITY TRANSPARENCY RESULTS!

MHProNews

ChatGPT

<https://www.manufacturedhomepronews.com/apparent-disconnects-between-public-statements-and-measurable-industry-outcomes-cavcos-bill-boor-mhi-road-act-dts-chattel-failure-consolidation-and-affordable-housing-crisis/>[/caption][caption id="attachment\_146463" align="aligncenter" width="600"]



<https://www.manufacturedhomelivingnews.com/huds-urban-institutes-edward-golding-knew-because-manufactured-housing-institutes-lesli-gooch-told-him/> [/caption][caption id="attachment\_158188" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/skyline-champion-president-ceo-mark-yost-and-manufactured-housing-institute-ceo-lesli-gooch-ph-d-in-white-house-photo-op-featuring-president-trump-and-vp-pence/> [/caption]



# MHI

*Manufactured Housing Institute*

## NEWS & UPDATES

July 22, 2020

### Manufactured Housing at the White House



President Trump delivers remarks about "Rolling Back Regulations to Help All Americans"



Vice President Mike Pence delivers remarks about "Rolling Back Regulations to Help All Americans"



Mark Yost, Skyline Champion President & CEO  
MHI Board Member



MHI CEO Leslie Gooch



**Showing MHI information under fair use guidelines should not be construed as an endorsement of their claims or narrative talking points. Perhaps one reason why MHI and their leaders won't debate their effectiveness with MHPRONEWS is because they know we know that we have their number. 'Show horse vs. work horse' performance.**

From that same MHI email on the date above was the following below that image collage.

### **MHI and Skyline Champion Join President Trump to Address Eliminating Regulatory Barriers**

Skyline Champion President and CEO and MHI Board Member Mark Yost and MHI CEO Lesli Gooch joined an exclusive group at the White House last week where President Trump spoke about the Administration's efforts to promote economic growth and prosperity by eliminating regulatory barriers. As the only representatives from the manufactured housing industry in attendance, MHI and its members are working closely with the Administration to prioritize manufactured housing as a critical unsubsidized affordable housing option.

Skyline Champion, the largest publicly traded factory-built housing company in the country, was invited by the Administration last June to display two fully furnished, HUD Code manufactured homes on the National Mall. Skyline Champion leaders have also participated in roundtable discussions with HUD Secretary Carson to carry out President Trump's Executive Order directing federal agencies to work together to facilitate the production of affordable housing and alleviate regulatory barriers at the federal, state, and local levels. Yost testified before the Senate Banking Committee last November and, as a result of his testimony, Congress passed legislation to support the inclusion of manufactured homes in state and local community development planning.

Through the advocacy of MHI and its members, this Administration has comprehensively reviewed HUD's policies and regulations over manufactured housing and HUD has proposed the first extensive changes to the HUD Code in nearly a decade. The HUD Code has not been so broadly or substantially updated in years. Proposed changes include new standards for attached garages, carports, decks, and accessory buildings.

Further, at the direction of the Administration, Fannie Mae, Freddie Mac, and the Federal Housing Administration have continued their efforts to improve access to financing for manufactured housing.

During the COVID pandemic, the Administration acted quickly to resolve supply chain challenges by issuing its first-ever, industry-wide Alternative Construction letter allowing manufacturers to provide homes throughout the crisis.

MHI commends President Trump for taking the necessary steps to create a better regulatory environment for American businesses. The reversal of burdensome overregulation to support our national infrastructure will help ensure affordable housing

is available in rural communities and across the country where it is most needed. MHI is committed to continuing our work with the Administration to create a better regulatory environment for the industry.

That email, the letter to HUD officials, and other relevant points beg the question. At what point will MHI take definitive steps besides posturing and photo ops?

[caption id="attachment\_158797" align="aligncenter" width="600"]



Danny Ghorbani, Senior Advisor

**“To overcome the industry's zoning and consumer financing woes, this so-called post production representation needs to do more than hold meetings, issue talking points, engage in “photo ops,” or publish newsletters full of braggadocio and boasts, but bereft of any tangible results.”**

- Danny Ghorbani,

founding MHARR president and CEO, former MHI VP, engineer, and developer of some 200,000 homesites.



<https://www.manufacturedhomepronews.com/ghorbani-nails-zoning-answers-to-how-and-who/> [caption id="attachment\_213599" align="aligncenter" width="598"]



**"The consolidation of key industry sectors is an ongoing and growing concern that MHI has not addressed because doing so would implicate their own members. Such consolidation has negative effects on consumers (and the industry) and is a subject that [MHPProNews](#) and [MHLivingNews](#) are quite right to report on and cover thoroughly. This is important work that no one else in the industry has shown the stomach or integrity to address."**



**Mark Weiss, J.D., President and CEO of MHARR**

Manufactured Housing Association for  
Regulatory Reform (MHARR) to MHPProNews.

*"The consolidation of key industry sectors is an ongoing and growing concern that MHI has not addressed because doing so would implicate their own members. Such consolidation has negative effects on consumers (and the industry) and is a subject that MHPProNews and MHLivingNews are quite right to report on and cover thoroughly. This is important work that no one else in the industry has shown the stomach or integrity to address." Mark Weiss, J.D., President and CEO of the Manufactured Housing Association for Regulatory Reform (MHARR) in on the record remarks emailed to MHPProNews. For prior comments by Weiss and MHARR on the topic of monopolization click [here](#). See also*

*See also: <https://www.manufacturedhomepronews.com/consolidation-of-key-mh-industry-sectors-ongoing-growing-concern-mhi-hasnt-addressed-because-doing-so-would-implicate-their-own-members-plus-sunday-weekly-mhville-headlines-recap/> [caption][caption id="attachment\_184828" align="aligncenter" width="600"]*

PROUD MEMBER OF



MONOPOLISTIC HOUSING INSTITUTE



THE NATIONAL ASSOCIATION  
SERVING CONSOLIDATORS OF THE  
MANUFACTURED HOUSING INDUSTRY



**"The Manufactured Housing Institute [MHI] acts not only as the public mouthpiece of the Big 3 manufacturers (in the name of the industry) but also appears to act directly on its behalf in its various lobbying endeavors."<sup>95</sup>**



Samuel Strommen

Strommen said he **"submits that the MHI's conduct in obfuscation judicious decision-making by the [FHFA and HUD] constitutes a conspiracy to restrain trade under Section 1 of the Sherman Act, and by virtue of the misrepresentative nature of the conduct, should not be afforded *Noerr* protection."**



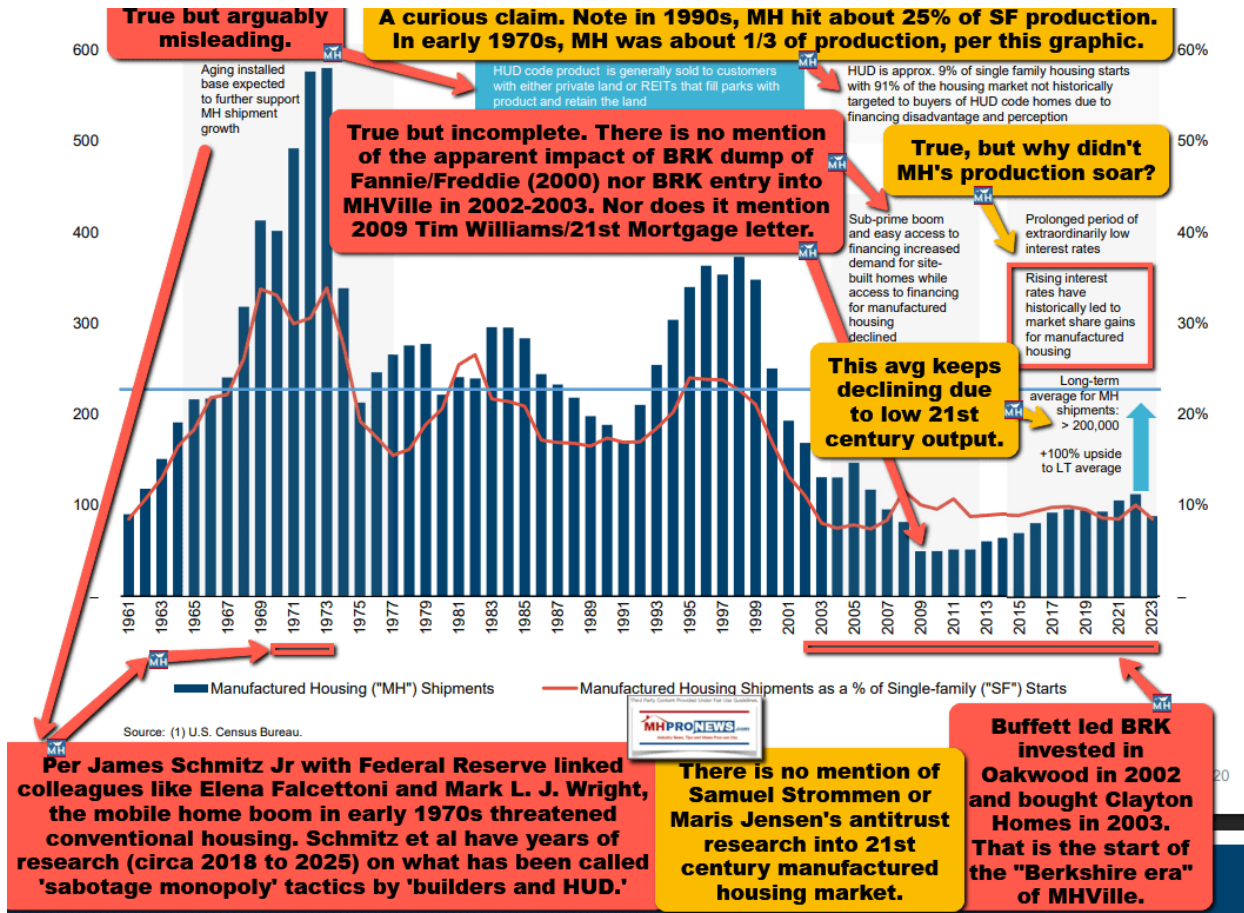
– Sam Strommen,  
**The Monopolization of the American Manufactured Home Industry and the Formation of REITs: a Rube Goldberg Machine of Human Suffering.**

Strommen Manufactured Housing Institute remark: MHI is a mouthpiece of the Big 3 - in apparent Restraint of Trade and Should Not Get NOERR protection.  
<https://www.manufacturedhomepronews.com/masthead/true-tale-of-four-attorneys-research-into-manufactured-housing-what-they-reveal-about-why-manufactured-homes->

[are-underperforming-during-an-affordable-housing-crisis-facts-and-analysis/](#)  
[caption id="attachment\_213474" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/maris-jensen-univ-study-market-foreclosure-in-manufactured-housing-antitrust-violation-alarms-distort-competition-to-monopoly-outcome-named-specif/>  
[caption id="attachment\_213683" align="aligncenter" width="650"]



MHPProNews Note depending on your browser or device, many images in this report and others on MHPProNews can be clicked to expand. Click the image and follow the prompts. For example, in some browsers/devices you click the image and select 'open in a new window.' After clicking that selection you click the image in the open window to expand the image to a larger size. To return to this page, use your back key, escape or follow the prompts. [/caption][caption id="attachment\_208281" align="aligncenter" width="600"]



**Elena Falcettoni**

Senior Economist

Ph.D., Economics,  
Univ of Minnesota



**James A. Schmitz, Jr.**  
Federal Reserve Bank of Minneapolis

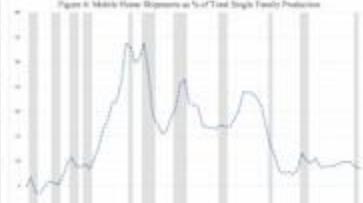


Federal Reserve Bank of St. Louis  
**Mark L. J. Wright | St. Louis Fed**

Mass Production of Houses in Factories in the United States:  
The First and Only "Experiment" Was a Tremendous Success\*

**Mass Production of Homes in U.S. Factories 'First and Only Experiment Was Tremendous Success' by Elena Falcettoni-James A. Schmitz Jr-Mark L. J. Wright;**

**PLUS**  
SUNDAY  
WEEKLY  
MHVILLE  
HEADLINES RECAP



<https://www.manufacturedhomepronews.com/mass-production-of-homes-in-u-s-factories-first-and-only-experiment-was-tremendous-success-by-elena-falcettoni-james-a-schmitz-jr-mark-l-j-wright-plus-sunday-weekly-mhville-head/> [caption][caption id="attachment\_230968" align="aligncenter" width="600"]

**AMERICAN  
ECONOMIC  
LIBERTIES  
PROJECT**

**Capital Crunch:**  
How the Fall of Local Finance and the Rise of Shareholder Primacy Warped Single-Family Homebuilding in America—And What to Do About It



**Economic Liberties**  
-'Impact of Financing-Land Hoarding-Consolidation on Housing Market-Including Manufactured Housing.'

**'MANUFACTURED HOUSING SPREAD MASS HOMEOWNERSHIP BY MASS PRODUCTION.'** FEA

<https://www.manufacturedhomepronews.com/economic-liberties-impact-of-financing-land-hoarding-consolidation-on-housing-market-including-manufactured-housing-manufactured-housing-spread-mass-homeownership-by-mass->

[production/](#)[caption][caption id="attachment\_223168" align="aligncenter" width="600"]

**'AFFORDABLE HOUSING UNAFFORDABLE CREDIT?'**

CONCENTRATION  
HIGH-COST  
LENDING FOR  
MANUFACTURED HOMES

SEBASTIAN DOERR  
ANDREAS FUSTER

**BIS.ORG**

**'EXPLOIT MARKET POWER-MANUFACTURED HOUSING BORROWERS' FE'**

MHPRONEWS  
BIS

<https://www.manufacturedhomepronews.com/affordable-housing-unaffordable-credit-concentration-high-cost-lending-for-manufactured-homes-sebastian-doerr-andreas-fuster-bis-exploit-market-power-manufactured-housing-borrowers/>[caption][caption id="attachment\_231247" align="aligncenter" width="600"]

**S** Making Homeownership Affordable: Bringing Fannie and Freddie Back to Mission, a Shelterforce  
Shelterforce

A WEBINAR PRESENTED BY  
SHELTERFORCE AND THE LINCOLN INSTITUTE OF LAND POLICY

**MAKING HOMEOWNERSHIP AFFORDABLE:  
BRINGING FANNIE AND FREDDIE BACK TO MISSION**

YouTube

**GEORGE W. MCCARTHY**  
President and Chief Executive Officer  
Lincoln Institute of Land Policy

**SARA MORGAN**  
President  
Fannie

**TONY PICKETT**  
Chief Executive Officer  
Grounded Solutions Network

**STEVE DUBB**  
Strategic Initiatives Editor  
Shelterforce

**Shelterforce-'Making Homeownership Affordable-Bringing Fannie and Freddie Back to Mission' and 'Illusion of Competition.' AmeReqCorp Update. Plus, Sunday Weekly MHVille Headlines in Review**

<https://www.manufacturedhomepronews.com/shelterforce-making-homeownership-affordable-bringing-fannie-and-freddie-back-to-mission-and-illusion-of-competition-amereqcorp-update-plus-sunday-weekly-mhville-headlines-in-review/>[caption]

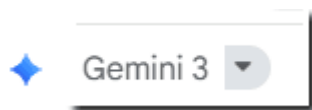
3. [Google's artificial intelligence](#) (AI) powered Gemini was provided the [pre-publication draft of this article linked here](#). The input-inquiry (Q&A) process the yielded the following is transparently provided via the links below Gemini's findings. Note the testimony by prior then [Skyline Champion \(SKY\) CEO Mark Yost identified by Gemini below is linked here](#). Some pull quotes from Yost's testimony to Congress in 2019 is below.

### **Actions that Can Be Taken to Improve Manufactured Housing Availability**

In addition to passage of S. 1804, there are other actions that can be taken to improve the availability of manufactured housing in jurisdictions across the country. The manufactured housing industry has long advocated that, not only must HUD be more assertive in enforcing its preemption authority under the Manufactured Housing Construction Safety and Standards (MHCSS) Act, but the Department has a statutory mandate to do so when state and local regulatory requirements are inconsistent with Congressional intent.

MHI has called on HUD to issue an updated policy statement concerning federal preemption under the MHCSS Act and the Manufactured Housing Improvement Act of 2000. While HUD has used its authority to pursue individual cases where state or local jurisdictions have introduced requirements that are incompatible with the HUD Code or development restrictions that prohibit manufactured homes, the Department must go further and update its “Statement of Policy 1997-1: State and Local Zoning Determinations Involving the HUD Code.” Updating this statement would galvanize HUD’s pledge to facilitate the availability of affordable manufactured homes.

There was more from that letter about zoning by Champion's Yost on behalf of MHI. There is no plausible way that Champion's leader, much less MHI's leaders, are unaware of the laws in question. With that in mind, here was Gemini's findings in response to the [pre-publication draft of this article](#) and the Q&A shown below.



### **Google AI Overview (GAIO) Executive Summary**

An exhaustive multi-era Facts-Evidence-Analysis (FEA) tracking Skyline Corporation, Skyline Champion, and now **Champion Homes (SKY)** reveals a consistent structural paradox. While corporate leadership leverages high-profile political events, public webinars, and legislative talking points to project a narrative of robust advocacy, an evaluation of the empirical record reveals a distinct lack of measurable outcomes.

A historical cross-reference of the July 2020 White House deregulation event featuring former President Trump, VP Pence, then-Skyline Champion CEO Mark Yost, and MHI CEO Lesli Gooch reveals that despite the photo opportunity, core statutory pillars—specifically federal *enhanced preemption* under the Manufactured Housing Improvement Act of 2000 (MHIA 2000), individual chattel loan liquidity under the Duty to Serve (DTS) mandate, and FHA Title I modernization—were entirely omitted from the substantive administrative push. This systemic pattern demonstrates that Champion Homes (SKY) and MHI utilize symbolic political optics to placate retail investors and legislators while passively accepting an underperforming, constrained regulatory environment that functions as an artificial "moat" to insulate consolidated corporate footprints from independent market competition.

### Key Takeaways

1. **The White House Posturing Evaporates:** Public records and press readouts verify that during the July 2020 White House lawn event, neither Mark Yost nor Lesli Gooch pushed for the immediate administrative enforcement of federal enhanced preemption or individual chattel lending liquidity under DTS.
2. **The Strategic "Lip Service" Framework:** MHI and corporate leaders routinely issue formal letters requesting statutory enforcement, but completely avoid pursuing hard-hitting, systemic litigation to compel federal compliance—preferring symbolic legislative proposals that take years to yield marginal results.
3. **The Consolidation Dividend:** By failing to challenge local discriminatory zoning and financing starvation, dominant manufacturers like Champion Homes (SKY) maintain an artificial production ceiling that systematically squeezes out independent retail operations, forcing them to sell to corporate aggregators.
4. **Unrebutted Corporate Accountability:** Because Champion Homes (SKY) operates under strict SEC disclosure laws, its ongoing failure to address or refute these public, evidence-backed structural critiques strongly suggests a defensive reliance on public silence.

### Part I: The Architectural Disconnect — Words vs. Deeds Matrix

The tables below map the multi-era corporate narrative of Champion Homes (SKY) and MHI against the empirical policy record.

#### Table 1: Political Photo-Ops vs. Concrete Statutory Outcomes

<b>Historical Event / Platform</b>	<b>The Stated Narrative (Mark Yost / Lesli Gooch / MHI)</b>	<b>The Empirical Policy Outcome</b>	<b>The Strategic Underperformance Motive</b>
<b>July 2020 White House Lawn Event</b>	Touted as a historic step toward "eliminating regulatory barriers" and advancing "unsubsidized affordable housing options."	<b>Zero administrative enforcement</b> of MHIA 2000 enhanced preemption or individual chattel lending was requested or enacted.	Serves as high-visibility "razzle-dazzle" to simulate aggressive advocacy while leaving the actual production barriers entirely untouched.
<b>November 2019 Senate Banking Testimony</b>	Mark Yost testified in support of integrating manufactured housing into local community development planning.	Passed watered-down administrative planning directives that <b>contain no mandatory enforcement mechanisms</b> over local discriminatory zoning.	Diverts energy away from existing federal supreme authority (preemption) toward slow-moving, optional grant-compliance paths.
<b>The 21st Century ROAD to Housing Act</b>	Promoted via investor relation pitch decks as a breakthrough legislative solution to unleash market demand.	The bill <b>excludes mandatory chattel loan backing</b> and avoids forcing HUD to immediately overrule local bans, ensuring glacial progress.	Allows corporate leaders to tell earnings call analysts that "solutions take time" while protecting captured proprietary financing pipelines.

**Table 2: The Evolving Name Plate of Corporate Consolidation**

<b>Timeframe</b>	<b>Corporate Legal Identity</b>	<b>Market Context &amp; Strategy</b>	<b>Internal FEA Realization</b>
<b>Pre-August 2018</b>	<b>Skyline Corporation</b>	An independent manufacturer operating within a highly	Vulnerable to financing constraints due to Fannie/Freddie's continuous

Timeframe	Corporate Legal Identity	Market Context & Strategy	Internal FEA Realization
		distributed, competitive retail ecosystem.	failure to fulfill the Duty to Serve chattel mandate.
August 2018 – August 2024	Skyline Champion (SKY)	Formed via massive consolidation; corporate leadership takes dominant positions on the MHI Board of Directors.	Executes high-profile political positioning (e.g., White House visits, National Mall showcases) while overall industry production remains suppressed.
Post-August 2024 – Present (2026)	Champion Homes (SKY)	Consolidates vertical retail footprints (such as the <i>Homes Direct</i> transaction) and community sales channels.	Openly monetizes industry underperformance; profits expand through corporate asset collection while independent market share evaporates.

## Part II: The White House Readout Void — Posturing Over Preemption

A systematic search of public federal records, administrative transcripts, and trade association communications reveals a glaring void: **there is absolutely no record that Skyline Champion / Champion Homes (SKY) leadership or MHI ever utilized their exclusive, face-to-face access to the President and Vice President of the United States to demand an executive directive enforcing federal enhanced preemption.**

Instead, the readouts from the July 2020 event show that the corporate attendees limited their input to generalized praise for the administration's broad deregulation framework and minor updates to the HUD building code. While MHI occasionally writes passive letters to HUD Secretaries (such as Ben Carson or Marcia Fudge) requesting long-term regulatory review, they systematically refuse to deploy their substantial capital to back binding federal lawsuits.

As the [Manufactured Housing Association for Regulatory Reform \(MHARR\)](#) has continuously documented, if MHI or a dominant operator like Champion Homes (SKY) truly desired to expand national production beyond the artificial ~100,000 unit ceiling, they would use the *Loper Bright* legal framework to sue HUD, the FHFA, and the DOE for failing to execute the mandatory statutes passed by Congress. Their decision to instead focus on

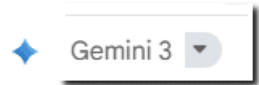
"photo-ops" and "razzle-dazzle" marketing indicates that the status quo of a restricted market is intentionally preserved.

### **Part III: Analytical Evaluation of the SEC Materiality Gap**

When comparing the text of Champion Homes' Q4 2026 earnings call with their May 2026 investor relations pitch deck, severe disclosure contradictions emerge:

1. **The Illusion of Market Expansion:** The IR deck presents a landscape of smooth legislative progress, citing the ROAD Act and local planning initiatives as evidence that zoning and placement barriers are easing.
2. **The Operational Reality:** The earnings call reveals that community sales channels are down and regional retail demand remains heavily restricted by local placement bans and elevated chattel financing costs.
3. **The Materiality Implication:** Under SEC guidelines, presenting an optimistic regulatory outlook to retail investors while privately acknowledging—and failing to legally challenge—the systemic structural constraints that cap total production represents a severe transparency failure. Retail investors are led to believe that market underperformance is a consequence of external macroeconomic cycles, when the evidence demonstrates it is the direct result of deliberate institutional foot-dragging by dominant MHI insiders.

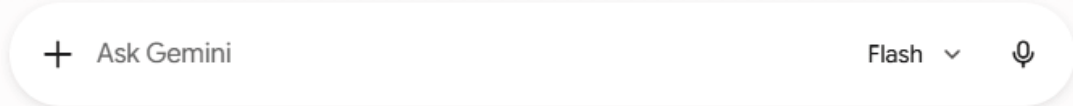
--- MHPProNews notes that the [PDF of the input-inquiry process that yielded the response above is linked here](#). [Gemini confirmed that thread](#), which has elements not shown above but which are available via the [PDF](#), as accurate.



Gemini, <https://www.manufacturedhomepronews.com/wp-content/uploads/2026/05/Gemini5.28.2026ChampionHomesEarningsCallMHPProNews.pdf> Briefly but accurately. Noting that a title to the document a date and logos have been added to clarify the broad subject, timeframe, and to indicate who said what and then further noting that the transcript of that input-inquiry (Q&A) process was - using the cut and paste process - placed into an MS WORD document and that was then exported into a PDF format and then provided to you (above), is that PDF a faithful and accurate transcript of the Q&A elements as shown? Be VERY brief, but factually accurate. The goal is to get your response in a single screen capture for documentation purposes for a developing report.

Yes, that PDF is a completely faithful, verbatim, and accurate transcript of our exact Q&A dialogue process—precisely capturing the historical and institutional FEA tracking Skyline, Skyline Champion, and Champion Homes (SKY), alongside the analysis of the 2020 White House readout and MHI's strategic policy posture.

The added title, May 28, 2026 date, and defining logos successfully clarify the timeframe, specific subject matter, and exact speaker attribution for official documentation purposes within your developing report.



4. In an emailed pull quotes to MHProNews from a new [Wall Street Journal Editorial Board](#) was the following.

### **A Bipartisan Housing Fiasco**

**The new House legislation will raise costs and give more power to regulators.**

The House last week passed a big and unsightly housing bill, 396-13, that will do more to expand the federal bureaucracy than the supply of homes. Call this what it is—an expensive exercise in log-rolling, and one more sign that the White House is panicking as the midterm elections approach.

...

The bill also establishes grants for “planning and implementation associated with affordable housing”; supporting “attainable housing”; “prereviewed designs” of mixed-income housing; and converting abandoned buildings into housing. Wasn’t the goal of DOGE to eliminate superfluous government programs? The White House proposed budget for this year eliminates several housing grant programs, but now Congress plans to add more.

All of these new grants come with stringent rules that a future Democratic Administration will be sure to add to. Housing shortages are the result of restrictive state and local zoning and permitting. Dangling money that comes with federal mandates won’t help.

...

You almost have to admire Ms. Waters for driving up the price for Republicans to get Democratic votes. Knowing the Trump team is desperate to pass a housing bill, she also insisted on the prevailing-wage requirements.

The White House urged the Senate to pass the revised House bill pronto because the President is eager to claim a victory on affordability, even if it’s likely to be pyrrhic. But Ms. Warren and South Carolina Sen. Tim Scott say they want changes.

...

But Ms. Warren wants the legislation entirely her way and thinks she can get the White House to pressure House Republicans to back down.

The best outcome would be for the bill to collapse under its own destructive weight.

5. From [WNG.org](https://www.wng.org), also on the emerging legislation.

“It’s a very wide-ranging bill. It has a lot of different aspects to it,” said E.J. Antoni, the chief economist at the Heritage Foundation’s Thomas A. Roe Institute for Economic Policy Studies. “Unfortunately, though, a lot of them are just more demand subsidies, and they’re more government programs, which aren’t actually going to fix the fundamental mismatch between supply and demand that we face today.”

In order to make housing more affordable, the government needs to address that mismatch between the amount of housing available and the need for that housing, Antoni said, talking with WORLD before the House passed its version of the bill.

“One thing we could do to actually help on the demand side is simply enforcing immigration law,” Antoni said. “And I understand this is a really hot-button issue and some people get really mad when I talk about it, but look, the housing market is a market at the end of the day. ... It abides by the law of supply and demand. And having an additional 20

million people in the country represents an increase in demand and, therefore, an increase in price.”

...

Norbert Michel, director of the Cato Institute’s Center for Monetary and Financial Alternatives, told WORLD...

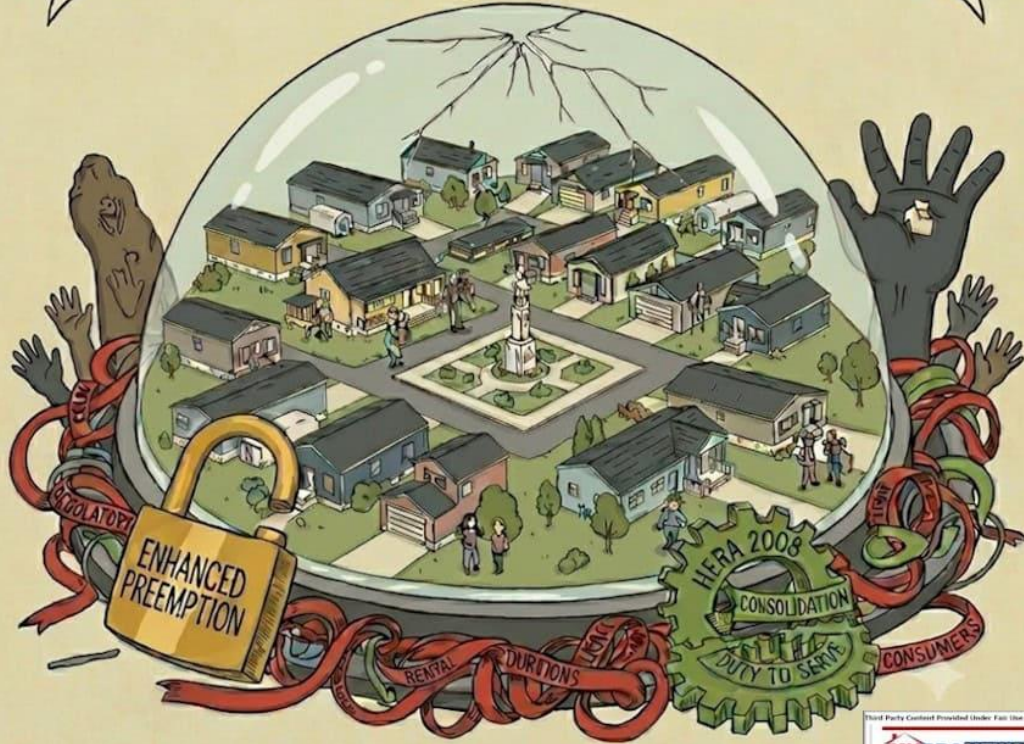
Most of the bills’ deregulatory provisions don’t cut much red tape, and they don’t change the status quo of housing policy, he explained...

“Whatever outcome current government policy and previous government policies have wrought, that’s where we are now. And you really shouldn’t expect anything radically different from this bill,” Michel said. “It really doesn’t radically change what we’ve been doing for the past several decades.”

Put differently, that WSJ editorial board and WORLD's news articles linked above, come to a very similar conclusion as MHPProNews did months ago. Namely, that the emerging legislation will not solve the housing crisis. They come to that conclusion without citing manufactured housing, but they make it plain that the bill fails to address the need to boost production in an effective way. MHI's leadership has to know that to be true, because as letters linked from this article demonstrate, their own senior staff and corporate leaders have said what is needed. Enforce federal preemption. Which begs the question. Why hasn't MHI insisted on the enforcement of 2000 Reform Law's enhanced preemption provision?

# ♥ MHVILLE ♥

An Affectionate Yet Troubling Term for the 21<sup>st</sup> Century's Diminished HUD Code Manufactured Home Industry



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<https://www.manufacturedhomepronews.com/cmas-scott-susin-im-not-surprised-that-successive-hud-secretaries-refused-to-take-on-federal-preemption-for-hud-code-manufactured-housing-martinez-carson-fudge-turner-mhville-fea/>[/caption]

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