

October 28, 2010

The Honorable X
United States Senate
XX Senate Office Building
Washington, DC 20510

Dear Senator XX:

Senate leaders have introduced the Advanced Energy Tax Incentives Act of 2010 (S. 3935), which provides proven tax incentives for critical energy efficiency policies and programs. As (title) of (company), I am writing to express my strong support for incorporating the Advanced Energy Tax Incentives Act in any extension of expiring energy tax provision.

With homebuilding facilities in XX, we recognize that the efficiency of the homes we build have a major impact on home ownership affordability for families in (State). Building highly energy efficient ENERGY STAR homes is also good for business making our homes more competitive throughout the region.

S. 3935, introduced by Senators Jeff Bingaman and Olympia Snowe, amends Section 45L, provides for a tax credit of \$1,500 for qualifying ENERGY STAR[®] manufactured homes, an increase from the current \$1,000 credit. The credit increases to \$2,500 when the new, more stringent manufactured housing ENERGY STAR requirements go into effect in 2011. For the highly price sensitive manufactured home market, these credits are vital to helping buyers afford the added costs to purchase an ENERGY STAR home and will significantly reduce the cost of homeownership. While the \$1,000 tax credit was valuable in helping grow manufactured home ENERGY STAR market share to around 5% of total sales nationwide, the high cost of building to ENERGY STAR remains a barrier for this part of the affordable housing market. Increasing the credit will be instrumental in placing ENERGY STAR within reach of a much larger share of new manufactured homebuyers.

Perhaps more than any other segment of the home building industry ENERGY STAR is reshaping how manufactured home owners use and conserve energy. Extension of the new homes credit will provide continuity for this federally-developed and directed program providing buyers with access to homes that are highly efficient, a key to affordability. Once built, these homes provide energy savings that are locked in for the life of the home.

Please consider co-sponsoring S. 3935 and including “The Advanced Energy Tax Incentives Act of 2010” in any extension of expiring energy tax provisions. It is an invaluable part of any strategy to increase energy efficiency in our nation’s housing industry.

Thank you for consideration of our views.

Sincerely,

MHI Member