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HR 650 Passed House Floor Vote

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The U.S. Senate changing to Republican control seemed to be the impetus for the U.S. House to take up HR 650. Last year's HR 1779, even though it had 117 cosponsors, never received a floor vote. HR 650 had 43 cosponsors and passed the House on a vote of 263-162 on April 14th. All three Iowa Republican members of Congress (Blum, King, Young) voted for HR 650. Congressman Blum was the only Iowa cosponsor and the third earliest cosponsor. Congressman Loebach voted against HR 650 even though he was a cosponsor of last year's bill.

The politics on HR 650 were different this year. Democratic interest groups were active in the final weeks before the vote. Negative media stories were strategically released. It became more difficult for Democrats politically to support HF 650. Only 22 Democrats voted for the bill, most from very safe districts.

On April 15th HR 650 was received in the Senate and assigned to the Senate Banking, Housing, and Urban Affairs Committee, the same committee where the Senate companion bill, S 682 was assigned.

Senate Procedural Differences

Senate action, in a conventional sense, will be more difficult because of Senate rules which allow a filibuster. To overcome

a filibuster, 60 Senators have to vote to cease debate. These days traditional filibusters don't usually occur. The mere threat of a filibuster will stop consideration of a bill. However, there are other ways to pass the language in the Senate. It usually involves putting the language into a bill which isn't likely to be vetoed, such as a budget bill considered very late in the legislative session.

In the meantime we will continue to find cosponsors for S 682. Iowa's senior Senator, Chuck Grassley, cosponsored the bill last year. We are hopeful that Iowa's junior Senator, Joni Ernst, will become a cosponsor. Efforts are being made with both Senators.

Senate Hearing on HR 650/682

A hearing has already been held on HR 650/ S 682. HR 650 passed the House on April 14th. The hearing took place on April 16th. Noteworthy among those testifying was Chris Polychron, who is serving as president of the National Association of Realtors this year. Polychron is a realtor from Hot Springs, Arkansas. He told the Senate Banking Committee that he supports legislation that would carve out an exemption for manufactured housing from the Dodd-Frank law so that more loans could be made to buyers. "A lot of Arkansas depends on manufactured housing," Polychron said. Sen. Tom

Cotton, R-Ark., a member of the Banking panel and a co-sponsor of the legislation, noted that lifting the cap would allow more Arkansans to get loans so that they could purchase their first home. The higher closing costs, he said, would still leave them able to buy a house and still pay less a month than many now face as renters.

Polychron agreed, saying that in Hot Springs rents have risen sharply, in part, because people can't get loans to purchase a home.

Modular Business in Iowa

Modular home orders in Iowa fell 80 homes, or almost 18%, in 2014 when compared to 2013. During the fourth quarter the drop was 10 homes, which was tied for sixth worst among the 34 states reporting to Hallahan & Associates. New York was the top state in the last quarter, by a wide margin, with an increase of 177 homes. The state showing the second best increase was Maine with 31 additional homes.

Iowa's 85 orders in the fourth quarter still placed the state 12th among the 34 states, compared to last year's fourth quarter when Iowa was 10th in the country. Iowa's 85 homes in the quarter represented 3.2% of all single family housing permits in the state.

The loss in business for 2014 represented a stop to gains in the previous four years in Iowa. However, Iowa is still a top ten

modular state. Take a look at the top ten for 2014:

1. New York (1830)
2. North Carolina (1323)
3. New Jersey (971)
4. Pennsylvania (920)
5. North Dakota (868)
6. Virginia (820)
7. Massachusetts (458)
8. Illinois (380)
9. Iowa (377)
10. Michigan (342)
10. Texas (342)

Manufactured Housing Fire Safety Report Has Good News

The National Fire Association (NFPA) has updated its 2011 report on manufactured home fires, and the news continues to be positive. According to the report, manufactured homes had a 2007-2011 fire death rate per 100,000 units that was roughly the same as the rate for other one-or-two single family homes. Manufactured homes built after the introduction of the HUD Code in 1976 have lower rates of civilian deaths per hundred reported deaths than pre HUD-Code homes. The 2007-2011 death rate was 57% lower than for post standard homes for prestandard manufactured homes. According to the report "If all pre-HUD standard manufactured homes were removed from the inventory, the fire death rate per 100,000 occupied manufactured homes would be estimated at 1.9, or well below the range estimated for the rate for other one- or two family homes."

The report found a disturbingly high rate of smoke alarm removal by occupants of manufactured homes. Smoke alarms reportedly are missing in half (51%) of all manufactured home fires where smoke alarm status was reported. Smoke alarms are required by the HUD Code.

North Carolina Manufactured/
Modular Housing News –

ACM 101 Report; ACM 201 Scheduled

44 IMHA members attended the ACM 101 class held in Coralville on March 11-13. The class was taught by Chrissy Jackson. We are grateful for the support of four sponsors of the event: Gallagher & Associates (Matt Fay); 21st Century Mortgage (Corey Jestic); Brenton Communities (Ken Brenton); and MHPI Communities (Justin Pounder). The ACM 201 will be held on May 19-21 in Cedar Rapids. The class will be held in the new DoubleTree Hotel in downtown Cedar Rapids. Only those who have completed ACM 101 are eligible to attend this class. Those going for the ACM designation, Accredited Community Manager, will need to take the ACM 301 class which will be offered in July.

IFA Offers Tax Break for First-Time Home Buyers

The Iowa Finance Authority has announced that eligible first-time Iowa home buyers are eligible for a federal income tax break of up to \$2,000 per year for the life of their mortgage. Approximately 400 Iowa home buyers are expected to benefit from the program, available through a network of lenders. The amount of the tax credit for the 2015 program is set at 50 percent of the mortgage interest paid, up to a maximum of \$2,000 per year, for up to 30 years. The remaining mortgage interest may be taken as a deduction from taxable income if the home buyer itemizes. Eligibility for the Take Credit Program requires home buyers to meet household income and purchase price limitations and meet the definition of a first-time home buyer.

City Drops Age Restrictions on Manufactured Homes

How about an update on a story we first reported on in July of 2008. At that time, the city of Brighton was the only city we knew of that had an age restriction on manufactured homes. Your manufactured home could not be older than 10 years when you brought it into the community of Brighton. IMHA asked the city to drop the ordinance, even having a conversation with the city attorney. Finally we suggested to a community owner in Brighton that he call Des Moines attorney, Jonathan Wilson. Apparently Jonathan was able to make the case in a more compelling way. The city has now dropped their age ordinance against manufactured homes.

Manufacturers' Dues Leaders

Here are the leaders for the first quarter of 2015 in dues payments to IMHA. Manufacturers remit \$150 for each manufactured or modular home shipped into Iowa. If you are an Iowa retailer, be sure to check your invoices to see if your manufacturer is participating in this important part of the funding of the Iowa MHA. It's still the largest source of funding for the association.

1. Champion Homes
2. Wisconsin Homes
3. MHE
3. Skyline
5. Adventure Homes
5. Chief Homes
5. Fairmont
8. Commodore
8. Sunshine