

NATIONWIDE *Homes*

H I P E R F O R M A N C E B U I L D E R S

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Derrick Welch
Joint Legislative Commission on Governmental Operations

Mr. Welch:

Thank you for taking the time to learn more about Nationwide Homes (NH), modular construction, and how modular homes could benefit projects like the North Carolina Office of Recovery and Resiliency's Homeowner Recovery Program (HRP). Using modular construction, especially for rebuild projects such as the HRP, can greatly increase the amount of homes built, and reduce the amount of time associated with home completion. Please find below my responses to your inquiries as requested.

- **Background on Nationwide Homes**

NH has been a leader in modular construction in the Southeast since 1959. We have built more than 52,000 homes that have been delivered into 16 states, from the Florida Keys to Bald Head Island to the Jersey Shore. Currently, 75% of homes built by NH are being delivered to North Carolina.

- **Nationwide Construction and Quality**

NH are built to exceed the building codes for the state and county that the home is being delivered and set in. A home built by NH is much stronger than a similarly built site constructed home. This is mainly due to our homes being delivered up to 1000 miles and crane set on a foundation. NH has a comprehensive engineering department, thorough in-house quality control department, along with an outside third party inspection firm, that oversees construction quality and standards. This third party handles all inspections on factory built and installed items, leaving less onsite inspections for local jurisdictions. All homes by NH achieve the National Green Building Standard bronze level rating from the factory due to our construction standards, materials, and limited waste. Our homes are built Energy Star ready, and after a site inspection and test, can be certified Energy Star.

- **Advantages to Modular Construction**

Modular homes are built in a controlled environment that lends itself to advantages over site built construction. With all materials and construction being under roof and out of the elements, homes are not subject to delays and problems associated with weather that site built construction deals with. Efficiencies with building on a production line increase speed, reduce costs, and provide more consistent quality relative to other methods of construction. Houses are delivered up to 75% complete from the factory, helping eliminate certain onsite subcontractors and reducing time.

- **Stock Floorplans**

NH has over 75 stock floorplans available, ranging from 1000 square feet to over 3000 square feet. Styles of homes include ranches, cape cods, two stories, end-entry plans, chalets, duplexes and townhomes. All of the sizes and styles of homes needed for the HRP could be achieved by stock floorplans available from NH.

- **Nationwide Homes and the Homeowner Recovery Program**

NH became aware of the HRP through Rescue Construction Solutions (RCS) on or around September/October 2021. RCS was approved to become an authorized NH builder shortly after.

- **Challenges with HRP's floorplans**

All of HRP's floorplans had to or will have to be converted to become "modular friendly". There were 3 different levels of conversion to satisfy both the HRP's regulations and the parameters the factory needed to maintain efficiencies.

1. **Level 1** – Plans were modified slightly, with no real visual changes to the plan and the home could be finished up to 75% at the factory. This level consisted of only 3 or 4 plans.
2. **Level 2** – Plans were modified slightly, but required additional construction onsite, adding cost and time. Very little visual changes to the HRP's plan, but the added onsite work made these plan counterproductive relative to the objective of the HRP. This level consisted of approximately 15 plans.
3. **Level 3** – Plans were modified significantly to make them "modular friendly". There are visual changes that can be noticed when comparing the original HRP's floorplan to the modular floorplan. Some plans would require additional site work, adding cost and time. Most of these changes would not be accepted by the HRP. NH made it clear that we were not interested in building these plans due to the difficulty of maintaining factory efficiencies. This level consisted of approximately 6 plans.

- **Input on HRP's construction standards**

- Wind Zone – HRP required that all homes be built to the highest wind zone rating in North Carolina. This was not an issue with NH, but approximately 25% of houses were delivered in counties requiring this type of construction. Building to this wind zone rating increases cost from the factory as well as additional cost and time onsite.
- Cementitious Siding – HRP required that all homes be built with cementitious siding. Although cement siding may be preferred, vinyl siding is code compliant and is much more maintenance free.

- **Modular Construction and the HRP**

The overall objective to the HRP, as it pertains to new construction, is to provide qualified applicants with new homes that are well built, timely constructed, and easy to maintain. Modular construction checks all of these boxes. With 1000's of houses to build, a mix of modular factories and site built contractors is the only way to achieve what is expected of the HRP. In addition, giving more site built contractors the ability to use modular construction would assure more houses are being built and completed timely, per the scope of the HRP.

Sincerely,



Allen Guinn
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Licensed General Contractor
Nationwide Homes