EAST OREGONIAN
Founded October 16, 1875

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OUR VIEW

Investigation finds quagmire of mobile-home abuses

It's like discovering the person we thought was Santa Claus is actually rapaciously mean old banker Mr. Henry F. Potter from It's a Wonderful Life: respected philanthropist Warren Buffet turns out to be America's worst mobile-home slumlord.

This is the conclusion of an investigative series by *The Seattle Times* and The Center for Public Integrity, the first part of which was published April 2. Buffet's Berkshire Hathaway, the legendary investment conglomerate that has built a reputation for sensible acquisitions of famous American companies, owns a veritable rat's nest of mobile-home interests collectively known as Clayton.

> There is nothing wrong with mobile homes. But there is a lot wrong with taking advantage of those who lack good alternatives.

"Buffett's mobile-home empire promises low-income Americans the dream of homeownership. But Clayton relies on predatory sales practices, exorbitant fees, and interest rates that can exceed 15 percent, trapping many buyers in loans they can't afford and in homes that are almost impossible to sell or refinance," the investigation found. See the story at tinyurl.com/n7pnlsf.

Mobile homes are a decent housing option for about 20 million Americans. Thanks to square-foot prices that can be far lower than stick-built homes constructed on-site and arrangements like leasing rather buying the land on which they sit, mobile homes are often the default choice for first-time rural home buyers, retirees, the disabled, immigrants and the working poor. Here in coastal Oregon and Washington, where available jobs sometimes don't pay enough to afford a mortgage on a conventional house, mobile homes put roofs over the heads of many in the hospitality and seafood industries.

In other words, there's nothing wrong with mobile homes. But there's a lot wrong with taking advantage of those who lack good alternatives.

The *Times*/CPI story makes it clear that beyond simple corporate greed, there is much blame to go around for political leaders, who have acquiesced to millions of industry lobbying in recent years from a trade group called Manufactured Housing Institute. The result has been a hands-off approach to the industry and to the specific practices engaged in by these Berkshire Hathaway-owned firms. Some obvious legislative and regulatory reforms highlighted by the report:

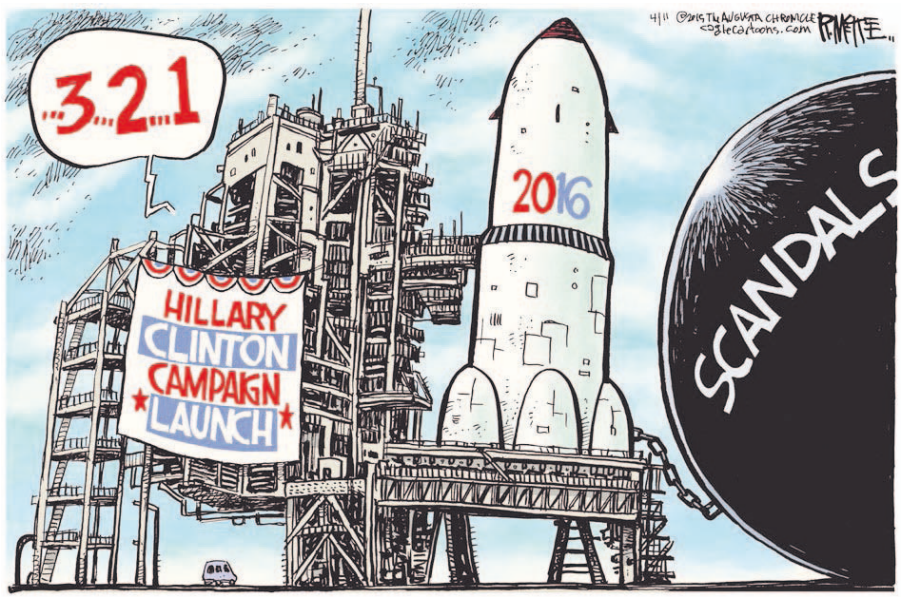
• Mobile-home buyers now are usually forced to take out personal-property loans, meaning that their homes are classified in the same way as motor vehicles and can be seized with little or no warning or legal oversight. Usually, unless the mobile home is tied together with a land title, judicial foreclosure protections don't apply.

• Despite being told 15 years ago by Congress to make mobile homes more affordable by investigating issues like loan terms, the federal Department of Housing and Urban Affairs has yet to do so. This contributes to issues like Clayton getting away with loan interest rates far in excess of the industry as a whole. Nationwide, Clayton's rates averaged 6.8 percent more than those for a typical home loan in the 2010 to 2013 period, compared to 4 percent more for other mobile-home lenders. In Oregon, Clayton's rates exceeded 7.5 percent more during that period, whereas other lenders averaged only 3 percent more.

• Clayton and related Berkshire Hathaway firms are described in the investigation as engaging in a wide variety of practices that most people would consider sleazy — such as running multiple mobile-home lots under different names in the same city that pretend to compete against one another, and leading borrowers to believe they can only qualify for loans through Clayton-owned lenders.

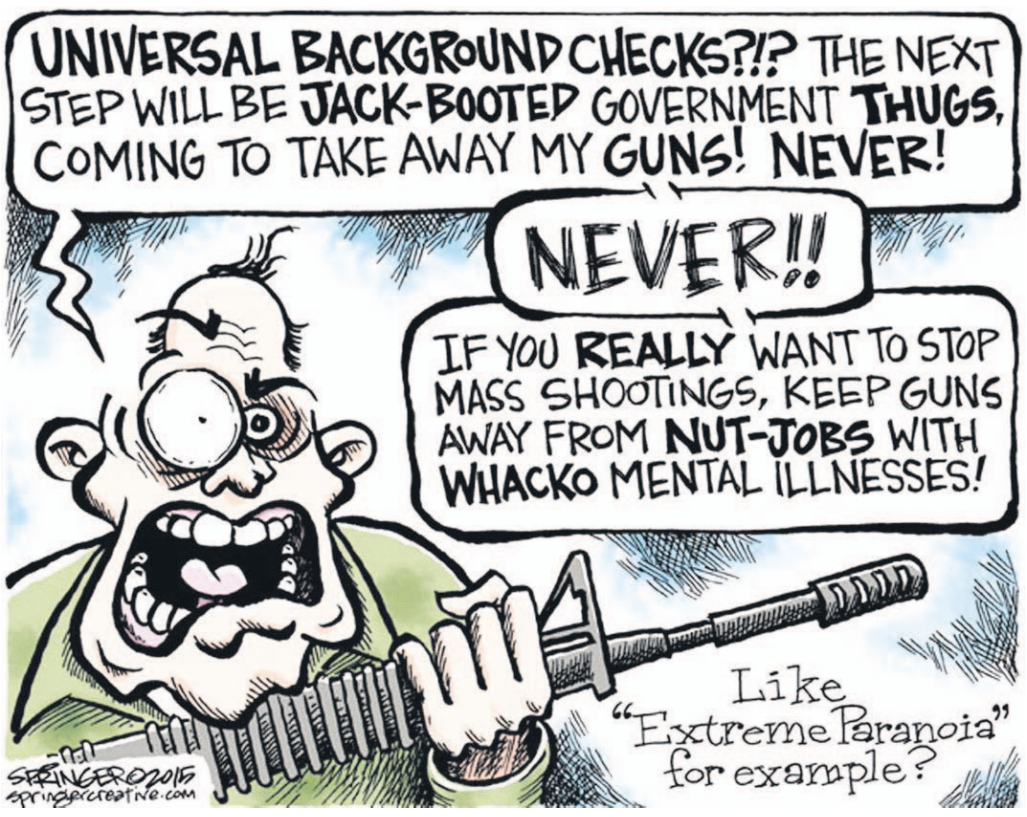
All this is an ugly picture, to which Clayton and Berkshire Hathaway have barely bothered to respond. They must do so. And state and federal intervention is long overdue.

Unsigned editorials are the opinion of the East Oregonian editorial board of Publisher Kathryn Brown, Managing Editor Daniel Wattenburger, and Opinion Page Editor Tim Trainor. Other columns, letters and cartoons on this page express the opinions of the authors and not necessarily that of the East Oregonian.



LETTERS POLICY

The East Oregonian welcomes original letters of 400 words or less on public issues and public policies for publication in the newspaper and on our website. The newspaper reserves the right to withhold letters that address concerns about individual services and products or letters that infringe on the rights of private citizens. Submitted letters must be signed by the author and include the city of residence and a daytime phone number. The phone number will not be published. Unsigned letters will not be published. Send letters to Managing Editor Daniel Wattenburger, 211 S.E. Byers Ave. Pendleton, OR 97801 or email editor@eastoregonian.com.



OTHER VIEWS

The revolution lives!

DAVID BROOKS
Comment

Beyond all the talk of centrifuges and enrichment capacities, President Barack Obama's deal with Iran is really a giant gamble on the nature of the Iranian regime. The core question is: Are the men who control that country more like Lenin or are they more like Gorbachev? Do they still fervently believe in their revolution and would they use their post-sanctions wealth to export it and destabilize their region? Or have they lost faith in their revolution? Will they use a deal as a way to rejoin the community of nations?

We got a big piece of evidence on those questions Thursday. Iran's supreme leader, Ayatollah Ali Khamenei, delivered his first big response to the sort-of-agreed-upon nuclear framework. What did we learn?

> Khamenei's speech suggests that Iran still fundamentally sees itself in a holy war with the West.

First, we learned that Iran's supreme leader still regards the United States as his enemy. The audience chanted "Death to America" during his speech, and Khamenei himself dismissed America's "devilish" intentions. When a radical religious leader uses words like "devilish," he's not using the way it's used in a chocolate-cake commercial. He means he thinks the United States is the embodiment of evil.

Second, we learned that the West wants a deal more than Khamenei does.

"I was never optimistic about negotiating with America," he declared.

Throughout the speech, his words dripped with a lack of enthusiasm for the whole enterprise.

Obama is campaigning for a deal, while Khamenei is unmoved. That imbalance explains why Western negotiators had to give away so many of their original demands. The United States had originally insisted upon an end to Iran's nuclear program, a suspension of its enrichment of uranium, but that was conceded to keep Iran at the table.

Third, we learned that the ayatollah is demanding total trust from us while offering maximum contempt in return. Khamenei communicated a smug and self-righteous sense of superiority toward the West throughout his remarks. He haughtily repeated his demand that the West permanently end all sanctions on the very day the deal is signed. He insisted that no inspectors could visit Iranian military facilities. This would make a hash of verification and enforcement.

Fourth, we learned that Khamenei and the United States see different realities. It's been pointed out that Iranian and U.S. officials describe the "agreed upon" framework in different ways. That's because, Khamenei suggested, the Americans are lying.

"I'm really worried as the other side is into lying and breaching promises. An example was the White House fact sheet," he said. "This came out a few hours after the negotiations, and most of it was against the agreement and was wrong. They are always trying to deceive and break promises."

Fifth, Khamenei reminded us that, even at the most delicate moment in these talks, he is still intent on putting Iran on a collision course with Sunnis and the West. He attacked the Saudi leaders as "inexperienced youngsters" and criticized efforts to push back on Iranian efforts to destabilize Yemen.

The foreign minister of the United Arab Emirates, Sheikh Abdullah bin Zayed al-Nahyan, characterized Iran's recent bellicosity this way: "It's about Iran believing in exporting the revolution. It's part of their regime, a part of their ideology."

Khamenei's remarks could be bluster, tactical positioning for some domestic or international audience. But they are entirely consistent with recent Iranian behavior. His speech suggests that Iran still fundamentally sees itself in a holy war with the West, a war that can be managed prudently but that is still a fundamental clash of values and interests. His speech suggests, as Henry Kissinger and George Shultz put it in a brilliant op-ed essay in *The Wall Street Journal* on Wednesday, that there is no congruence of interests between us and Iran. We envision a region of stable nation-states. They see a revolutionary anti-Western order.

If Iran still has revolutionary intent, then no amount of treaty subtlety will enforce this deal. Iran will begin subtly subverting any agreement. It will continue to work on its advanced nuclear technology even during the agreement. It will inevitably use nuclear weaponry, or even the threat of eventual nuclear weaponry, to advance its apocalyptic interests. Every other regional power will prepare for the worst, and we'll get a pseudo nuclear arms race in a region of disintegrating nation-states.

If Obama is right and Iran is on the verge of change, the deal is a home run. But we have a terrible record of predicting trends in the Middle East. Republican and Democratic administrations have continually anticipated turning points in the Middle East: Republicans after interventions, Democrats after negotiations. But the dawns never come.

At some point, there has to be a scintilla of evidence that Iran wants to change. Khamenei's speech offers none. Negotiating an arms treaty with Brezhnev and Gorbachev was one thing. But with this guy? Good luck with that.

■

David Brooks became a New York Times Op-Ed columnist in September 2003.

YOUR VIEWS

New BMCC bond has same problems as the last one

Workforce Training and Early Learning Center ($4,782,360). This is the first of many issues facing us in this Blue Mountain Community College bond proposal.

The BMCC president stated at a recent public meeting that this project equally includes migrant workers and legal citizens who need babysitting while they work. She also said that the Boardman Early Learning Center would be available for children from birth to five years of age (at the community college).

Along with that, BMCC will arrange training and education for parents and children including access to dental, vision and health needs. There is no mention of operating costs resulting from the projects. Are day care workers/early learning center workers paid teacher wages (with benefits) or day care worker wages?

Can we afford duplicating already existing programs like Head Start?

Why is BMCC asking us to pay $4 million for a Boardman facility that does not benefit all the other communities that have to pay for it?

Here we go again — watch for more.

Eli Stephens
Pendleton

Fifty years later, BMCC needs upgrades to remain an asset

More than 50 years ago, far-sighted people in Umatilla and Morrow counties determined the need and value of providing advanced education classes and professional technical training for students in this area. This ultimately led to the development of Blue Mountain Community College.

This foresight provided many young and older people with the opportunity to further their education, improve their employment possibilities and contribute to the community. BMCC grew and spread to surrounding counties and became an important and productive asset in the Eastern Oregon region.

It is understandable that 50 years later some of the original infrastructure needs renovation, repair, and repurposing or reconstruction to meet ongoing and additional needs. Construction bonds are also necessary for new or improved programs such as Precision Irrigated Agriculture, the Workforce Training and Early Learning Center, and an Agriculture Center of Excellence.

We want to continue to provide an innovative and competitive educational experience with excellent training opportunities for the students in this region. Therefore, it is important for all of us to support the BMCC bond levy in the May 19 election. Please join us in voting for this important measure.

Bob and Evelyn Jenson
Pendleton