



What are the criticisms of the Manufactured Housing Institute (MHI) from within or beyond the manufactured housing industry?

◆ AI Overview

As of 2026, the Manufactured Housing Institute (MHI) faces intense criticism from within the industry—particularly from independent manufacturers, retailers, and communities—as well as from external advocates, regarding its leadership, lobbying focus, and industry performance. Primary criticisms accuse MHI of promoting industry consolidation by large firms, failing to address key "post-production" bottlenecks like discriminatory zoning, and neglecting the interests of smaller, independent operators. [1, 2, 3]

Core Criticisms from Within the Industry (2025-2026)

- **Favoritism and Consolidation (Cronyism):** Critics argue MHI operates as a "club for the big boys"—specifically Clayton Homes, Cavco Industries, and Skyline Champion, which control over 80% of production—at the expense of smaller, independent members.
- **Failed Representation and Stagnant Production:** Despite a national affordable housing crisis, industry production has remained suppressed in 2026, with critics attributing this to MHI's failure to effectively tackle "post-production" bottlenecks, such as discriminatory local zoning and lack of financing support.
- **"Unfathomable" Inaction on Zoning and Preemption:** The [Manufactured Housing Association for Regulatory Reform \(MHARR\)](#) has heavily criticized MHI for not pushing for the full, mandatory enforcement of existing federal "enhanced preemption" laws that could override local zoning exclusions.
- **"Weakened" Legislative Efforts:** MHARR and other critics have accused MHI of supporting federal legislation (e.g., the 2026 ROAD to Housing Act) that is "ineffectively weak" and fails to address the root causes of underperformance, labeling it a "tactical retreat" that benefits large, consolidated players while failing to secure independent interests.

- **Lack of Transparency:** MHI is described as having an opaque, top-down structure, with criticisms focusing on its refusal to debate its performance despite years of production declines. [[1](#), [2](#), [3](#), [4](#), [6](#), [7](#)]

Criticisms Regarding Policy and Consumer Impact (2025-2026)

- **Opposition to Resident Ownership:** MHI has faced scrutiny for opposing certain "right of first refusal" legislation that would enable residents to buy their own communities, which critics describe as a "monopolization scheme" that favors corporate park owners over residents.
- **Misleading Advocacy ("Paltering"):** Critics allege that MHI engages in deceptive marketing ("paltering") by promoting initiatives like "CrossMod" homes, which have seen low sales, instead of focusing on traditional, more affordable manufactured housing.
- **Failure on "Duty to Serve":** MHI is criticized for not compelling government-sponsored enterprises (Fannie Mae/Freddie Mac) to fully implement the "Duty to Serve" (DTS) mandate for manufactured home consumer loans (chattel loans), which are used by many low-income buyers. [[1](#), [2](#), [3](#), [4](#)]

Differences in Advocacy Strategy

While MHI often emphasizes a "holistic" approach to regulation and works on industry-wide standards, it frequently clashes with smaller, independent-focused groups like MHARR. Critics argue MHI's strategy prioritizes maintaining its "insider" relationship with federal regulators over achieving radical, necessary changes to zoning and finance that would drive growth. [[1](#)]

These complaints are frequently featured in trade news reports (e.g., MHPProNews) that highlight, with input from industry experts, a "great divide" in the industry, where large-scale developers thrive while smaller independent operators and, in some cases, consumers, are underserved. [[1](#), [2](#)]

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