

## Facts, Fajitas, and Fun at the FBOA ANNUAL MEETING!

**The Summit Ridge Community clubhouse was abuzz on Saturday, March 25 when eighteen FBOA members and prospective members gathered for the 3rd Annual Membership Meeting .**

Special guest Bob Doepke from American Modern Insurance started off the day with a thorough presentation of the basics of factory built homeowners insurance. Mr. Doepke taught members how to determine the stability of an insurance company by finding out it's A.M. Best rating. He also gave an overview of reinsurance and how "insurance for insurance companies" affects the ability of a company to pay claims after major disasters. Mr. Doepke was especially helpful in explaining types of settlement options, exclusions and endorsements, and how these different types of coverage can affect the premiums we pay. Several members brought their insurance policies and got answers to their insurance questions.

The annual meeting started promptly at 11:30 AM, beginning with an organizational update by the board president Amy Hartman. Next, the board election was held, with the slate of candidates elected

unanimously. Finally, the board listened to feedback from members. Members gave some great suggestions about working with other national nonprofit organizations like AARP, educating members about manufactured vs. modular housing



*Bob Doepke from American Modern receives a gift from Amy Hartman, Board President.*

and the use of adjustable rate financing of factory built homes.

As the meeting ended, several lucky members took home gift certificates from Home Depot, and members chatted over a delicious fajita lunch. All in all, the annual meeting was a time of learning and celebration for all who attended!

### **A note from members who attended the Annual Meeting:**

"My wife Cat and I attended your 3rd annual meeting held at the Summit Ridge Community....We just want to congratulate you on a job well done in forming Factory Built Owners of America. My wife and I have been to many meetings of this type over the years, but never to one as informative and well planned as this. The speaker, Bob Doepke from American Modern Insurance Group, was excellent in his presentation giving important clear information everyone needs to know in having the best coverage and the best price without any pressure to purchase anything. ...Paul Schoenenberger and Jim McKelvey stood out and answered even more questions both to the group and on an individual basis. To top all that, we were given prizes as we entered the meeting and also door prizes for several of us along with a wonderful lunch from Don Pedro's Restaurant. Thanks again for a wonderful experience, and we are looking forward to your next meeting and highly recommend everyone that can, should attend. They won't be sorry.

*Sincerely, Cat & Pat MacElderry*

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## No Paycheck? No Problem: How To Deal With and Plan for a Suspended Income

**It's challenging enough to make a paycheck last when it comes on a regular basis. What happens when you have to take mandatory vacation, or are paid for some months out of the year but not others? With planning and a careful look at your finances, you can survive the times when the checks are on hold but the expenses march on.**

### What to do today

Not having enough money to pay for life's necessities can be pretty scary,

***Your first task is to take a look at your monthly expenses and prioritize them.***

but there are a few things you can do to get you through this time with minimal hardship.

Your first task is to take a look at your monthly expenses and prioritize them. Decide what you need to pay for and what you can, at least for now, let go. Housing, food, transportation, and insurance should take top priority. Dining out, clothes, and entertainment may need to be sacrificed for the time being. Remember, this isn't forever, when the cash is flowing again, they can be resumed.

When shopping, consider every purchase. Ask yourself if you really need it, and if you do, can it wait a while, or can you get it for less somewhere else. Getting in the habit of asking yourself these questions

will help you become a savvy shopper in both flush and tough times.

If possible, avoid relying on credit cards during this difficult period. It might be hard, but you will be so much happier when that next paycheck comes in and it is not promised to high interest debt. If you have credit card payments, and you simply don't have the money, contact your creditors immediately. You may be eligible for special programs that will keep your accounts in good standing. Waiting until you are behind will not only increase your balance because of hiked up interest rates and fees, but will damage your credit as well.

If you really need to scare up some funds, consider every option:

- Sell assets, from a garage sale to unloading securities (just beware capital gains taxes for next year).
- Obtain temporary employment elsewhere.
- If you have children who work, ask them to contribute to the household budget.
- Make and sell things if you have a creative streak.
- Ask a friend or family member for a loan. Chances are they won't charge any or much interest, but be careful – these sorts of arrangements have damaged many a relationship.
- Borrow from your retirement account or cash value life insurance plan. Be aware, though, that you are borrowing from an asset accumulated for a specific purpose. These come with their own set of problems if you can't pay them back.

There are other sources of funds

available, but beware: they may not be in your best interest in the long run. Here are some of those sources:

- **Payday loans** – Borrowing against future income can seem like a great short-term solution, but with average annual interest rates ranging from 390% to 871%, payday loans are no bargain.
- **Credit card cash advances** – There is often an origination fee to take out cash from a credit card, and interest not only begins to accumu-

***Borrowing against future income can seem like a great short-term solution, but with average annual interest rates ranging from 390% to 871%, payday loans are no bargain.***

late immediately, but is often higher than for purchases.

- **Home equity loans or lines of credit** – Borrowing from the equity in your home does have advantages - the interest is often tax deductible, and the money is readily available. However, if you can't repay the loan, you put your home in danger of foreclosure.
- **Car note loans** – These loans work by a borrower exchanging the title and set of keys for a loan based on the vehicle's value. Interest rates range from 30 to 120 percent, and if a single payment is missed, the car can be repossessed.

*(Continued on page 3)*

## How To Deal With and Plan for a Suspended Income (cont'd)

- **High interest unsecured loans** – Usually lent in increments of \$5,000 or \$10,000, interest rates for this new breed of high-risk, unsecured loans can be as much as 47 percent.

### Planning for Next Time

So what do you do to prevent a scramble for cash next time around? First, mark on your calendar the date that you will have to live on less, so it doesn't come as a surprise. The money you get today will have to be stretched to cover those times when there will be nothing (or less than normal) coming in. Resist the urge to spend it all each month. Develop a detailed budget to know what your monthly expenses are, and then prorate your income:

Example: Your monthly expenses total \$2,000. You don't get paid for two months out of the year, so you will have to have \$4,000 ( $\$2,000 \times 2 = \$4,000$ ) set aside for those non-income earning months. For each of the ten months that you do receive a paycheck, you'll have to set aside \$400 ( $\$4,000/10 = \$400$ ) to cover the time you won't get paid.

Once you know how much you will need to sock away, have the sum deducted monthly from your checking account and automatically deposited into a savings account. Make sure you have the money you will need in an account that is easily accessible and penalty-free (such as a savings account or money market account.)

Careful planning is the key to surviving a time when a paycheck is on hold. By doing so, you'll avoid damaging your good standing with creditors, and you'll gain financial freedom at the same time!

Source: *BALANCE*

## Achieve Financial Fitness with

# BALANCE!

Whether you're interested in developing a workable spending and savings plan, getting out of debt, understanding and improving your credit report, buying a home, or planning for your financial future, **BALANCE** can help. A benefit of your membership in Factory Built Owners of America is access to free and confidential financial counseling and education through **BALANCE**, a nonprofit financial education and counseling service committed to helping individuals and families nationwide take control of their finances and reach their goals.

### TOLL-FREE INFO LINE

Immediate access to financial counselors is available by phone Monday through Thursday from 5:00 A.M. to 8:00 P.M., 5:00 A.M. to 5:00 P.M. on Fridays and 8:00 A.M. to 5:00 P.M. on Saturdays (PST). Multilingual *Info-Line* counselors are qualified to answer a wide variety of money management and credit questions.

### FINANCIAL COUNSELING

Counseling appointments are offered weekdays, weekends, and evenings, in a variety of languages. Expert counselors assist with such issues as money & credit management, credit reports, goal setting, spending and saving plans, debt management, home purchase, mortgage delinquency and foreclosure prevention.

### DEBT MANAGEMENT PLAN

A popular solution for clients who are having trouble making ends meet, are receiving collection calls or letters, or are not able to make progress in paying down debt. Through this plan, **BALANCE** assists you to consolidate bill payments and negotiate with creditors to lower payments and, in some cases, reduce or eliminate interest and fees. The plan enables consumers to repay their unsecured debt in three to five years.

### CREDIT REPORT REVIEW

At a Credit Report Review session, a specialist will review, examine and clarify the information on your credit report, provided by **BALANCE**. During this meeting, you will also be given information about existing credit reporting regulations, instructions for correcting inaccuracies and tools for preventing or recovering from identity theft.

### HOUSING EDUCATION

**BALANCE** is a HUD-approved housing counseling agency. We provide comprehensive pre-purchase housing education ranging from credit scoring education to necessary savings. **BALANCE** also provides early delinquency intervention counseling to assist homeowners in avoiding foreclosure.

**FBOA—a great value!**

## Focus on Factory Built Communities: The Manufactured Housing Institute's COMMUNITY OF DISTINCTION Program

**L**aunched in 2004, MHI's "Community of Distinction" Program promotes the development of quality manufactured home communities. The "MHI Community of Distinction" designation offers assurance to homebuyers, the industry, lenders, insurers, and government officials that the manufactured home community maintains high standards of excellence, concentrating on three primary areas: physical property maintenance, resident satisfaction, and manager educational training.

The "MHI Community of Distinction" Program also strives to enhance the image and professionalism of manufactured home communities nationally by recognizing those communities that meet or exceed standards of excellence. Any manufactured home community may apply for the designation by submitting an application and paying the required fees. If the community passes the three components of the evaluation, the physical property inspection, resident satisfaction survey and the manager educational training, and agrees to abide by the MHI Voluntary Professional Standards of Practice for manufactured home communities, then the community will receive the "MHI Community of Distinction" designation. The community must renew the designation every three years.



Here are the Voluntary Professional Standards of Practice:

- Promote open communication with residents.
- Enforce all agreements concerning relations between the management and residents in a fair, consistent and professional way.
- Be committed to promoting excellent resident relations and exhibit that commitment through policies and practices.
- Provide written agreements to residents including all fees, charges, assessments, rules and other regulations.
- Contribute constructively to the public image of manufactured home community living.
- Commit to employ and develop the highest caliber personnel.
- Be truthful in all advertising statements and promote the positive aspects of manufactured home community living.
- Support in principle and practice equal opportunity for all and comply with Fair Housing laws.
- Strive to provide the highest quality maintenance and

neighborhood environment in a manufactured home community.

- Promote MHI programs and industry educational goals.

Nathan Smith, Chairman of the National Communities Council at MHI, says, "The designation is an excellent indication to current and future residents of a community's commitment to providing the best possible neighborhood environment."

Is your community a "Community of Distinction"? Ask!

*Source: MHI Website and Community of Distinction materials*

### **DID YOU KNOW? NATIONAL RESIDENT RELATIONS FORUM in LAS VEGAS, NV April 18, 2006**

The National Resident Relations Forum is a one-day training event for factory-built community managers and owners. Attendees will:

- ...explore techniques of developing effective resident relations programs
- ... learn first-hand from other community professionals what programs and approaches work and which to avoid.
- ...learn how to cost-effectively implement new services and amenities.
- ...discover ways to improve communication between management and residents to increase resident satisfaction and eliminate disputes.

Visit [www.mhcommunities.org](http://www.mhcommunities.org) for more info.

## Understanding Your Foundation: Blocking Factory Built Homes (1st of a 3-part series)

By Jim McKelvey, *Manufactured Home Repair Expert and exclusive FBOA columnist*



**Well, I'm back.** I hope that all of you are doing well and living life large! I have been really busy with my regular job as a factory built home inventory manager for a national lender. I'm also a single dad with my 13 year old son, John Sebastian. We just came back from a friend's ranch, where we had a chance to do some fishing, four wheeling, reconnecting with friends and nature. Life is good.

Hey, I want to thank you for some of the letters, emails, questions, and comments. I had some fun with those and it sounds like a few of you are enjoying my articles. As I have stated before, writing has never been one of my strengths, but I really enjoy sharing my heart and my experience in with factory built homes.

In the past, I have talked about the importance of re-leveling your home when doing any type of major repair, and the importance of maintaining the level of your home. In response to questions from our members (thanks, Jack from Spokane Valley!), I have decided to write on the subject of **blocking, leveling, and anchoring**

of a factory built home. In this newsletter, I'll be explaining blocking. Stay tuned for articles about anchoring and leveling in future issues.

Now, I am going to do my best to give you a good understanding of **blocking, leveling, and anchoring**. Unlike my usual "do-it-yourself" approach, I'm not going to teach you how to become an expert installer yourself. Rather, I hope to help you understand the basics of how your foundation works so that you can make good decisions about the foundation under your home.

*You must be aware that this is a complex subject that can also be very dangerous. As they say on TV, "do not try this at home!"*

You must be aware that this is a complex subject that can also be very dangerous. As they say on TV, "do not try this at home!"

**To my knowledge, all states have blocking and tie-down requirements.** In many states, installers must be licensed by the state. Check to see what your state's requirements are before hiring anyone to install or work on your foundation. These requirements usually follow the manufacturer's recommendations and specifications. Every new factory built home comes with an owners and installation manual. If you have purchased a used factory built home and did not receive the owners or installation manual, find out

if the manufacturer is still in business, contact them and request a copy of this information. These manuals go into great detail and have great information about maintaining your home.

Most factory built homes have a steel "I" beam frame under the structure. There are usually two per section or module running parallel with each other the length of the home. The housing structure is actually lag bolted to this frame. The axles are attached to these "I" beams for transport. The blocking points that are placed on the ground contact the bottom of these beams, transferring the weight of the home to the ground.

When this frame structure is built, it is not straight. The tail of the frame system, from the axle area, rises up and between the axle area and the front hitch, the frame has a big upward bow in it. This is called **frame camber**. As the weight of the floors, walls, roof, etc. are added, the frame levels out. If the frames didn't have this built in camber, the home would sag and make it very difficult to transport and stay together.

The blocking points usually consist of a combination of concrete blocks stacked on top of a base pad, capped off with wood plates and often a cedar wedge on top used for fine adjustments. I have seen specifications call for these blocking points to be from 3' to 9' apart. It usually depends on the density of the soil and the weight of the home. The looser the soil, the heavier the home, the more blocking points required to stabilize it.

For a period of time, our industry also used an adjustable metal jack stand.

*(Continued on page 7)*

## What's under your home?

*The right foundation can make all the difference.*

*By Jim Russell*

**F**oundations for factory built homes are not exactly something most people talk about over dinner. Most of the time, foundations just sit there, holding up houses, doing their job without fanfare. It's only the occasional floor squeak, perhaps a little settling, when people pay attention to the foundation.

But a good foundation for a factory built home does matter, perhaps in more ways than you think. The interest rate on financing or refinancing your home is related to the type of foundation the home is placed on. Placing a home on a permanent foundation allows the home to be financed with the land it sits on in a standard "land-home" mortgage transaction, and interest rates on mortgages are generally lower than when the home is financed without the land. Knowing what constitutes a **permanent foundation** can provide support beyond just holding up your house; the right foundation can extend the financial opportunities your home can provide to you.

There are a variety of foundation systems out there.

Common foundation systems include jack stands, pier blocking, pier blocking on concrete runners, or even blocking on concrete pads. These systems do a good job most of the time. In extreme conditions, such as high-wind areas and seismic zones, additional measures such as tie-downs and cross bracing must be taken to assure that your home stays put.

**What is a permanent foundation?** A permanent foundation by the U.S. Dept. of Housing and Urban Development standards (see the publication "Permanent Foundations Guide for Manufactured Housing" at [www.huduser.org/publications/destech/permfound.html](http://www.huduser.org/publications/destech/permfound.html)) is defined as follows:

"Permanent foundations must be constructed of durable materials; i.e. concrete, mortared masonry, or treated wood - and be site built. It shall have attachment points to anchor and stabilize the manufactured home to transfer all loads, here defined, to the under lying soil or rock. The permanent foundations shall be structurally developed in accordance with this document or be structurally designed by a

*(Continued on page 8)*

Check out our *newest*

## MEMBER BENEFITS



**FoundationWorks, Inc.** manufactures, and markets proven foundation systems designed and engineered especially to improve the performance and appearance of Factory Built homes. These highly innovative structural systems combine to create a next generation foundation, which goes beyond site-poured concrete in both performance and cost savings, with comparable exterior appearance. Contact **FoundationWorks** toll free at 1-800-497-5484. You can find **FoundationWorks** on the web at [www.foundationworksinc.com](http://www.foundationworksinc.com).

As a benefit of membership in Factory Built Owners of America, FoundationWorks is offering a \$100 rebate to FBOA members who install a FoundationWorks system.

**If you're an FBOA member, call the FBOA office at 1-866-764-5505 to get the info you need to receive the benefits listed above.**

**Blocking—(Cont'd from page 5)**

The advantages of jack stands were that they were light weight, easy to throw around while blocking a home, easy to make adjustments, and easy to maintain level. You simply carried a wrench under your home and tightened the nuts to make minor adjustments. Probably the greatest disadvantage was that the pier heads had play in the adjustment bolts, and the bases were narrower than the concrete blocks, making the piers not quite as stable as the concrete.

The concrete blocks used are actually designed specifically for factory built homes. They are constructed from a denser, heavier concrete mix. They may have a mark easily identifying them as being built to these specific requirements. If you are going to add blocking to your home, ask the supplier for these heavier blocks.

I personally like to see homes blocked out with points that are between 4' and 6' apart. You would start a blocking point with a 4"(thick) x 16" x 16" base pad placed directly on the ground, or on a prepared pad site. If you are not on concrete, you must level this pad. We usually use a straight claw hammer to level the ground and a short level to level the pad. This pad must be level, or as you build your blocking points, they will be crooked and leaning.

After the base pad is placed directly under the frame and leveled, you start stacking blocks. The blocks are 8" x 16" in size and vary in thicknesses from 8", 4", and 2". The 8" thick blocks, usually have two open cells in them. These are often called cell blocks. They also come in solids, no cells. Solids are usually required in hurricane zones, along the coast. You always stack blocks, centered on the base pad, with the 16"

length turned perpendicular to the "I" beam, not parallel. You always start with the thicker blocks and work your way down to the thinner. You cap the concrete with a 1"x 8"x 16" or a 2"x 8"x 16" wood plate, usually made of yellow pine.

Many specifications require blocks to be double-stacked if the blocking point is over 30" high. This means that instead of centering an 8"x 8"x 16" block on a base pad, you place two, side by side, which covers the base pad completely. The next two 8" blocks are turned parallel with the "I" beam. The next two are perpendicular. Usually these blocks are capped off with another base pad on top, then your wood and wedges.

If your home is already installed, but the spacing between blocking points is excessive, you might want to add

## WE GET LETTERS!

Dear Mr. McKelvey,

I certainly appreciate your information in the FBOA Bulletin as the Manufactured Home Repair Expert. I am now a one year novice mobile home owner, and having never been in one before, you can imagine how much I have to learn. ("Skirting" is new in my vocabulary!)

Your articles are interesting, and I am storing them all in the event of future repairs...my mobile home is older and will probably need them!

Thank you.

*Virginia M.,*  
Mission Hills, California

### *Here's a little inside trick.*

If you have a squeak in your floor when walking over a specific area, it is usually a loose lag bolt. You can go under your home, locate the bolts in this area, snug them down. No more squeak! These bolts have a ½" or 9/16" head. They are located at every **outrigger** (the wings that run from the "I" beams to the outside edge of the home), and are also located along the upper lip of the "I" beam. They screw into the bottom of the floor joists.

blocking points. Or if, in your high traffic areas, you can feel the home shake when you walk, the existing blocks should be tightened and a few extra blocking points added. If your home is already level, inserting one or two wood wedges between the top of the new blocking point and the bottom of the "I" beam to transfer the weight may be all that is necessary. Another possibility is to place a 10 to 20 ton bottle jack along side of the new blocking point, raise the frame a ½ ", insert the wedges and drop the jack. This will tighten the new blocking point, for sure.

Next time, I'll talk about **anchoring and leveling** your home. Keep the questions and feedback coming. Please write me to let me know what's on your mind, or call me at 1-866-764-5505.

*Jim*

## WELCOME

To our newest  
corporate member:

California MHI

Thank you!

**FACTORY BUILT OWNERS  
OF AMERICA**

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San Antonio, TX 78201

**PHONE:**  
(866) 764-5505

**E-MAIL:**  
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**WEBSITE:**  
Find lots of great resources at:  
[www.factorybuiltowners.org](http://www.factorybuiltowners.org)

We welcome your comments, questions, suggestions to **Editor, Factory Built Bulletin** at the email or postal address above.

*The opinions expressed in this publication are those of the individual authors and do not necessarily represent the views of Factory Built Owners of America, its Board of Directors, members, sponsors or staff. This newsletter is designed to provide accurate information in regard to the subject matter covered. It is offered with the understanding that Factory Built Owners of America or the authors are not rendering legal, financial, technical or other professional services. If expert assistance is required, readers should engage the services of a competent professional.*

**FACTORY BUILT OWNERS OF AMERICA**

P.O. Box 100056  
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**What's Under Your Home? (cont'd)**

licensed professional engineer for vertical and lateral stability.”

Generally, a permanent foundation includes concrete footings below the frost depth, anchoring, and some type of skirting.

If you decide that you are ready to put your home on a permanent foundation, you have a couple of options. First, you can re-install the home, which means removing it from the site, pouring the runners and placing the pier blocking, and reinstalling the home. Second, you can find a foundation system where replacing the foundation can occur in place without any disturbance to your home.

Installing a permanent foundation isn't as difficult as it used to be because there are new systems which can be installed without the home being moved. The replacement process can happen in hours, not days, and is engineered and recognized as a permanent foundation. Because the support system is an all-inclusive unitized approach (concrete pad, support column, and bracket), the new foundation system can be brought in and placed, and the old system removed, with minimal disruption to your site. Like with a new installation, make sure and ask for supporting documentation that the system is considered permanent.

**Your foundation could be performing for you in ways you didn't think of. It might now be something for dinner conversation!**