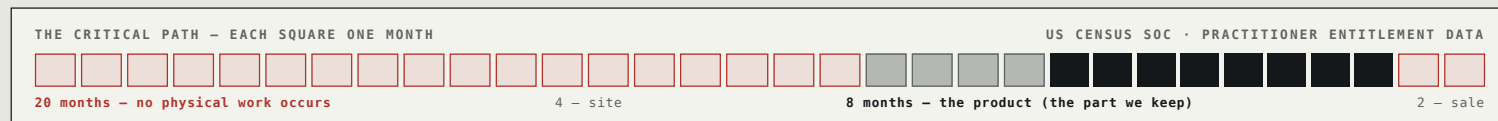


**AMERICA PROVED IT CAN BUILD CHEAP HOUSING.
IT NEVER BUILT THE SYSTEM THAT LETS CHEAP
HOUSING SURVIVE.**

Every American home is a one-off: designed from scratch, reviewed by hand against prose rules, appraised against whatever sold nearby, financed against that appraisal. Nothing is certified in advance; nothing carries forward. The result is a **~32-month path from idea to sale, of which ~8 months is construction** — a clock that locks out risk capital (an identical margin returns $\approx 9\%$ over 32 months and $\approx 47\%$ over 7) and an industry whose productivity outgrew the auto industry from 1940–1970, then collapsed when project-level regulation spread.



WHAT HAS BEEN TRIED

- ✗ **Better factories** — Operation Breakthrough ('69), Kattera ('21). Built identical units into a system that re-evaluates each one individually. Failed four times, once with unlimited capital.
- ✗ **Federal preemption** — the 1976 HUD Code produced America's only consistently cheap new-build product. Then financing killed it: <30% loan approval vs >70% site-built, 5.61% vs 1.20% rate spreads, shipments halved.
- ✗ **Local zoning reform** — fifty years of asking an agent to defect from their principal. Officials answer to incumbent homeowners, and ~2/3 of households hold their main asset in home equity. New supply is dilution.
- ✗ **Compiled-code screening** — the rules are already digitized across thousands of counties. Cycle time didn't move: a private assertion of compliance carries no legal weight. It compresses 2 months of 32.

WHY THEY ALL FAIL THE SAME WAY

Three locks must turn together — approval, valuation, demand. Every attempt turned one and was killed by another.

The pattern reproduces worldwide: **Tokyo** solved approval (and still permits by hand). **Vienna** solved land capture (not production). **Singapore** solved process (with state powers that don't transfer). **Auckland** solved capacity — and proved the savings reach residents: rents 23–28% below counterfactual.

Nobody has both halves — the legal right and the infrastructure to exercise it. Arizona is the live proof: statewide by-right casita rights since Jan 2026, no plan library, no shared record, throughput unpublished.

PREEMPTION GRANTS THE RIGHT. INFRASTRUCTURE MAKES IT EXERCISABLE. NEITHER DELIVERS ALONE.

THE SOLUTION – A CONFORMANCE AUTHORITY, SEQUENCED BY THE POLITICAL MAP

1 · Start where the principal says yes

Build on land incumbents already own — casitas, conversions, owner lot-splits. The only segment where the homeowner-voter is the builder. In AZ, starter-home preemption died twice; casita preemption passed twice.

2 · Make the determination authoritative

Compiled rules + a licensed professional of record + insurance behind the determination. The jurisdiction accepts it in lieu of first-pass review — approval becomes costless to the official. Risk transfer, not persuasion.

3 · Turn the valuation lock

The certified type becomes the appraisal unit — cost, performance, resale data attached. The exact failure that killed manufactured housing, and the lock with zero identified competitors.

4 · Aggregate demand, then build

An order book of committed households — factory economics and a named constituency at the hearing. Production comes last: it is the layer four prior attempts started from.

WHY THIS WORKS WHERE THOSE DIDN'T

- ✓ **Doesn't ask agents to defect.** Risk transfer + fee-neutrality make approval costless to the official and revenue-neutral to the department.
- ✓ **Doesn't stop at one lock.** Valuation is in the architecture because 1976 proved its absence is fatal.
- ✓ **Doesn't build the factory first.** Production is deliberately last — the one stage that shouldn't compress is the only one prior attempts worked on.
- ✓ **Possible now, not in 1969.** The binding input — cost of encoding ~20,000 local codebases — collapsed ~3 years ago. Singapore needed 28 years to hand-encode one jurisdiction.

WHAT IS HONESTLY UNPROVEN

Codes are compilably objective — never measured. Gate 0: two weeks, no capital.

A jurisdiction will accept it; a carrier will insure it — the entire thesis. Gates 3–4, testable within a year.

Arizona's granted right produced throughput — unpublished. Gate 1: records requests.

NO GATE CLEARED. NO CAPITAL SHOULD BE RAISED AGAINST AN UNCLEARED GATE.

America already proved it can build cheap housing. It has never once built the approval, valuation, and demand infrastructure that lets cheap housing survive — and for the first time, building that infrastructure costs less than not having it.