UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 25, 2004

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-22684

UNIVERSAL FOREST PRODUCTS, INC.
(Exact name of registrant as specified in its charter)

Michigan	38-1465835
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
2801 East Beltline NE, Grand Rapids, Michigan	49525
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code(616) 364-6161

NONE

(Former name or former address, if changed since last report.)

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by checkmark whether the registrant is an accelerated filer (as defined by Rule 12b-2 of the Exchange Act). Yes [X] No [ ]

Indicate the number of shares of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Outstanding as of September 25, 2004
Common stock, no par value	17,905,246

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UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)

(in thousands, except share data)

	September 25, 2004	December 27, 2003	September 27, 2003
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 19,285	$ 17,430	$ 15,340
Accounts receivable (net of allowances of $4,094, $1,891 and $3,291)	251,045	137,660	157,768
Inventories:			
Raw materials	107,772	83,064	81,831
Finished goods	98,872	86,497	79,124
	206,644	169,561	160,955
Insurance receivable	1,445		
Other current assets	8,591	9,836	7,795
TOTAL CURRENT ASSETS	487,010	334,487	341,858
OTHER ASSETS	6,906	6,421	5,679
GOODWILL	123,678	125,028	124,377
NON-COMPETE AND LICENSING AGREEMENTS (net of accumulated amortization of $5,434, $4,003 and $3,627)	8,607	6,791	7,168
PROPERTY, PLANT AND EQUIPMENT:			
Property, plant and equipment	370,491	361,368	355,552
Accumulated depreciation and amortization	(161,251)	(147,164)	(141,215)
PROPERTY, PLANT AND EQUIPMENT, NET	209,240	214,204	214,337
TOTAL ASSETS	$ 835,441	$ 686,931	$ 693,419
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Short-term debt		$ 1,726	$ 645
Accounts payable	$ 119,254	81,687	96,481
Accrued liabilities:			
Compensation and benefits	59,859	47,150	46,293
Other	26,108	6,723	17,570
Current portion of long-term debt and capital lease obligations	527	6,411	6,263
TOTAL CURRENT LIABILITIES	205,748	143,697	167,252
LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, less current portion	247,978	205,049	195,833
DEFERRED INCOME TAXES	16,226	15,984	12,671
MINORITY INTEREST	8,903	7,780	8,211
OTHER LIABILITIES	9,174	9,317	10,241
TOTAL LIABILITIES	488,029	381,827	394,208

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS - CONTINUED

	September 25, 2004	December 27, 2003	September 27, 2003
SHAREHOLDERS' EQUITY:			
Preferred stock, no par value; shares authorized 1,000,000; issued and outstanding, none			
Common stock, no par value; shares authorized 40,000,000; issued and outstanding, 17,905,246, 17,777,631 and 17,752,355	$ 17,905	$ 17,778	$ 17,752
Additional paid-in capital	87,162	84,610	84,170
Deferred stock compensation	3,299	2,447	2,375
Retained earnings	239,672	200,745	195,384
Accumulated other comprehensive earnings	949	1,396	1,514
	348,987	306,976	301,195
Employee stock notes receivable	(1,575)	(1,872)	(1,984)
TOTAL SHAREHOLDERS' EQUITY	347,412	305,104	299,211
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 835,441	$ 686,931	$ 693,419

See notes to consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS
(Unaudited)

(in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	Sept. 25, 2004	Sept. 27, 2003	Sept. 25, 2004	Sept. 27, 2003
NET SALES	$ 709,294	$ 536,278	$ 1,917,527	$ 1,444,360
COST OF GOODS SOLD	625,502	463,715	1,684,553	1,241,251
GROSS PROFIT	83,792	72,563	232,974	203,109
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	54,604	48,424	154,615	135,309
EARNINGS FROM OPERATIONS	29,188	24,139	78,359	67,800
OTHER EXPENSE (INCOME):				
Interest expense	3,641	3,526	11,052	11,271
Interest income	(39)	(2)	(224)	(133)
Net gain on sale of real estate and interest in subsidiary			(944)	
	3,602	3,524	9,884	11,138
EARNINGS BEFORE INCOME TAXES AND MINORITY INTEREST	25,586	20,615	68,475	56,662
INCOME TAXES	9,261	7,715	25,550	20,964
EARNINGS BEFORE MINORITY INTEREST	16,325	12,900	42,925	35,698
MINORITY INTEREST	(1,699)	(695)	(2,976)	(1,831)
NET EARNINGS	$ 14,626	$ 12,205	$ 39,949	$ 33,867
EARNINGS PER SHARE - BASIC	$ 0.81	$ 0.69	$ 2.22	$ 1.91
EARNINGS PER SHARE - DILUTED	$ 0.78	$ 0.66	$ 2.13	$ 1.85
WEIGHTED AVERAGE SHARES OUTSTANDING	18,083	17,765	18,015	17,745
WEIGHTED AVERAGE SHARES OUTSTANDING WITH COMMON STOCK EQUIVALENTS	18,784	18,425	18,716	18,290

See notes to consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)

	Nine Months Ended	
	Sept. 25, 2004	Sept. 27, 2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 39,949	$ 33,867
Adjustments to reconcile net earnings to net cash from operating activities:		
Depreciation	20,418	18,702
Amortization of intangibles	1,760	1,519
Deferred income taxes	(90)	(1,301)
Minority interest	2,976	1,831
Loss on sale of interest in subsidiary	193	
Net (gain) loss on sale or impairment of property, plant, and equipment	(432)	918
Changes in:		
Accounts receivable	(111,925)	(53,545)
Inventories	(36,152)	5,051
Accounts payable	39,225	37,717
Accrued liabilities and other	30,877	23,145
NET CASH FROM OPERATING ACTIVITIES	(13,201)	67,904
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(25,062)	(33,349)
Acquisitions, net of cash received	(10,075)	(787)
Proceeds from sale of interest in subsidiary	4,679	
Proceeds from sale of property, plant and equipment	3,469	6,104
Insurance proceeds	2,000	
Other assets, net	1,567	2,909
NET CASH FROM INVESTING ACTIVITIES	(23,422)	(25,123)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net borrowings (repayments) of short-term debt and long-term revolving credit facilities	43,152	(36,884)
Repayment of long-term debt	(6,352)	(6,150)
Proceeds from issuance of common stock	2,194	1,719
Distributions to minority shareholder	(125)	(833)
Dividends paid to shareholders	(897)	(798)
Repurchase of common stock	(129)	(2,029)
Other	635	
NET CASH FROM FINANCING ACTIVITIES	38,478	(44,975)
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,855	(2,194)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	17,430	17,534
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 19,285	$ 15,340
SUPPLEMENTAL SCHEDULE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 8,505	$ 8,585
Income taxes	15,209	12,268

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS - CONTINUED

	Nine Months Ended	
	Sept. 25, 2004	Sept. 27, 2003
NON-CASH INVESTING ACTIVITIES:		
Note receivable exchanged for management fees to former subsidiary	$ 520	
Insurance receivable in exchange for property, plant and equipment destroyed in fire	1,445	
Stock exchanged for employee stock notes receivable	6	$ 887
Non-compete agreements with Chairman of the Board in exchange for future payments		856
NON-CASH FINANCING ACTIVITIES:		
Common stock issued to trust under deferred compensation plan	$ 716	$ 647
Common stock issued under stock gift plan	46	40
Common stock issued under directors' stock grant plan	75	132

See notes to consolidated condensed financial statements.

A. BASIS OF PRESENTATION

The accompanying unaudited, interim, consolidated, condensed financial statements (the "Financial Statements") include our accounts and those of our wholly-owned and majority-owned subsidiaries and partnerships, and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, the Financial Statements do not include all of the information and footnotes normally included in the annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States. All significant intercompany transactions and balances have been eliminated.

In our opinion, the Financial Statements contain all material adjustments necessary to present fairly our consolidated financial position, results of operations and cash flows for the interim periods presented. All such adjustments are of a normal recurring nature. These Financial Statements should be read in conjunction with the annual consolidated financial statements, and footnotes thereto, included in our Annual Report to Shareholders on Form 10-K, as amended, for the fiscal year ended December 27, 2003.

Certain reclassifications have been made to the Financial Statements for 2003 to conform to the classifications used in 2004.

B. COMPREHENSIVE INCOME

Comprehensive income consists of net income and foreign currency translation adjustments. Comprehensive income was approximately $15.2 million and $12.1 million for the quarter ended September 25, 2004 and September 27, 2003, respectively. During the nine months ended September 25, 2004 and September 27, 2003, comprehensive income was approximately $39.5 million and $35.1 million, respectively.

C. EARNINGS PER COMMON SHARE

A reconciliation of the changes in the numerator and the denominator from the calculation of basic EPS to the calculation of diluted EPS follows (in thousands, except per share data):

	Three Months Ended 09/25/04			Three Months Ended 09/27/03		
	Income (Numerator)	Shares (Denominator)	Per Share Amount	Income (Numerator)	Shares (Denominator)	Per Share Amount
NET EARNINGS	$ 14,626			$ 12,205		
EPS - BASIC						
Income available to common stockholders	14,626	18,083	$ 0.81	12,205	17,765	$ 0.69
EFFECT OF DILUTIVE SECURITIES						
Options		701			660	
EPS - DILUTED						
Income available to common stockholders and assumed options exercised	$ 14,626	18,784	$ 0.78	$ 12,205	18,425	$ 0.66

	Nine Months Ended 09/25/04			Nine Months Ended 09/27/03		
	Income (Numerator)	Shares (Denominator)	Per Share Amount	Income (Numerator)	Shares (Denominator)	Per Share Amount
NET EARNINGS	$ 39,949			$ 33,867		
EPS - BASIC						
Income available to common stockholders	39,949	18,015	$ 2.22	33,867	17,745	$ 1.91
EFFECT OF DILUTIVE SECURITIES						
Options		701			545	
EPS - DILUTED						
Income available to common stockholders and assumed options exercised	$ 39,949	18,716	$ 2.13	$ 33,867	18,290	$ 1.85

Options to purchase 15,000 shares of common stock at an exercise price of $36.01 were outstanding at September 25, 2004, but were not included in the computation of diluted EPS for the quarter ended September 25, 2004. The options' exercise prices were greater than the average market price of the common stock during the period and, therefore, would be antidilutive.

Options to purchase 40,000 shares of common stock at exercise prices ranging from $31.11 to $36.01 were outstanding at September 25, 2004, but were not included in the computation of diluted EPS for the nine months ended September 25, 2004. The options' exercise prices were greater than the average market price of the common stock during the period and, therefore, would be antidilutive.

Options to purchase 260,000 shares of common stock at exercise prices ranging from $24.46 to $36.01 were outstanding at September 27, 2003, but were not included in the computation of diluted EPS for the quarter ended September 27, 2003. The options' exercise prices were greater than the average market price of the common stock during the period and, therefore, would be antidilutive.

Options to purchase 720,943 shares of common stock at exercise prices ranging from $21.13 to $36.01 were outstanding at September 27, 2003, but were not included in the computation of diluted EPS for the nine months ended September 27, 2003. The options' exercise prices were greater than the average market price of the common stock during the period and, therefore, would be antidilutive.

D. SALE OF ACCOUNTS RECEIVABLE

On September 25, 2003, we entered into an accounts receivable sale agreement with a bank. Under the terms of the agreement:

- We sell specific receivables to the bank at an agreed-upon price at terms ranging from one month to one year.

- We service the receivables sold and outstanding on behalf of the bank at a rate of .50% per annum.

- We receive an incentive servicing fee, which we account for as a retained interest in the receivables sold. Our retained interest is determined based on the fair market value of anticipated collections in excess of the Agreed Base Value of the receivables sold. Appropriate valuation allowances are recorded against the retained interest.

- The maximum amount of receivables which may be sold and outstanding at any point in time under this arrangement is $33 million.

We are in the process of renewing this agreement with the bank and expect to complete it by October 31, 2004. On September 25, 2004, there were no receivables that were sold and outstanding and there was no retained interest. On September 27, 2003, $27.2 million of receivables were sold and outstanding, and we recorded $2.0 million of retained interest (see Other current assets). A summary of the transactions we completed for the first nine months of 2004 and 2003 are presented below (in thousands).

	Nine Months Ended September 25, 2004	Nine Months Ended September 27, 2003
Accounts receivable sold	$255,882	$27,181
Retained interest in receivables	(2,432)	(2,039)
Expense from sale	(490)	(168)
Servicing fee received	106	37
Discounts and sales allowances	(2,687)	
Net cash received from sale	$250,379	$25,011

E. GOODWILL AND OTHER INTANGIBLE ASSETS

On September 25, 2004, non-compete assets totaled $9.8 million with accumulated amortization totaling $3.8 million, and licensing agreements totaled $4.2 million with accumulated amortization totaling $1.6 million. On September 27, 2003, non-compete assets totaled $7.9 million with accumulated amortization totaling $2.8 million, and licensing agreements totaled $2.9 million with accumulated amortization totaling $0.8 million.

Estimated amortization expense for intangible assets as of September 25, 2004 for each of the five succeeding fiscal years is as follows (in thousands):

2004	$ 641
2005	1,994
2006	1,750
2007	1,237
2008	934
Thereafter	2,051

The changes in the net carrying amount of goodwill for the nine months ended September 25, 2004 and September 27, 2003 are as follows (in thousands):

Balance as of December 27, 2003	$125,028
Acquisition	4,381
Final purchase price allocation	(3,397)
Sale of interest in subsidiary	(2,169)
Other, net	(165)
Balance as of September 25, 2004	$123,678

Balance as of December 28, 2002	$126,299
Final purchase price allocation	(2,810)
Other, net	888
Balance as of September 27, 2003	$124,377

F. BUSINESS COMBINATIONS AND ASSET PURCHASES

On April 2, 2004, one of our subsidiaries acquired a 50% interest in Shawnlee Construction, LLC ("Shawnlee"), which provides framing services for multi-family construction, and is located in Plainville, MA. The purchase price was approximately $4.8 million, allocating $1.2 million to tangible assets and purchased intangibles, $1.1 million to a non-compete agreement, $1.3 million to customer relationship related intangibles, $0.2 million to a backlog, and $1.0 million to goodwill. Shawnlee had net sales in fiscal 2003 totaling approximately $20 million. We have consolidated this entity, including a respective minority interest, because we exercise control.

On March 15, 2004, one of our subsidiaries acquired the assets of Slaughter Industries, owned by International Paper Company ("Slaughter"), a facility which supplies the site-built construction market in Dallas, TX. The purchase price was approximately $3.9 million, which was allocated to the fair value of tangible net assets. Slaughter had net sales in fiscal 2003 totaling approximately $48 million.

On January 30, 2004, one of our subsidiaries acquired the assets of Midwest Building Systems, Inc. ("Midwest"), a facility which serves the site-built construction market in Indianapolis, IN. The purchase price was approximately $1.5 million, which was allocated to the fair value of tangible net assets. Midwest had net sales in fiscal 2003 totaling approximately $7 million.

On August 28, 2003, one of our subsidiaries acquired 50% of the assets of D&L Framing, LLC ("D&L"), a framing operation for multi-family construction located in Las Vegas, NV. The purchase price was approximately $0.6 million, which was primarily allocated to the fair value of tangible net assets. D&L had net sales in fiscal 2002 totaling approximately $8 million. We have consolidated this entity, including a respective minority interest, because we exercise control.

On August 26, 2003, one of our subsidiaries entered into an agreement with Quality Wood Treating Co., Inc. ("Quality") to cancel the treating services agreement completed on November 4, 2002 and purchase plants located in Lansing, MI and Janesville, WI and the equipment of a plant located in White Bear Lake, MN. The total purchase price for these assets was $5.1 million, which was allocated to the fair value of tangible net assets. In addition, another subsidiary entered into a capital lease for the real estate of the White Bear Lake, MN plant totaling $2.1 million.

On June 4, 2003, one of our subsidiaries acquired 75% of the assets of Norpac Construction LLC ("Norpac"), a concrete framer for multi-family construction located in Las Vegas, NV. The purchase price was approximately $0.2 million, which was primarily allocated to the fair value of tangible net assets. Norpac had net sales in fiscal 2002 totaling approximately $1.5 million. We have consolidated this entity, including a respective minority interest, because we exercise control.

Acquisitions completed in 2003 and 2004 were not significant to our operating results individually or in aggregate, and thus pro forma results are not presented.

G. EMPLOYEE STOCK NOTES RECEIVABLE

Employee stock notes receivable represents notes issued to us by certain employees and officers to finance the purchase of our common stock. Section 16 directors and executive officers do not, and are not allowed to, participate in this program.

H. STOCK-BASED COMPENSATION

As permitted under SFAS No.123, Accounting for Stock-Based Compensation, ("SFAS 123"), we continue to apply the provisions of APB Opinion No. 25, Accounting for Stock Issued to Employees, which recognizes compensation expense under the intrinsic value method. Had compensation cost for the stock options granted and stock purchased under the Employee Stock Purchase Plan in the third quarter and first nine months of 2004 and 2003 been determined under the fair value based method defined in SFAS 123, our net earnings and earnings per share would have been reduced to the following pro forma amounts (in thousands, except per share data):

	Three Months Ended		Nine Months Ended	
	Sept. 25, 2004	Sept. 27, 2003	Sept. 25, 2004	Sept. 27, 2003
Net Earnings:				
As reported	$ 14,626	$ 12,205	$ 39,949	$ 33,867
Deduct: compensation expense - fair value method	(495)	(462)	(1,392)	(1,366)
Pro Forma	$ 14,131	$ 11,743	$ 38,557	$ 32,501
EPS - Basic:				
As reported	$ 0.81	$ 0.69	$ 2.22	$ 1.91
Pro forma	$ 0.78	$ 0.66	$ 2.14	$ 1.83
EPS - Diluted:				
As reported	$ 0.78	$ 0.66	$ 2.13	$ 1.85
Pro forma	$ 0.76	$ 0.65	$ 2.08	$ 1.82

I. COMMITMENTS, CONTINGENCIES, AND GUARANTEES

We are insured for environmental impairment liability for certain real properties through a wholly owned subsidiary, UFP Insurance Ltd., a licensed captive insurance company. We own and operate a number of facilities throughout the United States that chemically treat lumber products. In connection with the ownership and operation of these and other real properties, and the disposal or treatment of hazardous or toxic substances, we may, under various federal, state and local environmental laws, ordinances and regulations, be potentially liable for removal and remediation costs, as well as other potential costs, damages and expenses. Insurance reserves, calculated with no discount rate, have been established to cover remediation activities at our Union City, GA; Stockertown, PA; Elizabeth City, NC; Auburndale, FL; Schertz, TX; and Janesville, WI wood preservation facilities. In addition, a small reserve was established for our Thornton, CA property to remove asbestos and certain lead containing materials which existed on the property at the time of purchase.

Including amounts from the captive insurance company, we have reserved amounts totaling approximately $1.8 million on September 25, 2004 and $2.8 million on September 27, 2003, representing the estimated costs to complete remediation efforts.

The manufacturers of CCA preservative voluntarily discontinued the registration of CCA for certain residential applications as of December 31, 2003. As a result, all of our wood preservation facilities have been converted to alternate preservatives, either Amine Copper Quaternary (ACQ) or borates.

In November 2003, the EPA published its report on the risks associated with the use of CCA in children's playsets. While the study observed that the range of potential exposure to CCA increased by the continuous use of playsets, the EPA concluded that the risks were not sufficient to require removal or replacement of any CCA treated structures. The EPA did refer a question on the use of sealants to a scientific advisory panel. The panel issued a report which provides guidance to the EPA on the use of various sealants but does not mandate their use. The EPA is reviewing the report and is expected to issue further clarifications.

The results of the EPA study are consistent with a prior Consumer Products Safety Commission (CPSC) study which reached a similar conclusion.

In addition, various special interest environmental groups have petitioned certain states requesting restrictions on the use or disposal of CCA treated products. The wood preservation industry trade groups are working with the individual states and their regulatory agencies to provide an accurate, factual background which demonstrates that the present method of uses and disposal is scientifically supported.

We have been requested by a customer to defend it from purported class action lawsuits filed against it in Florida, Louisiana, Texas, Illinois and New Jersey. The Florida claim was denied class action status, and all appeals have been denied. We had previously been dismissed as a defendant from the Louisiana litigation, and this case was denied class action status in March 2004. The Illinois case and the Texas case were recently dismissed without prejudice, although the plaintiff may choose to appeal or refile. The remaining complaints do not allege personal injury or property damage. As previously stated, our vendors believe and scientific studies support the fact that CCA treated lumber poses no unreasonable risks, and we intend to vigorously defend this position. While our customer has charged us for certain expenses incurred in the defense of these claims, we have not formally accepted liability of these costs.

We believe that based on current facts, the remaining claims are unsubstantiated. Therefore, we have not accrued for any potential loss related to the contingencies above. However, potential liabilities of this nature are not conducive to precise estimates and are subject to change. To the extent we are required to defend these actions, we intend to do so vigorously.

In addition, on September 25, 2004, we were parties either as plaintiff or a defendant to a number of lawsuits and claims arising through the normal course of our business. In the opinion of management, our consolidated financial statements will not be materially affected by the outcome of these contingencies and claims.

On September 25, 2004, we had outstanding purchase commitments on capital projects of approximately $9.7 million.

We provide a variety of warranties for products we manufacture. Historically, warranty claims have not been material.

In certain cases we jointly bid on contracts with framing companies to supply building materials to site-built construction projects. In some of these instances we are required to post payment and performance bonds to insure the owner that the products and installation services are completed in accordance with our contractual obligations. We have agreed to indemnify the surety for claims made against the bonds. Historically, we have not had any claims for indemnity from our sureties. As of September 25, 2004, we had approximately $22.8 million in outstanding payment and performance bonds which expire during the next eight to twenty-five months. In addition, approximately $9.4 million in payment and performance bonds are outstanding for completed projects which are still under warranty.

We have entered into operating leases for certain assets that include a guarantee of a portion of the residual value of the leased assets. If at the expiration of the initial lease term we do not exercise our option to purchase the leased assets and these assets are sold by the lessor for a price below a predetermined amount, we will reimburse the lessor for a certain portion of the shortfall. These operating leases will expire periodically over the next five years. The estimated maximum aggregate exposure of these guarantees is approximately $1 million.

Under our sale of accounts receivable agreement, we guarantee that Universal Forest Products RMS, LLC, as accounts servicer, will remit collections on receivables sold to the bank. (See Note D, "Sale of Accounts Receivable.")

On September 25, 2004, we had outstanding letters of credit totaling $34.6 million, primarily related to certain insurance contracts and industrial development revenue bonds, as further described below.

In lieu of cash deposits, we provide irrevocable letters of credit in favor of our insurers to guarantee our performance under certain insurance contracts. We currently have irrevocable letters of credit outstanding totaling approximately $16.3 million for these types of insurance arrangements. We have reserves recorded on our balance sheet, in accrued liabilities, that reflect our expected future liabilities under these insurance arrangements.

We are required to provide irrevocable letters of credit in favor of the bond trustees for all of the industrial development revenue bonds that we have issued. These letters of credit guarantee principal and interest payments to the bondholders. We currently have irrevocable letters of credit outstanding totaling approximately $18.3 million related to our outstanding industrial development revenue bonds. These letters of credit have varying terms but may be renewed at the option of the issuing banks.

Our wholly owned domestic subsidiaries have guaranteed the indebtedness of Universal Forest Products, Inc. in certain debt agreements, including the Series 1998-A Senior Notes, Series 2002-A Senior Notes and our revolving credit facility. The maximum exposure of these guarantees is limited to the indebtedness outstanding under these debt arrangements and this exposure will expire concurrent with the expiration of the debt agreements.

We did not enter into any new guarantee arrangements during the third quarter of 2004 which would require us to recognize a liability on our balance sheet.

J. SALE OF REAL ESTATE AND INTEREST IN SUBSIDIARY

In January 2004, we sold our 60% ownership in Nascor Incorporated, a Calgary, Alberta-based manufacturer of engineered wood components and licensor of I-joist manufacturing technology. The total sales price we collected was $4.7 million and we recorded a pre-tax accounting loss of approximately $193,000.

In March 2004, we sold a plant in Bend, OR and recognized a pre-tax gain of approximately $562,000 on the sale in the first quarter and an additional $207,000 in the second quarter as we collected the note receivable issued to us on the sale.

In June 2004, we sold a plant in Modesto, CA and recognized a pre-tax gain of approximately $368,000.

We incurred income taxes associated with these transactions totaling approximately $722,000.

K. INSURANCE RECEIVABLE

In April 2004, our plant in Thorndale, Ontario was destroyed by a fire. In accordance with FIN 30, Accounting for Involuntary Conversions of Non-Monetary Assets to Monetary Assets, we have written off inventory and the net book value of the destroyed property totaling $3.4 million to an insurance receivable and have collected $2 million of proceeds through September 25, 2004. We currently estimate that the insured value of this property will exceed its net book value, resulting in a gain. We will record this gain once final insurance amounts are determined.

UNIVERSAL FOREST PRODUCTS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Included in this report are certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements are based on the beliefs and assumptions of management, together with information available to us when the statements were made. Future results could differ materially from those included in such forward-looking statements as a result of, among other things, the factors set forth below and certain economic and business factors which may be beyond our control. Investors are cautioned that all forward-looking statements involve risks and uncertainty.

OVERVIEW

We are pleased to report strong results for the third quarter of 2004, which was highlighted by:

- Our sales growth in the site-built construction, industrial, and manufactured housing markets as we increased our share in each. Our unit sales to the do-it-yourself/retail (DIY/retail) market declined due to a decline in consumer demand for our products due to hurricanes and poor weather in Florida and the Southeastern United States and higher consumer sale prices. Higher lumber and chemical costs, combined with an increase in some of our customers' gross margin requirements, contributed to the higher sale prices being observed by consumers.

- Our increase in shipments to the manufactured housing market. While HUD code industry production reports year-over-year declines, we continue to increase our shipments to modular producers.

- Higher lumber prices which elevated our sales dollars and required a greater investment in working capital. Our sales increased 32% for the quarter, and we estimate that 21% of this increase was due to higher lumber and chemical costs.

- A fire that destroyed our site-built truss plant in Thorndale, Ontario in the second quarter. Although we maintained our service to customers by moving the work to other plants in the United States, transportation costs and operating inefficiencies resulted in greater costs in the third quarter.

- Enhanced profitability in spite of our decline in unit sales to the DIY/retail market, and the loss of operations at our Thorndale, Ontario plant. The 20% increase in net earnings we achieved for the quarter surpassed our 11% increase in unit sales.

In summary, we remain optimistic about the future of our business, markets and strategies, and our employees remain focused on adding value for our customers, executing our strategies and meeting our goals.

RISK FACTORS

WE ARE SUBJECT TO FLUCTUATIONS IN THE PRICE OF LUMBER. We experience significant fluctuations in the cost of commodity lumber products from primary producers (the "Lumber Market"). A variety of factors over which we have no control, including government regulations, environmental regulations, weather conditions, economic conditions and natural disasters, impact the cost of lumber products and our selling prices. While we attempt to minimize our risk from severe price fluctuations, substantial, prolonged trends in lumber prices can negatively affect our sales volume, our gross margins and our profitability. We anticipate that these fluctuations will continue in the future.

OUR GROWTH MAY BE LIMITED BY THE MARKETS WE SERVE. Our sales growth is dependent, in part, upon the growth of the markets we serve. If our markets do not achieve anticipated growth, or if we fail to maintain our market share, financial results could be impaired.

The manufactured housing industry still suffers from difficult market conditions, including repossessions and tight credit conditions. Significant lenders who previously provided financing to consumers of these products and industry participants have either restricted credit or exited the market. While new lenders have announced intentions to enter this market, a continued shortage of financing to this industry could adversely affect our operating results.

Our ability to achieve growth in sales and margins to the site-built construction market is somewhat dependent on housing starts. If housing starts decline significantly, our financial results could be negatively impacted.

We are witnessing consolidation by our customers in each of the markets we serve. These consolidations will result in a larger portion of our sales being made to some customers and may limit the customer base we are able to serve.

A SIGNIFICANT PORTION OF OUR SALES ARE CONCENTRATED WITH ONE CUSTOMER. Our sales to The Home Depot comprised 26% of our total sales in the first nine months of 2004, down from 32% for the first nine months of 2003.

OUR GROWTH MAY BE LIMITED BY OUR ABILITY TO MAKE SUCCESSFUL ACQUISITIONS. A key component of our growth strategy is to complete business combinations. Business combinations involve inherent risks, including assimilation and successfully managing growth. While we conduct extensive due diligence and have taken steps to ensure successful assimilation, factors beyond our control could influence the results of these acquisitions.

WE MAY BE ADVERSELY AFFECTED BY THE IMPACT OF ENVIRONMENTAL AND SAFETY REGULATIONS. We are subject to the requirements of federal, state and local environmental and occupational health and safety laws and regulations. There can be no assurance that we are at all times in complete compliance with all of these requirements. We have made and will continue to make capital and other expenditures to comply with environmental regulations. If additional laws and regulations are enacted in the future, which restrict our ability to manufacture and market our products, including our treated lumber products, it could adversely affect our sales and profits. If existing laws are interpreted differently, it could also increase our financial costs. Several states have proposed legislation to limit the uses and disposal of CCA treated lumber. (See Note I, "Commitments, Contingencies and Guarantees.")

SEASONALITY AND WEATHER CONDITIONS COULD ADVERSELY AFFECT US. Some aspects of our business are seasonal in nature and results of operations vary from quarter to quarter. Our treated lumber and outdoor specialty products, such as fencing, decking and lattice, experience the greatest seasonal effects. Sales of treated lumber, primarily consisting of Southern Yellow Pine ("SYP"), also experience the greatest Lumber Market risk (see "Historical Lumber Prices"). Treated lumber sales are generally at their highest levels between April and August. This sales peak, combined with capacity constraints in the wood treatment process, requires us to build our inventory of treated lumber throughout the winter and spring. (This also has an impact on our receivables balances, which tend to be significantly higher at the end of the second and third quarters.) Because sales prices of treated lumber products may be indexed to the Lumber Market at the time they are shipped, our profits can be negatively affected by prolonged declines in the Lumber Market during our primary selling season. To mitigate this risk, consignment inventory programs are negotiated with certain vendors that are intended to decrease our exposure to the Lumber Market by correlating the purchase price of the material with the related sell price to the customer. These programs include those materials which are most susceptible to adverse changes in the Lumber Market.

The majority of our products are used or installed in outdoor construction activities; therefore, short-term sales volume, our gross margins and our profits can be negatively affected by adverse weather conditions, particularly in our first and fourth quarters. In addition, adverse weather conditions can negatively impact our productivity and costs per unit.

WE CONVERTED TO A NEW PRESERVATIVE TO TREAT OUR PRODUCTS. The manufacturers of CCA preservative voluntarily discontinued the registration of CCA for certain residential applications as of December 31, 2003. As a result, all of our wood preservation facilities have been converted to an alternate preservative, ACQ, or borates. The cost of ACQ is more than four times higher than the cost of CCA. We estimate the new preservative will increase the cost and sales price of our treated products by approximately 10% to 15%. While we believe treated products will be reasonably priced relative to alternative products such as composites or vinyl, consumer acceptance may be impacted which would in turn affect our future operating results. (See Note I, "Commitments, Contingencies and Guarantees.")

MARKET CONDITIONS FOR THE SUPPLY OF CERTAIN LUMBER PRODUCTS AND INBOUND TRANSPORTATION MAY BE LIMITED. These conditions, which occur on occasion, have resulted in difficulties procuring desired quantities and receiving orders on a timely basis for all industry participants. We are not certain how these conditions may impact our short-term sales volumes and profitability. However, we attempt to mitigate the risks these conditions present by:

- Our pricing practices (see "Impact of the Lumber Market on Our Operating Results");
- Leveraging our size with mill and transportation suppliers to ensure they achieve supply and service requirements;
- Increasing our utilization of consigned inventory programs with mills; and
- Expanding our supply base of dedicated carriers.

When analyzing this report to assess our future performance, please recognize the potential impact of the various factors set forth above.

HISTORICAL LUMBER PRICES

The following table presents the Random Lengths framing lumber composite price for the nine months ended September 25, 2004 and September 27, 2003:

	Random Lengths Composite Average $/MBF	
	2004	2003
January	$341	$278
February	376	295
March	382	277
April	431	283
May	456	278
June	423	303
July	426	302
August	473	336
September	441	375
Third quarter average	$447	$338
Year-to-date average	$417	$303

Third quarter percentage increase from 2003	32.2%
Year-to-date percentage increase from 2003	37.6%

In addition, a SYP composite price, which we prepare and use, is presented below. Sales of products produced using this species comprise up to 50% of our sales volume.

	Random Lengths SYP Average $/MBF	
	2004	2003
January	$410	$387
February	436	394
March	487	392
April	532	410
May	535	385
June	498	384
July	479	374
August	503	398
September	473	437
Third quarter average	$485	$403
Year-to-date average	$484	$396
Third quarter percentage increase from 2003	20.3%	
Year-to-date percentage increase from 2003	22.2%	

IMPACT OF THE LUMBER MARKET ON OUR OPERATING RESULTS

We generally price our products to pass lumber costs through to our customers so that our profitability is based on the value-added manufacturing, distribution, engineering and other services we provide. As a result, our sales levels (and working capital requirements) are impacted by the lumber costs of our products.

Our gross margins are impacted by both (1) the relative level of the Lumber Market (i.e. whether prices are higher or lower from comparative periods), and (2) the trend in the market price of lumber (i.e. whether the price of lumber is increasing or decreasing within a period or from period to period).

Moreover, as explained below, our products are priced differently. Some of our products have fixed selling prices, while the selling prices of other products are indexed to the reported Lumber Market with a fixed dollar adder to cover conversion costs and profits. Consequently, the level and trend of the Lumber Market impact our products differently.

Below is a general description of the primary ways in which our products are priced.

- Products with fixed selling prices. These products include value-added products such as decking and fencing sold to DIY/retail customers, as well as trusses, wall panels and other components sold to the site-built construction market, and most industrial packaging products. Prices for these products are generally fixed at the time of the sales quotation for a specified period of time or are based upon a specific quantity. In order to maintain margins and reduce any exposure to adverse trends in the price of component lumber products, we attempt to lock in costs for these sales commitments with our suppliers. Also, the time period and quantity limitations generally allow us to reprice our products for changes in lumber costs from our suppliers.

- Products with selling prices indexed to the reported Lumber Market with a fixed dollar "adder" to cover conversion costs and profits. These products primarily include treated lumber, remanufactured lumber, and trusses sold to the manufactured housing industry. For these products, we estimate the customers' needs and carry anticipated levels of inventory. Because lumber costs are incurred in advance of final sale prices, subsequent increases or decreases in the market price of lumber impact our gross margins. For these products, our margins are exposed to changes in the trend of lumber prices.

Changes in the trend of lumber prices have their greatest impact on the following products:

- Products that have significant inventory levels with low turnover rates and whose selling prices are indexed to the Lumber Market, such as treated lumber, which comprises almost twenty-five percent of our total sales. In other words, the longer the period of time these products remain in inventory, the greater the exposure to changes in the price of lumber. This exposure is less significant with remanufactured lumber, trusses sold to the manufactured housing market and other similar products, due to the higher rate of inventory turnover. We attempt to mitigate the risk associated with treated lumber through vendor consignment inventory programs. (See "Risk Factors - Seasonality and weather conditions could adversely affect us.")

- Products with fixed selling prices sold under long-term supply arrangements, particularly those involving multi-family construction projects. We attempt to mitigate this risk through our purchasing practices.

In addition to the impact of the Lumber Market trends on gross margins, changes in the level of the market cause fluctuations in gross margins when comparing operating results from period to period. This is explained in the following example, which assumes the price of lumber has increased from period one to period two, with no changes in the trend within each period.

	Period 1	Period 2
Lumber cost	$ 300	$ 400
Conversion cost	50	50
= Product cost	350	450
Adder	50	50
= Sell price	400	500
Gross margin	12.5%	10.0%

As is apparent from the preceding example, the level of lumber prices does not impact our overall profits, but does impact our margins. Gross margins are negatively impacted during periods of high lumber prices; conversely, we experience margin improvement when lumber prices are relatively low.

BUSINESS COMBINATIONS AND ASSET PURCHASES

We completed the following business combinations and asset acquisitions in fiscal 2004 and fiscal 2003, which were accounted for using the purchase method. (See Note F, "Business Combinations and Asset Purchases.")

Company Name	Acquisition Date	Business Description
Shawnlee Construction, LLC	April 2, 2004	Provides framing services for multi-family construction in the Northeast.
Slaughter Industries	March 15, 2004	Distributes lumber products and manufactures engineered wood components for site-built construction. Located in Dallas, TX.
Midwest Building Systems, Inc.	January 30, 2004	Manufacturer of engineered wood components for site-built construction. Located in Indianapolis, IN.

D&L Framing, LLC	August 28, 2003	Framing operation for multi-family construction located in Las Vegas, NV.
Quality Wood Treating Co., Inc.	August 26, 2003	Two treating facilities in Lansing, MI and Janesville, WI and real estate lease of a third treating facility in White Bear Lake, MN.
Norpac Construction LLC	June 4, 2003	Concrete framer for multi-family construction located in Las Vegas, NV.

RESULTS OF OPERATIONS

The following table presents, for the periods indicated, the components of our Consolidated Condensed Statements of Earnings as a percentage of net sales.

	For the Three Months Ended		For the Nine Months Ended	
	Sept. 25, 2004	Sept. 27, 2003	Sept. 25, 2004	Sept. 27, 2003
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	88.2	86.5	87.8	85.9
Gross profit	11.8	13.5	12.2	14.1
Selling, general, and administrative expenses	7.7	9.0	8.1	9.4
Earnings from operations	4.1	4.5	4.1	4.7
Interest, net	0.5	0.7	0.6	0.8
Net gain on sale of real estate and interest in subsidiary	(0.0)	(0.0)	(0.1)	(0.0)
	0.5	0.7	0.5	0.8
Earnings before income taxes and minority interest	3.6	3.8	3.6	3.9
Income taxes	1.3	1.4	1.3	1.4
Earnings before minority interest	2.3	2.4	2.3	2.5
Minority interest	(0.2)	(0.1)	(0.2)	(0.2)
Net earnings	2.1%	2.3%	2.1%	2.3%

NET SALES

We engineer, manufacture, treat, distribute and install lumber, composite, plastic, and other building products for the DIY/retail, site-built construction, manufactured housing, and industrial markets. Our strategic sales objectives include:

- Diversifying our end market sales mix by increasing sales of specialty wood packaging to industrial users and engineered wood components and framing services to the site-built construction market. Engineered wood components include roof trusses, wall panels and floor systems.

- Increasing sales of "value-added" products. Value-added product sales consist of fencing, decking, lattice and other specialty products sold to the DIY/retail market, specialty wood packaging, engineered wood components, and "wood alternative" products. Wood alternative products consist primarily of composite wood and plastics. Although we consider the treatment of dimensional lumber with certain chemical preservatives a value-added process, treated lumber is not presently included in the value-added sales totals.

- Maximizing unit sales growth while achieving return on investment goals.

The following table presents, for the periods indicated, our net sales (in thousands) and change in net sales by market classification.

	For the Three Months Ended			For the Nine Months Ended		
Market Classification	Sept. 25, 2004	% Change	Sept. 27, 2003	Sept. 25, 2004	% Change	Sept. 27, 2003
DIY/Retail	$ 280,700	7.2	$ 261,812	$ 804,188	11.6	$ 720,311
Site-Built Construction	194,643	73.8	111,980	479,808	65.3	290,225
Manufactured Housing	106,555	35.9	78,394	286,925	40.1	204,863
Industrial and Other	127,396	51.5	84,092	346,606	51.4	228,961
Total	$ 709,294	32.3	$ 536,278	$ 1,917,527	32.8	$ 1,444,360

Note: In the first quarter of 2004, we reviewed the classification of our customers and made certain reclassifications. Prior year information has been restated to reflect these reclassifications.

Net sales in the third quarter of 2004 increased 32% compared to the third quarter of 2003 resulting from an estimated increase in units shipped of approximately 11%, while overall selling prices increased by 21%. Overall selling prices increased as a result of the Lumber Market (see "Historical

Lumber Prices") and higher preservative prices (ACQ). We estimate that our unit sales increased by 8% as a result of business acquisitions and new plants, while our unit sales out of existing facilities increased by 5%. Plant closures and the sale of Nascor Incorporated caused our unit sales to decrease by 2% in the third quarter of 2004.

Net sales in the first nine months of 2004 increased 33% compared to the first nine months of 2003 resulting from an estimated increase in units shipped of approximately 11%, while overall selling prices increased by 22%. Overall selling prices increased as a result of the Lumber Market (see "Historical Lumber Prices") and higher preservative prices (ACQ). We estimate that our unit sales increased by 7% as a result of business acquisitions and new plants while our unit sales out of existing facilities increased by 6%. Plant closures and the sale of Nascor Incorporated decreased our unit sales by 2% in the first nine months of 2004.

DIY/Retail:

Net sales to the DIY/retail market increased 7% in the third quarter of 2004 compared to 2003, due to the higher Lumber Market and preservative prices. Our unit sales declined 10% comparing the two periods, which we believe was due to a decline in demand as a result of higher product costs for consumers. An increase in consumer costs can be traced primarily to higher lumber prices and chemical costs, combined with higher gross margin requirements of some of our customers. Demand in the Southeastern United States and Florida was also impacted by hurricanes and poor weather.

Net sales to the DIY/retail market increased 12% in the first nine months of 2004 compared to 2003, due to the higher Lumber Market and preservative prices. Our unit sales declined 7% comparing the two periods due to poor weather and higher product costs for consumers as discussed above.

Site-Built Construction:

Net sales to the site-built construction market increased 74% in the third quarter of 2004 compared to 2003, despite the sale of our interest in Nascor Incorporated. This increase primarily resulted from acquisitions (see "Business Combinations and Asset Purchases") and new plants opened since September 27, 2003. Also, unit sales growth out of existing plants totaled approximately 19% for the quarter, which was driven primarily by our Southern California and Colorado regions. In addition, we estimate the Lumber Market caused our selling prices to increase 29% this quarter.

Net sales to the site-built construction market increased 65% in the first nine months of 2004 compared to 2003, despite the sale of our interest in Nascor Incorporated. This increase primarily resulted from acquisitions and new plants opened since September 27, 2003, and unit sales growth out of existing plants totaling approximately 21% for the period. In addition, we estimate the Lumber Market caused our selling prices to increase 21% in the first nine months of 2004.

Manufactured Housing:

Net sales to the manufactured housing market increased 36% in the third quarter of 2004 compared to the same period of 2003. This increase resulted primarily from an estimated 27% increase in selling prices due to the higher Lumber Market combined with a 9% increase in units shipped. Although industry production for HUD code homes was down approximately 6% for the quarter, we have increased our shipments to producers of modular homes.

Net sales to the manufactured housing market increased 40% in the first nine months of 2004 compared to the same period of 2003. This increase resulted primarily from an estimated 29% increase in selling prices due to the higher Lumber Market combined with an 11% increase in units shipped. Although industry production for HUD code homes was down approximately 4% for the first nine months, we have increased our shipments to producers of modular homes.

Industrial and Other:

Net sales to the industrial and other market increased 51% in the third quarter of 2004 compared to the same period of 2003. This increase resulted from a combination of unit sales increases out of several existing facilities totaling approximately 29%, combined with higher selling prices due to the Lumber Market. We believe our unit sales and market share continue to grow significantly due to our dedicated local sales teams and national sales support efforts, combined with our competitive advantages in manufacturing and purchasing.

Net sales to the industrial and other market increased 51% in the first nine months of 2004 compared to the same period of 2003. This increase resulted from a combination of unit sales increases out of several existing facilities totaling approximately 25%, combined with higher selling prices due to the Lumber Market.

The following table presents, for the periods indicated, our percentage of value-added and commodity-based sales to total sales.

	Three Months Ended		Nine Months Ended	
	Sept.25, 2004	Sept. 27, 2003	Sept.25, 2004	Sept. 27, 2003
Value-Added	49.9%	49.6%	49.6%	50.7%
Commodity-Based	50.1%	50.4%	50.4%	49.3%

Value-added sales increased 33% in the third quarter of 2004 compared to 2003, primarily due to increased sales of EverX (composite decking), engineered wood components, industrial packaging products and other specialty products supplied to the DIY/retail market. Commodity-based sales increased 31% during the third quarter of 2004 primarily due to the higher Lumber Market, higher preservative prices and a 7% increase in unit sales.

Value-added sales increased 29% in the first nine months of 2004 compared to 2003, primarily due to increased sales of EverX (composite decking), engineered wood components, industrial packaging products and other specialty products supplied to the DIY/retail market. Commodity-based sales increased 36% during the first nine months of 2004 primarily due to the higher Lumber Market, higher preservative prices and a 6% increase in unit sales. Therefore, our decline in value-added sales as a percentage of total sales was due to the significant impact of the Lumber Market on selling prices of commodity-based products.

COST OF GOODS SOLD AND GROSS PROFIT

Gross profit as a percentage of net sales decreased in the third quarter and first nine months of 2004 compared to the same periods of 2003 due to the Lumber Market, which was substantially higher than the prior year. Generally, a higher Lumber Market results in a decrease in our gross margin (see "Impact of the Lumber Market on our Operating Results") because we attempt to price certain products to earn a fixed profit per unit. Therefore, in a period of higher lumber prices, as we have experienced in 2004, our gross margin will decline. As a result of this factor, we believe a more meaningful analysis of our profitability is a comparison of the change in gross profit dollars compared to our change in units shipped. Our gross profit dollars increased by over 15% in the third quarter of 2004, while units shipped increased by 11%. Our gross profit dollars increased by almost 15% in the first nine months of 2004, while units shipped increased by 11%. Our improved profitability for each of these periods was primarily due to the effect of the rising Lumber Market in the second and third quarters on products we inventory and whose selling prices are tied to the Lumber Market and improved profitability on sales to the industrial market. In addition, many of our treating plants began converting to a new preservative in the third quarter of 2003 and experienced inefficiencies. The positive effects mentioned above more than offset the operating inefficiencies we experienced from the fire at our plant in Thorndale, Ontario and poor first and second quarter results from one of our multi-family framing subsidiaries in the West. We believe we have taken appropriate actions to improve performance at this framing operation, including personnel changes. We do not presently believe this venture will have a material adverse effect on our future operating results.

In the third quarter of 2004, one of our multi-family framing subsidiaries in the West commenced certain new construction projects which are expected to be completed in six to twelve months. Based on the nature of these projects, calculating precise estimates is difficult except to determine we will not recognize a loss. Accordingly, total estimated gross profit on these projects range from breakeven to a gross profit of approximately $2.2 million. We have used the low end of the range while utilizing the percentage of completion method of accounting. If we had used the high end of the range, our gross profits for the third quarter and first nine months of 2004 would have been approximately $800,000 higher.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative ("SG&A") expenses as a percentage of sales decreased to 7.7% in the third quarter of 2004 compared to 9.0% in the same period of 2003 primarily due to the impact of the Lumber Market on our selling prices. SG&A expenses increased by 13% in the third quarter of 2004 compared to the same period of 2003, which compares unfavorably with our 11% increase in unit sales, primarily due to higher incentive compensation costs tied to profits and return on investment. In addition, our gross profit increase of 15% exceeded our SG&A increase of 13%.

Selling, general and administrative ("SG&A") expenses as a percentage of sales decreased to 8.1% in the first nine months of 2004 compared to 9.4% in the same period of 2003 primarily due to the impact of the Lumber Market on our selling prices. SG&A expenses increased by 14% in the first nine months of 2004 compared to the same period of 2003, which compares unfavorably with our 11% increase in unit sales, primarily due to higher incentive compensation costs and bad debt expense incurred in the second quarter. In addition, our gross profit increase of 15% exceeded our SG&A increase of 14%.

INTEREST, NET

Net interest costs increased in the third quarter of 2004 compared to the same period of 2003 due to a slightly higher average debt balance in 2004.

Net interest costs decreased in the first nine months of 2004 compared to the same period of 2003. This decrease was due to the maturity and payment of debt with higher interest rates.

NET GAIN ON SALE OF REAL ESTATE AND INTEREST IN SUBSIDIARY

We entered into the following transactions during the first nine months of 2004:

- During the first quarter of 2004, we sold our interest in Nascor Incorporated ("Nascor") and recognized a pre-tax loss of approximately $193,000 on the sale.

- During the first quarter of 2004, we sold a plant in Bend, OR, and recognized a pre-tax gain of approximately $562,000 in the first quarter and an additional $207,000 in the second quarter as we collected the note receivable issued to us on the sale.

- During the second quarter, we sold a plant in Modesto, CA, and recognized a pre-tax gain of approximately $368,000 on the sale.

We recorded income taxes on these transactions totaling approximately $722,000.

INCOME TAXES

Effective tax rates differ from statutory federal income tax rates, primarily due to provisions for state and local income taxes and permanent tax differences. Our effective tax rate decreased to 36.2% in the third quarter of 2004 from 37.4% in the same period of 2003 due to a change in estimated permanent tax differences for the year.

Our effective tax rate was 37.3% in the first nine months of 2004 compared to 37.0% in the same period of 2003, primarily due to $290,000 of estimated income tax we recorded on the sale of Nascor in January 2004.

OFF-BALANCE SHEET TRANSACTIONS

We have no significant off-balance sheet transactions other than operating leases.

LIQUIDITY AND CAPITAL RESOURCES

The table below presents, for the periods indicated, a summary of our cash flow statement (in thousands):

	Sept. 25, 2004	Sept.27, 2003
Cash from operating activities	($13,201)	$ 67,904
Cash from investing activities	(23,422)	(25,123)
Cash from financing activities	38,478	(44,975)
Net change in cash and cash equivalents	1,855	(2,194)
Cash and cash equivalents, beginning of period	17,430	17,534
Cash and cash equivalents, end of period	$ 19,285	$ 15,340

In general, we financed our growth in the past through a combination of operating cash flows, our revolving credit facility ("revolver"), industrial development bonds (when circumstances permit), and issuance of long-term notes payable at times when interest rates are favorable. Historically, we have not issued equity to finance growth except in the case of a large acquisition. We manage our capital structure by attempting to maintain a targeted ratio of debt to equity and debt to operating cash flow. We believe this is one of the many important factors to maintaining a strong credit profile, which in turn helps ensure timely access to capital when needed.

Seasonality has a significant impact on our working capital from March to August which generally results in negative or modest cash flows from operations in our first and second quarters. We experience a substantial decrease in working capital from September to February which results in significant cash flow from operations in our third and fourth quarters. For comparative purposes, we have included the September 25, 2003 balances in the accompanying unaudited consolidated condensed balance sheets.

Due to the seasonality of our business and the effects of the Lumber Market, we believe our cash cycle (days sales outstanding plus days supply of inventory less days payables outstanding) is a good indicator of our working capital management. Our cash cycle decreased to 45 days in the first nine months of 2004 from 46 days in the first nine months of 2003, primarily due to a decrease in our days supply of inventory and an extension on our payables cycle, offset by an increase in our receivables cycle (excluding the effects of our sale of receivables program). The increase in our receivables cycle was primarily due to a greater percentage of our sales going to the site-built and industrial markets which have longer payment terms.

Cash flows used for operating activities increased in the first nine months of 2004 compared to the same period of 2003 by approximately $81 million. This increased use of cash was primarily due to three factors:

- We carried higher than normal inventory levels at the end of 2002 due to a combination of poor weather and opportunistic buying by our purchasing offices due to the low Lumber Market at that time. Since a portion of our seasonal investment in inventory occurred earlier than normal (at the end of 2002 instead of the first quarter of 2003), this had the effect of minimizing our seasonal use of cash in 2003.

- We did not have an accounts receivable sale in September 2004 as we had in September 2003 resulting in higher cash flows in 2003.

- An increase in our units shipped and a higher Lumber Market required a greater investment in working capital in 2004.

Cash used for investing activities declined by $1.7 million in the first nine months of 2004 compared to the same period of 2003. Capital expenditures decreased to $25.1 million in the first nine months of 2004 compared to $33.3 million in the same period of 2003. In 2003, we spent a greater amount on expansionary projects in the first nine months of the year. We expect to spend approximately $47 million on capital expenditures in 2004, which includes outstanding purchase commitments on capital projects totaling approximately $9.7 million on September 25, 2004. Estimated capital expenditures for 2004 are higher than originally expected due to $8 million in costs to rebuild our truss plant in Thorndale, Ontario, before considering insurance proceeds. We intend to fund capital expenditures and purchase commitments through a combination of operating cash flows and availability under our revolver.

In addition, we spent approximately $10.1 million on business acquisitions (see Note F, "Business Combinations and Asset Purchases") during the first nine months of 2004 and collected $4.7 million from the sale of our interest in Nascor Incorporated.

Cash provided by financing activities increased $83 million in the first nine months of 2004 compared to the same period of 2003, primarily due to increased borrowings under our revolver to support the capital requirements discussed above.

Additionally, we spent approximately $0.1 million to repurchase 4,050 shares of our common stock in the first nine months of 2004. We have authorization from the Board of Directors to purchase an additional 1.5 million shares.

On September 25, 2004, we had $70.5 million outstanding on our $200 million revolver. The revolver also supports letters of credit totaling approximately $29.7 million on September 25, 2004. Financial covenants on our revolver and senior unsecured notes include a minimum net worth requirement, a minimum interest coverage test, a minimum fixed charge coverage test, and a maximum leverage ratio. The agreements also restrict the amount of additional indebtedness we may incur and the amount of assets which may be sold. We were within our requirements at September 25, 2004.

ENVIRONMENTAL CONSIDERATIONS AND REGULATIONS

See Notes to Consolidated Condensed Financial Statements, Note I, "Commitments, Contingencies, and Guarantees."

CRITICAL ACCOUNTING POLICIES

In preparing our consolidated financial statements, we follow accounting principles generally accepted in the United States. These principles require us to make certain estimates and apply judgments that affect our financial position and results of operations. We continually review our accounting policies and financial information disclosures. There have been no material changes in our policies or estimates since December 27, 2003.

NEW ACCOUNTING PRONOUNCEMENTS

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities," as revised in December 2003 (FIN 46(R)). The new rule requires that companies consolidate a variable interest entity if the company is subject to a majority of the risk of loss from the variable interest entity's activities, or is entitled to receive a majority of the entity's residual returns or both. We do not have any special purpose entities, as defined, nor have we acquired a variable interest in an entity where we were the primary beneficiary since January 31, 2003. The implementation of Interpretation 46(R) did not have a material effect on the consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to market risks related to fluctuations in interest rates on our variable rate debt, which consists of a revolver and industrial development revenue bonds. We do not currently use interest rate swaps, futures contracts or options on futures, or other types of derivative financial instruments to mitigate this risk.

For fixed rate debt, changes in interest rates generally affect the fair market value, but not earnings or cash flows. Conversely, for variable rate debt, changes in interest rates generally do not influence fair market value, but do affect future earnings and cash flows. We do not have an obligation to prepay fixed rate debt prior to maturity, and as a result, interest rate risk and changes in fair market value should not have a significant impact on such debt until we would be required to refinance it.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures. With the participation of management, our chief executive officer and chief financial officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a - 15 and 15d - 15) as of September 25, 2004, have concluded that, as of such date, our disclosure controls and procedures were adequate and effective to ensure that material information relating to us and our consolidated subsidiaries would be made known to them by others within those entities in connection with our filing of this third quarter report on Form 10-Q for the quarterly period ended September 25, 2004.

(b) Changes in Internal Controls. There were no significant changes in our internal controls over financial reporting (as such term is defined in Rules 13a - 15 and 15d - 15 under the Exchange Act) during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(a) Sales of equity securities in the third quarter not registered under the Securities Act.

	Date of Sale	Class of Stock	Number of Shares	Consideration Purchasers	Exchanged
Stock Gift Program	Various	Common	506	Eligible persons	None

(b) None.

(c) Issuer purchases of equity securities.

Fiscal Month	(a)	(b)	(c)	(d)
June 27 - July 31, 2004(1)				1,550,587
August 1 - 28, 2004				1,550,587
August 29 - September 25, 2004				1,550,587

(a) Total number of shares purchased.

(b) Average price paid per share.

(c) Total number of shares purchased as part of publicly announced plans or programs.

(d) Maximum number of shares that may yet be purchased under the plans or programs.

(1) On October 21, 1998, the Board of Directors approved a share repurchase program (which succeeded a previous program) allowing us to repurchase up to 1.8 million shares of our common stock. On October 18, 2000 and November 14, 2001, the Board of Directors authorized an additional 1 million shares and 2.5 million shares, respectively, to be repurchased under the program. As of September 25, 2004, cumulative total authorized shares available for repurchase is 1.5 million shares.

PART II. OTHER INFORMATION

Item 5. Other Information.

In the third quarter of 2004, the Audit Committee approved non-audit services to be provided by our independent auditors, Ernst & Young LLP, totaling $22,000 for 2004.

PART II. OTHER INFORMATION

Item 6. Exhibits.

The following exhibits (listed by number corresponding to the Exhibit Table as Item 601 in Regulation S-K) are filed with this report:

10(a) Form of Conditional Share Grant Agreement Utilized Under the Company's Long-Term Incentive Plan.

31(a) Certificate of the Chief Executive Officer of Universal Forest Products, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).

31(b) Certificate of the Chief Financial Officer of Universal Forest Products, Inc., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).

32(a) Certificate of the Chief Executive Officer of Universal Forest Products, Inc., pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).

32(b) Certificate of the Chief Financial Officer of Universal Forest Products, Inc., pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350).

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UNIVERSAL FOREST PRODUCTS, INC.

Date: October 25, 2004 By: /s/ William G. Currie
William G. Currie
Its: Vice Chairman of the Board and Chief Executive Officer

Date: October 25, 2004 By: /s/ Michael R. Cole
Michael R. Cole
Its: Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
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Exhibit 10(a)

CONDITIONAL SHARE GRANT AGREEMENT

AGREEMENT made as of this _____ day of _______________, by UNIVERSAL FOREST PRODUCTS, INC., a Michigan corporation (the "Company"), and (the "Employee").

RECITALS

The Universal Forest Products, Inc. Long-Term Incentive Plan authorizes the award of shares of stock to key employees of the Company upon such terms and conditions as may be determined by the Committee or the Board of Directors.

The Committee has approved the conditional grant of shares to the Employee upon the terms and conditions set forth in this Agreement. The Company and Employee desire to confirm in this Agreement the terms, conditions and restrictions applicable to the grant of restricted stock.

NOW, THEREFORE, intending to be bound, the parties agree as follows:

1. DEFINITIONS

1.1 "Board" means the Board of Directors of the Company.

1.2 "Change in Control" means an occurrence of a nature with respect to the Company that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act. Without limiting the inclusiveness of the definition in the preceding sentence, a Change in Control shall be deemed to have occurred as of the first day that any one or more of the following conditions is satisfied:

(a) Any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing twenty percent (20%) or more of the combined voting power of the Company's then outstanding securities; or

(b) At any time a majority of the Board of Directors of the Company is comprised of other than Continuing Directors (for purposes of this section, the term Continuing Director means a director who was either (i) first elected or appointed as a director prior to the Effective Date of this Agreement; or (ii) subsequently elected or appointed as a director if such director was nominated or appointed by at least a majority of the then Continuing Directors); or

(c) Any of the following occur:

(i) Any merger or consolidation of the Company, other than a merger or consolidation in which the voting securities of the Company immediately prior to the merger or consolidation continue to represent (either by remaining outstanding or being converted into securities of the surviving entity) fifty percent (50%) or more of the combined voting power of the Company or surviving entity immediately after the merger of consolidation with another entity;

(ii) Any sale, exchange, lease, mortgage, pledge, transfer, or other disposition (in a single transaction or a series of related transactions) of assets or earning power aggregating more than fifty percent (50%) of the assets or earning power of the Company on a consolidated basis;

(iii) Any liquidation or dissolution of the Company;

(iv) Any reorganization, reverse stock split, or recapitalization of the Company which would result in a Change in Control; or

(v) Any transaction or series of related transactions having, directly or indirectly, the same effect as any of the foregoing; or any agreement, contract, or other arrangement providing for any of the foregoing.

1.3 "Committee" means the Committee appointed by the Board to administer the Plan.

1.4 "Common Stock" means the common stock of the Company.

1.5 "Company" means Universal Forest Products, Inc., a Michigan corporation, its successors and assigns.

1.6 "Effective Date of this Agreement" means _________________.

1.7 "Plan" means the Universal Forest Products, Inc. Long-Term Incentive Plan.

1.8 "Shares" means the shares of Common Stock awarded, issued and delivered to Employee under this Agreement. If, as a result of a stock split, stock dividend, combination of stock, or any other change or exchange of securities, by reclassification, reorganization, recapitalization or otherwise, the Shares shall be increased or decreased, or changed into or exchanged for a different number or kind of shares of stock or other securities of the Company or another corporation, the term "Shares" shall mean and include the shares of stock or other securities issued with respect to the Shares.

2. CONDITIONAL GRANT AWARD

2.1 Conditional Grant. The Company hereby agrees to grant _______ shares of Common Stock (the "Shares") to Employee immediately upon the satisfaction of the terms and conditions set forth in Section 3 of this Agreement. The award of Shares shall be effective as of the Grant Date, as defined in Section 3 below. The Company agrees to issue and deliver to Employee a certificate representing the Shares promptly upon the Grant Date.

2.2 Acceptance. Employee accepts this conditional award of Shares.

3. CONDITIONS TO GRANT

The Company shall grant the Shares to Employee upon the first to occur of the following conditions (the effective date of which shall be referred to in this Agreement as the Grant Date), provided that Employee has been in the continuous employment of the Company from the date of this Agreement until the Grant Date:

[SUBJECT TO COMPLETION]

4. ACQUISITION WARRANTIES

In order to induce the Company to issue and deliver the Shares on the terms of this Agreement, Employee warrants to and agrees with the Company as follows:

4.1 No Participating Interest. The Employee is acquiring the Shares for Employee's own account, and has not made any arrangement to convey any interest in the Shares to any person.

4.2 Ability to Evaluate. Because of Employee's knowledge and experience in financial and business matters, Employee is capable of evaluating the merits and risks of acquiring the Shares under the arrangements prescribed by this Agreement.

4.3 Familiarity with Company. Employee is familiar with the business, financial condition, earnings and prospects of the Company, and confirms that the Company has not made any representation regarding the foregoing matters or the merits of this Agreement.

4.4 All Questions Answered. Employee understands all of the terms of this Agreement and the consequences to Employee of any actions which may be taken under this Agreement. Employee confirms there are no questions relating to any such matters which have not been answered to Employee's complete satisfaction.

4.5 Rights as Shareholder. Employee shall have no rights as a shareholder with respect to the Shares unless and until the Grant Date.

5. GENERAL PROVISIONS

5.1 No Right to Employment. This Agreement is not an employment contract. Neither the Plan nor this Agreement or anything else changes the at will employment status of Employee.

5.2 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be valid and enforceable, but if any provision of this Agreement shall be held to be prohibited or unenforceable under applicable law (a) such provision shall be deemed amended to accomplish the objectives of the provision as originally written to the fullest extent permitted by law, and (b) all other provisions of this Agreement shall remain in full force and effect.

5.3 Captions. The captions used in this Agreement are for convenience only, do not constitute a part of this Agreement and all of the provisions of this Agreement shall be enforced and construed as if no captions had been used.

5.4 Complete Agreement. This Agreement contains the complete agreement between the parties relating in any way to the subject matter of this Agreement and supersedes any prior understandings, agreements or representations, written or oral, which may have related to such subject matter in any way.

5.5 Notices.

(a) Procedures Required. Each communication given or delivered under this Agreement must be in writing and may be given by personal delivery or by certified mail. A written communication shall be deemed to have been given on the date it shall be delivered to the address required by this Agreement.

(b) Communications to the Company. Communications to the Company shall be addressed to it at the principal corporate headquarters and marked to the attention of the Company's president.

(c) Communications to Employee. Every communication to Employee shall be addressed to Employee at the address given immediately below the Employee's signature to this Agreement, or to such other address as Employee shall specify to the Company.

5.6 Assignment. This Agreement is not assignable by Employee during Employee's lifetime. This Agreement shall be binding upon and inure to the benefit of (a) the successors and assigns of the Company, and (b) any person to whom Employee's rights under this Agreement may pass by reason of Employee's death.

5.7 Amendment. This Agreement may be amended, modified or terminated only by written agreement between the Company and Employee.

5.8 Waiver. No delay or omission in exercising any right hereunder shall operate as a waiver of such right or of any other right hereunder. A waiver upon any one occasion shall not be construed as a bar or waiver of any right or remedy on any other occasion. All of the rights and remedies of the parties hereto, whether evidenced hereby or granted by law, shall be cumulative.

5.9 Choice of Law. This Agreement shall be deemed to be a contract made under the laws of the State of Michigan and for all purposes shall be construed in accordance with and governed by the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

EMPLOYEE	UNIVERSAL FOREST PRODUCTS, INC.
______________________________	BY ____________________________
	ITS ____________________________

ADDRESS:

____

____

Exhibit 31(a)

UNIVERSAL FOREST PRODUCTS, INC.

CERTIFICATION

I, William G. Currie, certify that:

1. I have reviewed this report on Form 10-Q of Universal Forest Products, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15e and 15d-15e) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report, based on such evaluation; and

   c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of registrant's Board of Directors (or persons performing the equivalent function):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 25, 2004

/s/ William G. Currie

William G. Currie
Chief Executive Officer

Exhibit 31(b)

UNIVERSAL FOREST PRODUCTS, INC.

CERTIFICATION

I, Michael R. Cole, certify that:

1. I have reviewed this report on Form 10-Q of Universal Forest Products, Inc.;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15e and 15d-15e) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report, based on such evaluation; and

    c. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of registrant's Board of Directors (or persons performing the equivalent function):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 25, 2004

/s/ Michael R. Cole

Michael R. Cole
Chief Financial Officer

Exhibit 32(a)

CERTIFICATE OF THE
CHIEF EXECUTIVE OFFICER OF
UNIVERSAL FOREST PRODUCTS, INC.

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350):

I, William G. Currie, Chief Executive Officer of Universal Forest Products, Inc., certify, to the best of my knowledge and belief, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) that:

(1) The quarterly report on Form 10-Q for the quarterly period ended September 25, 2004, which this statement accompanies, fully complies with requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this quarterly report on Form 10-Q for the quarterly period ended September 25, 2004 fairly presents, in all material respects, the financial condition and results of operations of Universal Forest Products, Inc.

UNIVERSAL FOREST PRODUCTS, INC.

Date: October 25, 2004

By: /s/ William G. Currie

William G. Currie
Its: Chief Executive Officer

Exhibit 32(b)

CERTIFICATE OF THE
CHIEF FINANCIAL OFFICER OF
UNIVERSAL FOREST PRODUCTS, INC.

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350):

I, Michael R. Cole, Chief Financial Officer of Universal Forest Products, Inc., certify, to the best of my knowledge and belief, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) that:

(1) The quarterly report on Form 10-Q for the quarterly period ended September 25, 2004, which this statement accompanies, fully complies with requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this quarterly report on Form 10-Q for the quarterly period ended September 25, 2004 fairly presents, in all material respects, the financial condition and results of operations of Universal Forest Products, Inc.

UNIVERSAL FOREST PRODUCTS, INC.

Date: October 25, 2004

By: /s/ Michael R. Cole

Michael R. Cole
Its: Chief Financial Officer