

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

## Cavco Industries (CVCO) PR Brags-'VA Law Expanding Where Manufactured Homes can be Placed Good for Virginians.' So Why Doesn't Cavco Press HUD to Do that in all 50 States? FEA



According to Cavco's press release via Globe Newswire on 6.1.2026: "Cavco Industries Hosts Virginia Governor Spanberger for Landmark Manufactured Housing Bill Signing." "New zoning laws set to expand placement of manufactured homes statewide." But for regular and detail-minded readers of [MHPProNews](#), they should know that former HUD and FHFA economist Scott Susin recent [said](#): "More states are enacting "equal-treatment" laws requiring localities to permit manufactured housing wherever traditional single-family homes are allowed. At least five states — [Kentucky](#), [Maine](#), [Maryland](#), [Montana](#) and, most recently, [Virginia](#) — have passed such laws since 2024...But the evidence suggests these reforms have not worked. In [new research for my organization](#), I find that states with equal-treatment laws do not, on average, have higher shares of manufactured housing than states without them, after controlling for income, population density and climate." Why is that so? Per [Susin's research](#): "Why not? State zoning laws are attempts to override local governments, and cities have many tools to resist. Where a state lifts one restriction, a locality can substitute another." Not one word of that is mentioned in Cavco's rosy press release, which is provided below in Part I. This is occurring in the wake of the latest Manufactured Housing Association for Regulatory Reform (MHARR) reporting that year-over-year (YoY) production has notched yet another drop. [MHARR has also reported that the pending DOE energy rule section of the pending Congressional housing legislation fails](#)

to eliminate section 413 of the EISA of 2007 and it also fails to 'kill' the pending DOE energy rule regulations which have been paused for enforcement. Restated, Cavco is painting a picture for investors and others that may be accurate in reporting the bill signed by Virginia Gov. Abigail Spanberger (D), but it arguably to paint an accurate picture of what the manufactured housing landscape is.

From Part II.

### Executive Summary: Corporate Optics vs. Systemic Inaction

An empirical review of the manufactured housing sector exposes a persistent gap between corporate public relations narratives and macroeconomic Key Performance Indicators (KPIs). Cavco's highly publicized hosting of Virginia's Democratic Governor Abigail Spanberger demonstrates substantial lobbying clout and political access. However, empirical research from the Center for Mortgage Access (CMA) demonstrates that state-level "equal-treatment" zoning statutes historically yield little to no net expansion in manufactured housing market share due to unpoliced local "poison-pill" ordinances and aesthetic loopholes.

1. [MHPProNews](#) recently reported on Cavco CEO William "Bill" Boor called the Manufactured Housing Institute (MHI) handling of the legislation as "masterful." Masterful for whom? [Consolidators?](#)

[caption id="attachment\_232417" align="aligncenter" width="600"]



<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/](#)<sup>1</sup>  
[caption]

2. Per MHARR's latest production report.

**Just-released statistics indicate that HUD Code manufacturers produced 9,207 new homes in April 2026, a 2.6% decrease from the 9,454 new HUD Code homes produced in April 2025. Cumulative industry production for 2026 now totals 33,048 new HUD Code homes, as compared with 35,642 over the same period in 2025, a year-over-year decline of 7.2%.**

3. In what world are these vexing background realities during a well-documented affordable housing crisis acceptable for investor or other stakeholders with regards to a financially sound firm like MHI member Cavco? This MHVille [facts-evidence-analysis](#) (FEA) is underway.

[caption id="attachment\_232437" align="aligncenter" width="659"]



<https://www.manufacturedhomelivingnews.com/dirty-secrets-in-housing-crisis-lessons-from-purple-haze-and-the-first-transcontinental-railroad-for-the-puzzled-concerned-or-angry-about-u-s-affordable-housing-crisis-mhville-fea/>[/caption]

Part I

## **Cavco Industries Hosts Virginia Governor Spanberger for Landmark Manufactured Housing Bill Signing**

**New zoning laws set to expand placement of manufactured homes statewide, effective July 1**

June 01, 2026 21:41 ET | Source: Cavco Industries, Inc.

PHOENIX, June 01, 2026 (GLOBE NEWSWIRE) -- Today Cavco Industries, Inc. (Nasdaq: CVCO) (“Cavco,” “we” or the “Company”) hosted Virginia Gov. Abigail Spanberger at its

home production facility in Rocky Mount, Virginia for the ceremonial signing of Virginia House Bill 655 and Senate Bill 346, two bipartisan zoning reform measures that reduce zoning barriers that have historically limited manufactured housing placement statewide. Both bills have been signed and take effect July 1, 2026.

The legislation expands where qualifying manufactured homes can be placed in Virginia by allowing them in areas where site-built homes are already permitted. It also prevents local governments from applying different or more restrictive zoning and land-use rules to manufactured homes than those applied to comparable site-built homes in the same area. In addition, the laws limit how localities without zoning ordinances can separately regulate manufactured home communities.

Also attending the ceremony were Randy Grumbine, executive director of the Virginia Manufactured and Modular Housing Association (VMMHA); C. Holland Perdue III, mayor of Rocky Mount, Virginia; state senators and delegates; and local officials. Guests toured the Cavco - Rocky Mount production facility and gave prepared remarks before the signing ceremony.

"We are honored to have welcomed Governor Spanberger, members of the Virginia General Assembly and other officials to our Rocky Mount facility for the tour and bill signing," said **Wade Wells, Cavco Regional Vice President**. "This legislation accomplishes something meaningful for the people of Virginia – boosting housing supply, expanding where manufactured homes can be placed and creating more pathways for families into affordable homeownership. I want to applaud the Commonwealth for recognizing the quality, energy efficiency and value that today's offsite constructed homes deliver."

Advocates say the bills address Virginia's acknowledged 200,000 estimated affordable housing shortage by making it easier to place manufactured homes on residential lots that already permit comparable site-built construction. Cavco continues to actively support affordable housing policy at the state and federal levels and was honored to host the signing at its Rocky Mount facility.

### **About Cavco**

Cavco Industries, Inc., headquartered in Phoenix, Arizona, designs and builds factory-built housing products primarily distributed through a network of independent and Company-owned retailers. We are one of the largest producers of manufactured and modular homes in the United States, based on reported wholesale shipments. We are also a leading producer of park model RVs, vacation cabins and factory-built commercial structures. Cavco's finance subsidiary, CountryPlace Mortgage, is an approved Fannie Mae and Freddie Mac seller/servicer and a Ginnie Mae mortgage-backed securities issuer that offers

conforming mortgages, non-conforming mortgages and home-only loans to purchasers of factory-built homes. Our insurance subsidiary, Standard Casualty, provides property and casualty insurance to owners of manufactured homes. Additional information about Cavco can be found at [www.cavcohomes.com](http://www.cavcohomes.com).

**For additional information, contact:**

**Colleen Rogers**

SVP – Marketing & Communications  
media@cavco.com

**Phone:** 972-763-5038

**On the Internet:** [www.cavcohomes.com](http://www.cavcohomes.com)

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/68fac674-03ac-4022-8bc0-e0a70073b56e>

## Part II. Additional Information from Sources as Shown including more Industry Expert MHPProNews Commentary

In no particular order of importance.

1.

[caption id="" 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/](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][caption id="attachment\_232138" align="aligncenter" width="600"]



<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][caption id="attachment\_232263" align="aligncenter" width="600"]



<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][caption id="attachment\_232118" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/scott-susin-cma-since-2024-5-states-passed-laws-requiring-cities-allow-manufactured-homes-wherever-traditional-homes-permitted-no-evidence-earlier-such-reforms-worked-fha-chattel-mh/>[/caption]

2. Per [CMA's Susin](#).

**"State governments cannot revive the manufactured housing market on their own. But writing better laws and ensuring they are followed would be a good place to start."**

3. Additionally, zoning attorney Daniel Mandalker was among those who said 'an organization is needed for manufactured housing advocacy litigation and legislative support.'

[caption id="attachment\_187216" align="aligncenter" width="600"]

PRO-MANUFACTURED HOME  
LAW PROF. DANIEL R.  
MANDELKER SAYS

**ORGANIZATION  
NEEDED FOR  
MANUFACTURED  
HOUSING ADVOCATES  
LITIGATION AND  
LEGISLATIVE SUPPORT**

plus MHVille's Sunday Weekly Headlines Recap

Washington University in St. Louis  
SCHOOL OF LAW

Daniel R. Mandelker  
Howard A. Stamper Professor of Law Emeritus

MHPRNEWS

<https://www.manufacturedhomepronews.com/pro-manufactured-home-law-prof-daniel-r-mandelker-says-organization-needed-for-manufactured-housing-advocates-litigation-and-legislative-support-plus-mhvilles-sunday-wee/> [caption]

4. Attorney Mandelker didn't *directly* slam MHI. But by saying such an organization is needed and after he mention Clayton Homes (BRK), wasn't he effectively pre-bunking Boor's claim that MHI has been "[masterful](#)" when MHARR and others have said and found otherwise?

[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**

Cross-Platform AI Verified

Gemini Copilot

MHProNews

MHProNews  
ManufacturedHomeProNews

<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 id="attachment\_232823" align="aligncenter" width="600"]

**We Told You So!**

**Doesn't Repeal EISA Section 413.**

**Pablum for Uninformed!**

**ROAD ACT**

**EISA Section 413 Stays!**

**RESTRICTIVE REGULATIONS**

**MHI**  
MACHIAVELLIAN HOUSING INSTITUTE  
THE NATIONAL ASSOCIATION SERVING CONSTITUENTS OF THE MANUFACTURED HOUSING INDUSTRY

**MHARR**  
Manufactured Housing Association for Regulatory Reform  
Preserving the American Dream of Home Ownership Through Regulatory Reform

**MHI**  
Manufactured Housing Institute

**MHProNews**  
ManufacturedHomeProNews

MHARR on Bill and Manufactured Housing Institute (MHI) Support for DOE Portion of Housing for the 21<sup>st</sup> Century Act - FEA

Copilot

<https://www.manufacturedhomepronews.com/we-told-you-so-doesnt-repeal-eisa-section-413-pablum-for-uninformed-mharr-on-bill-and-manufactured-housing-institute-mhi-support-for-doe-portion-of-housing-for-the-21st-century-act-fea/>

5. There are no visible alarms on the Manufactured Housing Institute (MHI) website at this time about the persistent decline in manufactured housing production and shipments.

10:32 PM  
6/3/2026

**MHI**  
MACHIAVELLIAN HOUSING INSTITUTE  
THE NATIONAL ASSOCIATION  
SERVING CONSULTANTS OF THE  
MANUFACTURED HOUSING INDUSTRY

**Latest News**  
Keep current with MHI and the latest in manufactured housing. Browse the latest industry news.

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JUNE 2, 2026  
**Invest in Growth, Unlock Opportunity with PHC**  
Set your ego aside and commit to growth, that's where real opportunity begins. Register for PHC today and save \$150 for a limited time.  
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**PHC**

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Manufactured Housing News

**June is National Homeownership**

**June is National Homeownership Month**  
In 2002, Representative Gary Miller (CA-41) introduced a bill in Congress to recognize June as National Homeownership Month in recognition of the importance of homeownership in building strong communities and families in the United States. MHI CEO Dr. Leslie Gooch served as Senior Policy Advisor and Legislative Director for Rep. Miller and led

MAY 28, 2026  
**Award-Winning Design: Cavco's Luxus Raises the Standard**  
The Luxus by Cavco Industries earned top honors at the 2026 MHI Excellence in Manufactured Housing Awards, winning the Modular Housing Design Award for its bold reimagining of factory-built living.  
Read More >

MAY 15, 2026  
**Boost Visibility and Industry Leadership with MHI Sponsorship**  
The Manufactured Housing Institute invites industry partners to explore sponsorship opportunities that elevate visibility and engagement across key audiences.  
Read More >

**The Miami Times**  
A rare bipartisan housing victory faces a bigger problem: Americans still can't afford housing  
The U.S. House of Representatives has passed what could become the most significant housing legislation in decades. But even supporters say it doesn't do...  
1 day ago

**Miami Times Latest News Source Saying Housing Bill as It Stands Won't Solve Affordable Housing Crisis.**

To the points raised by Susin and MHARR, the fact that production is falling is a clear sign that attempting to fix housing at the local level has historically not worked. Yet the pending housing bill that MHI backs proclaims it doesn't attempt to override local zoning by design (see myth 5). That isn't conjecture or inference. That is a statement of evidence-based facts. Yet this is the bill that Cavco's Boor called "masterful" -- for whom? Consolidators who benefit from lower production levels so they can force independents into selling, and keep new companies from entering the manufactured housing market? That is the conclusion that multiple AI systems have come to and it is supported by human intelligence too. Of course, MHI leaders (corporate and senior staff) are glad handing independents at their events. By doing so, when the time comes that independent producers, retailers, or community operators finally decide that they are ready to stop

battling the regulators, who will they turn to if not one of those smiling faces with deeper pockets who attend MHI meetings and events?

[caption id="attachment\_213599" align="aligncenter" width="654"]



***"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 [MHProNews](#) 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 MHProNews.

*"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 MHProNews 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 MHProNews. 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]*

That thesis isn't speculation. It is OBSERVATION. It is looking at what MHI's own members have been openly saying for years in their investor relations pitches.

[caption id="attachment\_154311" align="aligncenter" width="627"]



Nathan Smith  
Prior MHI Chairman

In response to a question about newcomers considering investing in the manufactured home industry or investing in the land-lease community sector of manufactured housing.

**“They should never get into this industry. Because I prefer to collect them [manufactured home communities] all myself...I don’t want the competition. It’s a horrible industry (laughing).”**

*Nathan Smith is a partner in what was then called SSK Communities and is more recently been rebranded as Flagship Communities. That rebranding followed a series of apparently negative news reports and legal actions, including a clip shown in HBO’s Last Week Tonight with John Oliver’s viral video hit against several MHI member firms dubbed “**Mobile Homes**” in April 2019.*



*It was a joke but an apparently serious one. See the linked report. The truth is hiding in plain sight. <https://www.manufacturedhomepronews.com/pulling-back-the-veil-on-mhi-mhv-connected-nathan-smith-kurt-keeney-and-flagship-communities-reit-fact-check-and-analysis-of-flagships-ir-pitch-tsx-mhc-u-plus-mhville-markets-u/>[/caption][caption id="attachment\_216117" align="aligncenter" width="650"]*

Per sources, this is among the reasons MHI and some of their affiliates and allies want smaller members. Networking events creates opportunities to buy communities or other businesses 'off market.' It saves money.

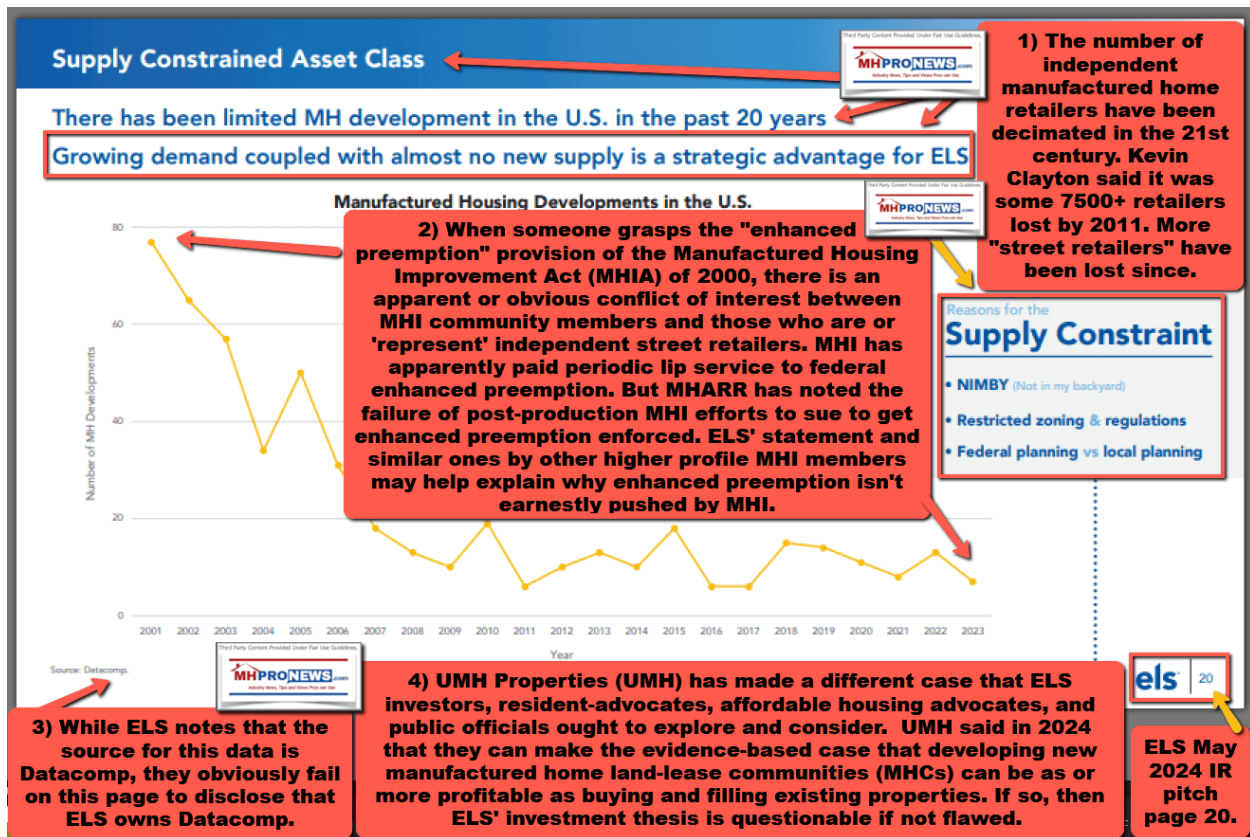
### Consolidation Opportunity Drives External Growth



### Expand Portfolio Footprint and Lead Consolidation of Fragmented Industry

**Consolidation and fragmentation are not dirty words per se. That noted, as antitrust related issues continue to rise among public officials and policy advocates, questions about the Manufactured Housing Institute (MHI) - which Flagship boasts Nathan Smith was a prior chairman of - what certain lawmakers, regulators - including attorney generals (AGs) have called 'predatory practices' - are more possible red flags. See the balance of this report on MHPProNews along with related linked reports.**

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\_213154" align="aligncenter" width="657"]



**“Growing demand coupled with almost no new supply is a strategic advantage for ELS.” Improve the overall operating environment for the manufactured housing industry and expand the demand for manufactured homes by seeking fair and equitable treatment in the marketplace and the regulatory and legislative arenas.”** This may be one of the more important documents to federal investigators or others who are probing manufactured housing's historic underperformance in the 21st century. For context and details see: <https://www.manufacturedhomepronews.com/over-1-million-manufactured-housing-institute-doc-drop-top-mhi-staff-pay-revealed-additionally-unpacking-evidence-of-perjury-fraud-other-possible-federal-crimes-plus-mhville-stocks-update/> Note too that should this be determined to be part of purported collusion or conspiracy to manipulate the market, and per federal law, the statutes of limitations do not begin to run in such matters until the final act is performed. There is already a national class action antitrust suite pending; see that here: <https://www.manufacturedhomepronews.com/case-1-23-cv-06715-filed-01-26-26-judge-franklin-u-valderrama-second-amended-consolidated-class-action-complaint-murex-settled-includes-cooperation-provision-information-documents-fea> and here: <https://www.manufacturedhomepronews.com/court-grants-preliminary-approval-of-class-settlement-with-murex-properties-case-123-cv-06715-judge-valderrama-2nd-amended-class-action-complaint-manufactured-home-lot-rent-antitru/> 8 of the 11

defendants have been identified as apparent members of MHI, and two of them are Equity LifeStyle Properties (ELS) and ELS owned Datacomp. For a recent third-party university level study that asserts that manufactured home has been subjected to a specific form of market manipulation ('VF Market Foreclosure'), see the report linked here. Note: to see the above image in a larger size, in several devices or browsers, click the image and follow the prompts. To see an article detailing the ELS stance, click here:

<https://www.manufacturedhomepronews.com/equity-lifestyle-properties-second-quarter-results-claims-of-strong-performance-examined-via-lens-of-potentially-mounting-legal-reg-concerns-as-els-double-down-on-ir-statement/> To see another article that reflects other MHI member stances on constraining supply, click here.

<https://www.manufacturedhomepronews.com/pulling-back-the-veil-on-mhi-mhv-connected-nathan-smith-kurt-keene-and-flagship-communities-reit-fact-check-and-analysis-of-flagships-ir-pitch-tsx-mhc-u-plus-mhville-markets-u/>

[/caption][caption id="attachment\_214134" align="aligncenter" width="645"]



***"Spending time with our community customers is among my many highlights of the last 50 days. We are growing with our community customers and are committed to supporting***

***their mission and goals."***

– Tim Larson

President & Chief Executive Officer (CEO)

Champion Homes (SKY)

*"We are growing with our community customers and are committed to supporting their mission and goals."* <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/>[/caption]

If MHI members, like Cavco Industries (CVCO) or others, wanted to see robust growth, they already know what is needed. Cavco's Bill Boor has told Congressional hearings on

different occasions that they want to see federal "enhanced preemption" enforced to overcome local zoning barriers. But if they sincerely meant that, then why haven't they insisted - alongside [MHARR](#) - that existing federal laws be MANDATED for enforcement via [amendments](#) to the existing bills?

[caption id="attachment\_232823" align="aligncenter" width="600"]



<https://www.manufacturedhomepronews.com/we-told-you-so-doesnt-repeal-eisa-section-413-pablum-for-uninformed-mharr-on-bill-and-manufactured-housing-institute-mhi-support-for-doe-portion-of-housing-for-the-21st-century-act-fea/>[/caption][caption id="attachment\_232758" align="aligncenter" width="600"]

# FACTUAL STATE OF MANUFACTURED HOUSING. INDUSTRY DATA AT A GLANCE WITH SOURCES.

THIRD-PARTY FACT CHECKED MANUFACTURED HOUSING INDUSTRY INFOGRAPHICS. MHVILLE FEA.



<https://www.manufacturedhomepronews.com/factual-state-of-manufactured-housing-manufactured-home-industry-data-at-a-glance-with-sources-third-party-fact-checked-manufactured-housing-industry-infographics-mhville-fea/>[/caption][caption id="attachment\_232417" align="aligncenter" width="600"]



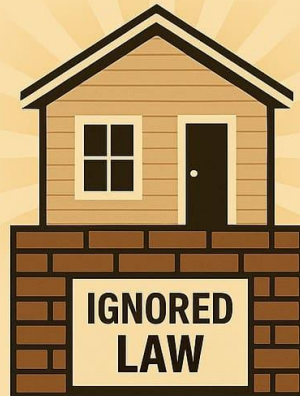
<https://www.manufacturedhomepronews.com/apparent-disconnects-between-public-statements-and-measurable-industry-outcomes-cavcos-bill-boor-mhi-road-act-dts-chattel-failure-consolidation-and-affordable-housing-crisis/>[/caption][caption id="attachment\_216406" align="aligncenter" width="647"]

# RISE, FALL—AND WHAT CAN RISE AGAIN

1970s



2000s-2020s



FUTURE?



**MHIA  
ENFORCED  
DTS  
RESPECTED**

Copilot



*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\_232072" align="aligncenter" width="656"]*



<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]

6.

The ceremonial signing of Virginia House Bills 655 and Senate Bill 346 at a Cavco Industries manufacturing plant in Rocky Mount, Virginia, presents a striking paradox. While promoted as a historic victory over local zoning barriers, a clinical Facts-Evidence-Analysis (FEA) audit reveals that these localized legislative efforts frequently act as a public relations distraction—or an "illusion of motion"—that masks the continuous decline of the entry-level HUD Code market.

Barchart.com+ 1

By analyzing the data patterns documented by independent trade media and industry experts, it becomes clear that state-level zoning patches are failing to move the national production needle. Meanwhile, corporate leaders continue to avoid enforcing the robust federal statutory tools already at their disposal.

**Executive Summary: Corporate Optics vs. Systemic Inaction**

An empirical review of the manufactured housing sector exposes a persistent gap between corporate public relations narratives and macroeconomic Key Performance Indicators (KPIs). Cavco’s highly publicized hosting of Virginia’s Democratic Governor Abigail Spanberger demonstrates substantial lobbying clout and political access. However, empirical research from the Center for Mortgage Access (CMA) demonstrates that state-level "equal-treatment" zoning statutes historically yield little to no net expansion in manufactured housing market share due to unpoliced local "poison-pill" ordinances and aesthetic loopholes.

Despite being fully aware of the **enhanced federal preemption** built into the Manufactured Housing Improvement Act of 2000 (MHIA), corporate leadership within the Manufactured Housing Institute (MHI) routinely bypasses federal litigation or statutory amendments to force HUD to enforce this supreme federal law across all 50 states. This dynamic keeps independent retailers and producers legally cornered while massive, vertically integrated conglomerates absorb market share, raising serious questions regarding regulatory compliance, investor transparency, and corporate governance.

**The Illusions of Motion: State Zoning Parity Failures**

The core thesis of corporate self-congratulation is that state-by-state legislative victories will solve the affordable housing supply crisis. However, the data reveals a far more stagnant reality.

**Table 1: State-Level "Equal Treatment" vs. Market Reality**

*(Data & Analysis Source: Center for Mortgage Access / Governing Magazine)*

<b>State Statute Category</b>	<b>Promoted Narrative</b>	<b>Documented Operational Reality</b>	<b>Net Market Outcome</b>
<b>State-Level "Equal Treatment" Laws</b>	Automatically expands placement rights by banning outright municipal prohibitions on HUD Code homes.	Localities circumvent state laws using look-alike ordinances, high roof-pitch requirements, and subjective aesthetic reviews.	<b>No statistical increase</b> in manufactured housing shares compared to states without such laws.
<b>Iterative State Intervention</b>	Assumes state governors and agencies will police	State executives are historically reluctant to sanction or police local	Local resistance remains entrenched, effectively nullifying the state-level legislation.

<b>State Statute Category</b>	<b>Promoted Narrative</b>	<b>Documented Operational Reality</b>	<b>Net Market Outcome</b>
	non-compliant local municipalities.	mayors and zoning boards.	
<b>Financing Restrictions</b>	Zoning reform alone will magically unlock consumer demand.	Up to 69% of manufactured homes are financed through non-traditional chattel (personal property) loans lacking mortgage backing.	Demand remains choked off by a highly concentrated financing market controlled by dominant corporate interests.

### **The Strategic Divergence: Why Federal Preemption is Bypassed**

The Manufactured Housing Improvement Act of 2000 explicitly granted HUD the power of *enhanced preemption* to override local zoning ordinances that act as barriers to affordable housing. The question then becomes: *Why celebrate localized state laws while ignoring an omnibus federal solution?*

**Table 2: Tactical Execution of Market Control**

<b>Strategic Metric</b>	<b>The MHI / Cavco Corporate Approach</b>	<b>The MHARR Independent Approach</b>
<b>Zoning Execution</b>	Celebrates piecemeal, state-level statutory signings that lack robust enforcement mechanisms.	Demands that Congress compel HUD to fully enforce existing <b>enhanced federal preemption</b> in all 50 states.
<b>Legislative Focus</b>	Backs broad housing bills that offer performative grants or studies rather than strict statutory mandates.	Pushes for binding statutory language and legal challenges to eliminate regulatory and zoning bottlenecks directly.
<b>Market Result</b>	Preserves artificial supply scarcity, which accelerates the decline of	Aims to lower entry costs and maximize production volumes for

Strategic Metric	The MHI / Cavco Corporate Approach	The MHARR Independent Approach
	independent retailers and drives consolidation.	independent builders and retail centers.

## Deconstructing the "Slight of Hand" and Industry Warnings

The disconnect between corporate behavior and industry health was predicted long ago by sector veterans:

- The Doug Gorman Warning:** The late industry icon Doug Gorman, founder of Home-Mart, explicitly warned that the steady decline of independent retail networks would systematically choke off consumer access, eventually leaving the entire distribution system under consolidated corporate control.

Manufactured Housing Institute

- The Tiny House Analogy:** Industry advocate Janet Thome has highlighted a parallel phenomenon within the tiny home and micro-housing spaces. Performative legislative "wins" are routinely celebrated on camera, yet the fine print leaves actual local placement rules so restrictive that the homes remain practically unbuildable for mainstream consumers.
- The Production Trajectory:** The proof is in the production metrics. Despite years of localized zoning adjustments across multiple states, national HUD Code production has continued its year-over-year slide, confirming that these localized measures are failing to reverse the broader industry contraction.

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## SEC Materiality and IRS 990 Implications

This behavioral gap introduces significant compliance and regulatory vulnerabilities for publicly traded giants and tax-exempt trade bodies:

- SEC Materiality & Investor Deception:** Publicly traded entities like Cavco (CVCO) and **Champion Homes (SKY)** routinely assure shareholders in their Investor Relations (IR) presentations and earnings calls that they are aggressively expanding market access. If corporate leadership is fully aware that state-level laws do not yield net production growth—and they simultaneously refuse to deploy legal capital

to trigger supreme federal preemption—they risk cross-examining by regulators over whether their public disclosures are materially misleading.

2. **IRS Form 990 Divergence:** Trade associations operating under 501(c)(6) status, such as MHI, are legally required to advocate for the advancement of the *entire* industry footprint. Pushing compromised, multi-layered regulatory frameworks that shield dominant corporate "moats" while independent members close their doors represents a structural failure to execute their tax-exempt mission. This pattern leaves their annual filings vulnerable to closer administrative scrutiny regarding whose commercial interests are truly being served.

### **Conclusion: Exposing the Narrative**

Cavco's factory floor photo-op with Governor Spanberger is an undeniable triumph of corporate public relations, but it is an objective failure of structural advocacy. Celebrating a state law that is highly vulnerable to local "poison-pill" circumvention—while leaving the supreme weapon of federal preemption completely unused on the shelf—is the definition of an illusion of motion.

For independent operators and asset-limited consumers, the consequences are starkly visible in the declining shipment numbers. True industry health cannot be achieved through carefully staged signing ceremonies. It requires a hard legal pivot toward uncompressed data reporting, strict enforcement of the Duty to Serve mandate, and a coordinated demand for absolute federal preemption across all 50 states. Until the industry's legal capital matches its public relations spending, the affordable housing crisis will continue to grow under a cloud of corporate distortion.

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