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, 1999

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

Class	Outstanding as of November 1, 1999
Common stock, no par value	20,286,776

INDEX

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

(in thousands, except share data)

	September 25, 1999	December 26, 1998
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 9,727	$ 920
Accounts receivable (net of allowance for doubtful accounts of $4,136 and $3,540)	95,338	62,846
Inventories:		
Raw materials	39,518	36,856
Finished goods	76,710	71,543
	116,228	108,399
Other current assets	6,647	9,712
TOTAL CURRENT ASSETS	227,940	181,877
OTHER ASSETS	10,715	10,978
GOODWILL AND NON-COMPETE AGREEMENTS, NET	93,569	95,229
PROPERTY, PLANT AND EQUIPMENT:		
Property, plant and equipment, at cost	217,403	193,375
Accumulated depreciation and amortization	(71,189)	(61,389)
PROPERTY, PLANT AND EQUIPMENT, NET	146,214	131,986
TOTAL ASSETS	$ 478,438	$ 420,070
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt	$ 1,392	$ 1,997
Accounts payable	55,389	38,751
Accrued liabilities:		
Compensation and benefits	26,656	28,025
Other	7,556	3,485
Current portion of long-term debt and capital lease obligations	7,928	9,760
TOTAL CURRENT LIABILITIES	98,921	82,018
LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, less current portion	147,580	132,120
DEFERRED INCOME TAXES	8,100	8,100
OTHER LIABILITIES	6,975	6,249
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, 20,677,289 and 20,710,263	20,677	20,710
Additional paid-in capital	78,253	77,526
Retained earnings	118,592	95,221
Accumulated other comprehensive earnings	(24)	(1,072)
	217,498	192,385
Officers' stock notes receivable	(636)	(802)
TOTAL SHAREHOLDERS' EQUITY	216,862	191,583
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 478,438	$ 420,070

See notes to consolidated condensed financial statements.

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

(in thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 25, 1999	September 26, 1998	September 25, 1999	September 26, 1998
NET SALES	$ 388,402	$ 341,071	$ 1,135,333	$ 967,945
COST OF GOODS SOLD	341,260	298,192	991,236	854,258
GROSS PROFIT	47,142	42,879	144,097	113,687
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	29,056	26,406	90,489	68,847
EARNINGS FROM OPERATIONS	18,086	16,473	53,608	44,840
OTHER EXPENSE (INCOME):				
Interest expense	2,993	2,569	9,230	7,301
Interest income	(171)	(125)	(451)	(204)
Other, net	(456)	166	(834)	25
TOTAL OTHER EXPENSE	2,366	2,610	7,945	7,122
EARNINGS BEFORE INCOME TAXES	15,720	13,863	45,663	37,718
INCOME TAXES	6,163	5,365	17,997	14,520
NET EARNINGS	$ 9,557	$ 8,498	$ 27,666	$ 23,198
EARNINGS PER SHARE - BASIC	$ 0.46	$ 0.41	$ 1.33	$ 1.18
EARNINGS PER SHARE - DILUTED	$ 0.45	$ 0.40	$ 1.30	$ 1.14
WEIGHTED AVERAGE SHARES OUTSTANDING	20,746	20,705	20,734	19,652
WEIGHTED AVERAGE SHARES OUTSTANDING WITH COMMON STOCK EQUIVALENTS	21,265	21,371	21,324	20,344

See notes to consolidated condensed financial statements.

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

(in thousands)

	Nine Months Ended	
	September 25, 1999	September 26, 1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 27,666	$ 23,198
Adjustments to reconcile net earnings to net cash from operating activities:		
Depreciation and amortization	11,301	8,875
Amortization of non-compete agreements and goodwill	2,423	1,648
(Gain) loss on disposal of property, plant and equipment	(513)	114
Stock Gift and Stock Grant Program expense	37	25
Changes in:		
Accounts receivable	(32,491)	(28,193)
Inventories	(7,829)	22,930
Other	150	(888)
Accounts payable	16,638	6,934
Accrued liabilities	5,327	9,103
NET CASH FROM OPERATING ACTIVITIES	22,709	43,746
CASH FLOWS FROM INVESTING ACTIVITIES:		
Collection of notes receivable	2,104	105
Purchase of notes receivable	(139)	
Purchases of property, plant and equipment	(27,508)	(18,002)
Proceeds from sale of property, plant and equipment	2,491	431
Business acquisitions, net of cash received		(92,931)
Purchases of other assets	(50)	(159)
NET CASH FROM INVESTING ACTIVITIES	(23,102)	(110,556)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net borrowings (repayments) of notes payable and revolving credit facilities	(4,984)	91,100
Proceeds from issuance of common stock	864	446
Proceeds from issuance of long-term debt	27,742	
Dividends paid	(728)	(725)
Repayment of long-term debt	(9,919)	(24,883)
Repurchase of common stock	(3,775)	
NET CASH FROM FINANCING ACTIVITIES	9,200	65,938
NET CHANGE IN CASH AND CASH EQUIVALENTS	8,807	(872)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	920	3,157
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 9,727	$ 2,285
SUPPLEMENTAL SCHEDULE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 6,929	$ 6,385
Income taxes	14,824	10,560
NON-CASH INVESTING ACTIVITIES:		
Note payable issued in exchange for non-compete agreements		$ 2,373
Note payable issued in business combination		820
Property, plant and equipment acquired through capital leases		179
Fair market value of common stock issued in business combinations		50,511
Final stock settlement of CBC merger		235

See notes to consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)

(in thousands, except share data)	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Earnings	Officers' Stock Notes Receivable	Total
BALANCE AS OF 12/26/98................	$ 20,710	$ 77,526	$ 95,221	($ 1,072)	($ 802)	$ 191,583
Comprehensive earnings:						
Net earnings......................			5,361			
Foreign currency translation adjustment......................				303		
Total comprehensive earnings........						5,664
Issuance of 5,237 shares............	6	92				98
Repurchase of 50,000 shares.........	(50)		(887)			(937)
Payments received on officers' stock notes receivable............					153	153
BALANCE AS OF 3/27/99...................	$ 20,666	$ 77,618	$ 99,695	($ 769)	($ 649)	$ 196,561
Comprehensive earnings:						
Net earnings......................			12,748			
Foreign currency translation adjustment......................				512		
Total comprehensive earnings........						13,260
Dividends paid......................			(728)			(728)
Issuance of 164,743 shares..........	164	560				724
Repurchase of 57,201 shares.........	(57)		(1,071)			(1,128)
Payments received on officers' stock notes receivable............					12	12
BALANCE AS OF 6/26/99...................	$ 20,773	$ 78,178	$ 110,644	($ 257)	($ 637)	$ 208,701
Comprehensive earnings:						
Net earnings......................			9,557			
Foreign currency translation adjustment......................				233		
Total comprehensive earnings:.......						9,790
Issuance of 4,247 shares............	4	75				79
Repurchase of 100,000 shares........	(100)		(1,609)			(1,709)
Payments received on officers' stock notes receivable............					1	1
BALANCE AS OF 9/25/99...................	$ 20,677	$ 78,253	$ 118,592	($ 24)	($ 636)	$ 216,862

UNIVERSAL FOREST PRODUCTS, INC.
CONSOLIDATED CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)

(in thousands, except share data)	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Earnings	Officers' Stock Notes Receivable	Total
BALANCE AS OF 12/27/97................	$ 17,572	$ 29,855	$ 70,253	($ 882)	($ 900)	$ 115,898
Comprehensive earnings:						
Net earnings.....................			3,577			
Foreign currency translation adjustment......................				266		
Total comprehensive earnings:......						3,843
Issuance of 4,585 shares...........	5	51				56
Payments received on officers' stock notes receivable...........					66	66
BALANCE AS OF 3/28/98..................	$ 17,577	$ 29,906	$ 73,830	($ 616)	($ 834)	$ 119,863
Comprehensive earnings:						
Net earnings.....................			11,123			
Foreign currency translation adjustment.....................				(131)		
Total comprehensive earnings:......						10,992
Dividend paid......................			(725)			(725)
Final settlement of CBC merger.....	(17)	(218)				(235)
Issuance of 3,123,090 shares.......	3,140	47,700				50,840
Payments received on officers' stock notes receivable...........					16	16
BALANCE AS OF 6/27/98..................	$ 20,700	$ 77,388	$ 84,228	($ 747)	($ 818)	$ 180,751
Comprehensive earnings:						
Net earnings.....................			8,498			
Foreign currency translation adjustment.....................				(176)		
Total comprehensive earnings:......						8,322
Issuance of 5,685 shares...........	6	79				85
Payments received on officers' stock notes receivable...........					5	5
BALANCE AS OF 9/26/98..................	$ 20,706	$ 77,467	$ 92,726	($ 923)	($ 813)	$ 189,163

See notes to consolidated condensed financial statements.

UNIVERSAL FOREST PRODUCTS, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Unaudited)

A. BASIS OF PRESENTATION

The accompanying unaudited interim consolidated condensed financial statements (the "Financial Statements") of Universal Forest Products, Inc. and its wholly-owned and majority-owned subsidiaries and partnerships (together, the "Company"), 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 generally accepted accounting principles. All significant intercompany accounts and transactions have been eliminated in consolidation. The equity method has been used for the Company's 50% or less owned affiliates over which the Company has the ability to exercise a significant influence.

In the opinion of management, the Financial Statements contain all material adjustments necessary to present fairly the consolidated financial position, results of operations and cash flows, and changes in shareholders' equity of the Company for the interim periods presented. All such adjustments are of a normal recurring nature. These Financial Statements should be read in conjunction with the financial statements, and footnotes thereto, included in the Company's Annual Report to Shareholders on Form 10-K for the fiscal year ended December 26, 1998.

Certain reclassifications have been made to the consolidated condensed financial statements for 1998 to conform to the classifications used in 1999.

B. 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 amounts).

	Three Months Ended 9/25/99			Three Months Ended 9/26/98		
	Net Earnings (Numerator)	Shares (Denominator)	Per Share Amount	Net Earnings (Numerator)	Shares (Denominator)	Per Share Amount
EPS - BASIC						
Net earnings available to common shareholders...........	$ 9,557	20,746	$0.46	$ 8,498	20,705	$0.41
EFFECT OF DILUTIVE SECURITIES						
Options........................		519			666	
EPS - DILUTED						
Net earnings available to common shareholders and options exercised.............	$ 9,557	21,265	$0.45	$ 8,498	21,371	$0.40

UNIVERSAL FOREST PRODUCTS, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS - CONTINUED

	Nine Months Ended 9/25/99			Nine Months Ended 9/26/98		
	Net Earnings (Numerator)	Shares (Denominator)	Per Share Amount	Net Earnings (Numerator)	Shares (Denominator)	Per Share Amount
EPS - BASIC						
Net earnings available to common shareholders............	$ 27,666	20,734	$1.33	$ 23,198	19,652	$1.18
EFFECT OF DILUTIVE SECURITIES						
Options........................		590			692	
EPS - DILUTED						
Net earnings available to common shareholders and options exercised.............	$ 27,666	21,324	$1.30	$ 23,198	20,344	$1.14

Options to purchase 436,107 shares of common stock at exercise prices ranging from $19.75 to $36.01 were outstanding at September 25, 1999, but were not included in the computation of diluted EPS because the options' exercise prices were greater than the average market price of the common stock and, therefore, would be antidilutive.

C. STOCK OPTIONS AND STOCK-BASED COMPENSATION

In May 1999, the Company granted incentive stock options for 25,000 shares of common stock under its Long Term Stock Incentive Plan. Options were granted to an officer of the Company at exercise prices ranging from $19.9100 to $35.7500, which equaled or exceeded the market value of the stock on the date of each grant. The options are exercisable on various dates from 2002 through 2014, and the option recipient must be employed by the Company at the time of exercise.

In January 1999, the Company granted incentive stock options for 231,161 shares of common stock under its Long Term Stock Incentive Plan. Options were granted to certain employees and officers of the Company at exercise prices ranging from $19.7500 to $36.0100, which equaled or exceeded the market value of the stock on the date of each grant. The options are exercisable on various dates from 2002 through 2014, and the option recipients must be employed by the Company at the time of exercise. Options for 133,093 shares related to all plans were canceled during the period.

In January 1998, the Company granted incentive stock options for 346,506 shares of common stock under its Long Term Stock Incentive Plan. Options were granted to certain employees and officers of the Company at exercise prices ranging from $13.1875 to $24.4600, which equaled or exceeded the market value of the stock on the date of each grant. The options are exercisable on various dates from 2001 through 2013, and the option recipients must be employed by the Company at the time of exercise.

UNIVERSAL FOREST PRODUCTS, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS-CONTINUED

On April 22, 1998, the Company granted incentive stock options for 125,000 shares of common stock under its Long Term Stock Incentive Plan. Options were granted to certain employees and officers of the Company at exercise prices ranging from $17.4375 to $31.3000, which equaled or exceeded the market value of the stock on the date of each grant. The options are exercisable on various dates from 2001 through 2013, and the option recipients must be employed by the Company at the time of exercise.

The Company continues to apply the provisions of APB Opinion No. 25 which recognizes compensation expense under the intrinsic value method. Had compensation cost for the stock options granted in 1999 and 1998 been determined under the fair value based method defined in SFAS 123, the Company's net earnings and earnings per share would have been reduced to the following pro forma amounts (in thousands, except per share amounts).

	Three Months Ended		Nine Months Ended	
	September 25, 1999	September 26, 1998	September 25, 1999	September 26, 1998
Net Earnings:				
As Reported.........	$9,557	$8,498	$27,666	$23,198
Pro Forma...........	9,418	8,417	27,252	22,955
EPS - Basic:				
As Reported.........	$0.46	$0.41	$1.33	$1.18
Pro Forma...........	$0.45	$0.41	$1.31	$1.17
EPS - Diluted:				
As Reported.........	$0.45	$0.40	$1.30	$1.14
Pro Forma...........	$0.44	$0.39	$1.28	$1.13

Because the fair value based method of accounting has not been applied to options granted prior to fiscal year 1996, the resulting pro forma compensation cost may not be representative of that to be expected in future years.

The fair value of each option granted in 1999 and 1998 is estimated on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions.

UNIVERSAL FOREST PRODUCTS, INC.
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS-CONTINUED

	1999	1998
Risk Free Interest Rate.............	6.20%	6.20%
Expected Life.......................	9.0 years	8.0 years
Expected Volatility.................	27.75%	28.35%
Expected Dividend Yield.............	0.40%	0.41%

D. BUSINESS COMBINATIONS

In 1998, the Company completed several business combinations which have been accounted for using the purchase method of accounting. Accordingly, in each instance, the purchase price was allocated to the assets acquired and liabilities assumed based on their fair market values at the date of acquisition. Any excess of the purchase price over the fair value of the acquired assets and assumed liabilities was recorded as goodwill in each transaction. The Company has amortized goodwill on a straight-line basis over 40 years. The results of operations of each acquisition is included in the Company's consolidated financial statements since the date it was acquired.

The following unaudited pro forma consolidated results of operations for the three and nine month periods ended September 26, 1998 assumes the acquisitions of Shoffner Industries, Inc. and Advanced Component Systems, Inc. and its affiliates, occurred on December 27, 1997 (in thousands, except per share data). The pro forma effects of other acquisitions are not included because they are not material individually, or in the aggregate.

	Three Months Ended September 26, 1998	Nine Months Ended September 26, 1998
Net sales........................	$341,071	$998,165
Net earnings.....................	8,498	23,765
Earnings per share:		
Basic.....................	$0.41	$1.16
Diluted...................	$0.40	$1.13
Weighted average shares outstanding:		
Basic.....................	20,705	20,402
Diluted...................	21,371	21,094

The pro forma results above include certain adjustments to give effect to amortization of goodwill, interest expense, compensation of management, certain other adjustments, and related income tax effects. The pro forma results are not necessarily indicative of the operating results that would have occurred had the acquisitions been completed as of the beginning of the period presented, nor are they necessarily indicative of future operating results.

UNIVERSAL FOREST PRODUCTS, INC.

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

RISK FACTORS

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. Such forward-looking statements are based on the beliefs of the Company's management as well as on assumptions made by and information currently available to the Company at the time such statements were made. Actual results could differ materially from those included in such forward-looking statements as a result of, among other things, the factors set forth below, the matters included in this report generally and certain economic and business factors, some of which may be beyond the control of the Company. Investors are cautioned that all forward-looking statements involve risks and uncertainty.

Lumber Market Volatility:

The Company experiences significant fluctuations in the cost of lumber products from primary producers. A variety of factors over which the Company has no control, including government regulations, environmental regulations, weather conditions, economic conditions and natural disasters, impact the cost of lumber products and the Company's selling prices. While the Company attempts to minimize its risk from severe price fluctuations, substantial, prolonged trends in lumber prices can affect the Company's financial results.

Competition:

The Company is subject to competitive selling and pricing pressures in its major markets. While the Company is generally aware of its existing competitors' capabilities, it is subject to entry in its markets by new competitors, which could negatively impact financial results.

Market Growth:

The Company's sales growth is dependent, in part, upon growth of the markets it serves. If the Company's markets do not achieve anticipated growth, or if the Company fails to maintain its market share, financial results could be impaired. The manufactured housing industry served by the Company presently has an oversupply of product for the market and has forecasted a reduction of production for the next few quarters. The Company has positioned itself to handle a modest reduction, but should the manufactured housing industry enter into a prolonged downturn, it could adversely affect the Company's operating results.

UNIVERSAL FOREST PRODUCTS, INC.

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

Economic Trends:

As a result of its recent business combinations in the site-built construction market, management believes the Company's ability to achieve growth in sales and margins has become more dependent on general economic conditions, such as interest rates, housing starts and unemployment levels. To the extent these conditions change significantly in the future, the Company's financial results could be impacted.

Business Combinations:

The Company completed several business combinations in 1998 and plans to continue its acquisition activity in the immediate future in order to achieve certain strategic objectives. There are many inherent risks associated with business combinations, including assimilation and successfully managing growth. While the Company conducts extensive due diligence and has taken steps to ensure successful assimilation, factors beyond the Company's control could influence the results of these acquisitions.

Consolidation:

The Company is witnessing consolidation and a reduction in the number of customers in various markets it serves. These consolidations will result in a larger portion of Company sales being made to some customers. The long term effects of this consolidation are unknown, but could impact the Company's margins on some product lines.

Government Regulations:

The Company is subject to a substantial amount of existing government regulations which create a burden on the Company. Should the Company become subject to additional laws and regulations enacted in the future, or changes in interpretation of existing laws, it could have an adverse affect on the Company's financial results.

Weather Conditions:

The majority of the Company's products are used in outdoor construction activities, therefore its sales volume and profits can be negatively affected by adverse weather conditions in certain geographic markets. In addition, adverse weather conditions in certain regions can negatively impact the Company's operations and consequently its productivity and costs per unit.

UNIVERSAL FOREST PRODUCTS, INC.

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

Seasonality:

The Company's business is seasonal in nature and results of operations vary from quarter to quarter. The demand for many of the Company's 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. Sales of treated lumber are generally at their highest levels between the months of April through August. This sales peak, combined with capacity constraints in the wood treatment process, requires the Company to build its inventory of treated lumber throughout the winter and spring. Since sales prices of treated lumber products are generally indexed to the Lumber Market at the time they are shipped, the Company's profits can be negatively affected by prolonged declines in the Lumber Market during its primary selling season. To mitigate this risk, supply programs are maintained with vendors that are intended to decrease the Company's exposure. These programs include those materials which are most susceptible to adverse changes in the Lumber Market, and also allow the Company to carry a lower investment in inventories.

Please recognize the above risk factors when reviewing the Company's business prospects.

FLUCTUATIONS IN LUMBER PRICES

The following table presents the Random Lengths framing lumber composite price for the nine months ended September 25, 1999 and September 26, 1998:

	Random Lengths Average $/MBF	
	1999	1998
January	$370	$360
February	386	375
March	394	369
April	393	369
May	421	331
June	454	332
July	480	345
August	404	355
September	392	328
Third quarter average	$425	$343
Year-to-date average	$410	$352

Third quarter percentage increase over 1998...............	23.9%
Year-to-date percentage increase over 1998...............	16.5%

The Random Lengths composite price is a weighted average of nine key framing lumber prices chosen from major producing areas and species. The composite price is designed as a broad measure of price movement in the commodity lumber market ("Lumber Market"). In the third quarter of 1999, the Lumber Market was 23.9% higher than it was during the same period of 1998, and 16.5% higher comparing year-to-date 1999 with 1998. However, the price declined 18.3% within the third quarter of 1999. SYP, a species which comprises up to 50% of the Company's volume, increased 17.7% in the third quarter of 1999 compared to the same period of 1998, and only 5.8% comparing year-to-date 1999 with 1998. A SYP composite price, prepared and used by the Company in managing the business, is as follows:

	Random Lengths SYP Average $/MBF	
	1999	1998
January............................	$471	$499
February...........................	497	525
March..............................	513	550
April..............................	498	541
May................................	517	482
June...............................	563	450
July...............................	590	471
August.............................	492	439
September..........................	473	409
Third quarter average..............	$518	$440
Year-to-date average...............	$513	$485
Third quarter percentage increase over 1998.............	17.7%	
Year-to-date percentage increase over 1998.............	5.8%	

The effects of the Lumber Market on the Company's results of operations are discussed below under the captions "Net Sales" and "Cost of Goods Sold and Gross Profit."

UNIVERSAL FOREST PRODUCTS, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS-CONTINUED

RESULTS OF OPERATIONS

The following table presents, for the periods indicated, the components of the Company's Consolidated Statement of Earnings as a percentage of net sales.

	For the Three Months Ended		For the Nine Months Ended	
	September 25, 1999	September 26, 1998	September 25, 1999	September 26, 1998
Net sales	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	87.9	87.4	87.3	88.3
Gross profit	12.1	12.6	12.7	11.7
Selling, general, and administrative expenses	7.5	7.8	8.0	7.1
Earnings from operations	4.6	4.8	4.7	4.6
Other expense, net	0.5	0.7	0.7	0.7
Earnings before income taxes	4.1	4.1	4.0	3.9
Income taxes	1.6	1.6	1.6	1.5
Net earnings	2.5%	2.5%	2.4%	2.4%

NET SALES

The Company manufactures, treats and distributes lumber and other building-related products to the do-it-yourself (DIY), manufactured housing, wholesale lumber, industrial and conventional site-built construction markets. The Company's strategic objectives relative to sales include:

- Continuing to diversify the Company's end market sales mix by increasing its sales of specialty wood packaging to industrial users and "engineered wood products" to the site-built construction market. The Company defines engineered wood products as trusses, wall panels and engineered floor systems.

- Maximizing its sales of "value-added" products. Value-added product sales consist of fencing, decking, lattice and other outdoor specialty products sold to the DIY market; roof trusses sold to producers of manufactured homes; specialty wood packaging; and engineered wood products. A long-term goal of the Company is to achieve a ratio of value-added sales to total sales of at least 50%.

UNIVERSAL FOREST PRODUCTS, INC.

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

- - Increasing DIY market share, and maintaining manufactured housing market share.

In order to measure its progress toward attaining these objectives, management analyzes the following financial data relative to sales:

- - Sales by market classification.

- - The percentage change in sales attributable to changes in overall selling prices versus changes in the quantity of units shipped.

- - The ratio of value-added product sales to total sales.

The following table presents, for the periods indicated, the Company's net sales (in thousands) and percentage of total net sales by market classification.

	For the Three Months Ended				For the Nine Months Ended			
Market Classification	Sept. 25, 1999	%	Sept. 26, 1998	%	Sept. 25, 1999	%	Sept. 26, 1998	%
DIY	$177,892	45.8%	$154,948	45.4%	$ 534,850	47.1%	$463,466	47.9%
Manufactured Housing	103,990	26.8	103,220	30.3	309,222	27.2	303,137	31.3
Site-Built Construction	58,062	14.9	42,405	12.4	159,412	14.0	85,882	8.9
Wholesale Lumber	22,270	5.7	18,625	5.5	60,667	5.3	57,585	5.9
Industrial	26,188	6.8	21,873	6.4	71,182	6.4	57,875	6.0
Total	$388,402	100.0%	$341,071	100.0%	$1,135,333	100.0%	$967,945	100.0%

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

	Three Months Ended		Nine Months Ended	
	September 25, 1999	September 26, 1998	September 25, 1999	September 26, 1998
Value-Added	37.3%	39.4%	37.8%	38.4%
Commodity Based	62.7%	60.6%	62.2%	61.6%

DIY:

Net sales to the DIY market increased approximately $22.9 million, or 14.8%, in the third quarter of 1999 compared to 1998, and $71.4 million, or 15.4%, in the first nine months of 1999 compared to 1998. These increases are primarily due to adding treated lumber business with the Company's largest

UNIVERSAL FOREST PRODUCTS, INC.

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

customer, combined with higher overall selling prices due to the level of the Lumber Market. The increase in treated lumber sales occurred as a result of recently acquiring treating plants in targeted markets, and in spite of significantly decreased business with three national retailers. The decrease in sales to two of these customers was due to a decline in their financial position, and the decrease in business to the third customer was due to competitive factors. Management believes that its concentration of business with its largest customer in this market will continue to increase.

Manufactured Housing:

Net sales to the manufactured housing market increased approximately $0.8 million, or 0.7%, in the third quarter of 1999 compared to 1998. Sales were relatively flat despite an $8.5 million decrease in sales to two of the Company's largest accounts. These decreases were primarily due to excess customer inventory at a retail level, therefore these customers have curtailed production. This industry situation is expected to continue for at least six months. The decreased sales to two accounts mentioned above was primarily offset by increased sales to several accounts and the effect of the higher Lumber Market on selling prices. Net sales to this market for the first nine months of 1999 increased approximately $6.1 million, or 2%, compared to 1998. This overall increase was primarily due to an increase in overall selling prices as a result of a higher Lumber Market, which offset a decrease in unit sales. Spruce-pine-fir is the species predominantly used for products sold to this market, the costs of which were up considerably during the first nine months of 1999.

Site-Built Construction:

Net sales to the site-built construction market increased approximately $15.6 million and $73.5 million in the third quarter and first nine months of 1999, respectively, compared to the same periods of 1998. These increases were due to several new businesses acquired in 1998, combined with growth in their sales volume in 1999. Sales increases are generally due to a combination of strong housing markets, increased market share in their respective regions, and the effect of the higher Lumber Market on selling prices.

Industrial:

Net sales to the industrial market increased approximately $4.3 million, or 19.6%, and $13.3 million, or 23.0%, in the third quarter and first nine months of 1999, respectively, compared to the same periods of 1998. These increases were primarily due to the acquisition of Industrial Lumber Company in June of 1998, the addition of new customer accounts, and increased market share by several plants.

UNIVERSAL FOREST PRODUCTS, INC.

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

COST OF GOODS SOLD AND GROSS PROFIT

Gross profit as a percentage of net sales decreased to 12.1% in the third quarter of 1999 compared to 12.6% in the third quarter of 1998. Factors contributing to this decrease include:

- A change in the mix of products sold to the DIY market whereby the ratio of value-added product sales to total sales to this market decreased in the third quarter of 1999 compared to 1998. This was caused by a 29.4% increase in treated lumber sales while fencing and lattice sales declined 20.7%. The Company lost certain value-added sales due to competitive factors with respect to one customer, and credit concerns with respect to two others. The increase in treated lumber sales is due to new treating facilities in targeted markets, and replacing lost value-added business mentioned above with treated lumber sales to the Company's largest customer.

- A decrease in gross margins on sales of engineered wood products as a result of the high level of the Lumber Market and new facilities which have not yet reached targeted production levels. In situations when the Lumber market increases to unusually high levels, the Company's selling prices generally increase at a slower rate, sufficient to cover its increase in lumber costs.

- A decrease in gross margins on certain commodity-based products due to a severe decrease in the Lumber Market in the third quarter of 1999. The Company actively seeks to minimize its profit exposure in a falling Lumber Market through vendor supply programs, inventory management procedures, and other management techniques.

Gross profit as a percentage of net sales increased to 12.7% in the first nine months of 1999 compared to 11.7% in 1998, primarily due to increased sales of engineered wood products combined with increased sales of specialty wood packaging products and related components to the industrial market in the Company's Western region. These favorable effects were partially offset by a decline in sales of fencing, lattice, and other outdoor specialty products due to factors discussed above.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses increased approximately $2.7 million, or 10%, comparing the third quarter of 1999 to the same period of 1998. In the first nine months of 1999, these expenses increased approximately $21.6 million, or 31.4%, compared to 1998. These increases were primarily due to:

- Expenses added through business acquisitions and other new operations. These expenses totaled $1.0 million in the third quarter of 1999 and $10.5 million in the first nine months of 1999.

UNIVERSAL FOREST PRODUCTS, INC.
MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS-CONTINUED

- General increases in personnel and travel costs due to additional sales, marketing, engineering and management personnel to support the recent and anticipated growth of the business. In addition, sales of engineered wood products require higher engineering and selling costs than the Company's other manufactured products. Sales of these products increased 23.0% percent in the third quarter of 1999 compared to 1998.

- Increases in accrued incentive compensation expenses tied to profitability and return on investment objectives.

OTHER EXPENSE, NET

Other expense, net is primarily comprised of interest expense and interest income. Net interest costs (interest expense less interest income) increased approximately $0.4 million and $1.7 million, comparing the third quarter and first nine months of 1999 and 1998, respectively. These increases are primarily due to a higher average debt balance in 1999 compared to 1998 due to the growth of the business and a higher borrowing rate on acquisition-related debt as a result of extending its maturity. The Company extended the maturity of this debt by replacing borrowings on one-year uncommitted credit lines with senior notes having bullet maturities ranging from seven to ten years.

INCOME TAXES

The Company's effective tax rate was 39.2% in the third quarter of 1999 compared to 38.7% in the third quarter of 1998. This increase is primarily due to estimated state and local income taxes which can vary from year to year based on changes in income generated by the Company in each of the states in which it operates. The Company's effective tax rate for the first nine months of 1999 was 39.4% compared to 38.5% for the same period of 1998, due to the same factor discussed above plus a permanent tax difference resulting from a business acquisition.

LIQUIDITY AND CAPITAL RESOURCES

Cash flows provided by operating activities for the first nine months of 1999 decreased to approximately $22.7 million from $43.7 million in 1998. Working capital requirements increased from December 1998 to September 1999 as a result of business growth combined with the effect of a higher Lumber Market in the third quarter of 1999 compared to the fourth quarter of 1998. Conversely, working capital decreased from December 1997 to September 1998 as a result of better inventory management and a lower Lumber Market in the third quarter of 1998 compared to the fourth quarter of 1997.

Due to the seasonality of its business and the effects of the Lumber Market, management believes the Company's cash cycle (days sales outstanding plus days supply of inventory less days payables

UNIVERSAL FOREST PRODUCTS, INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION-CONTINUED

outstanding) is a better indicator of its working capital management than operating cash flow. The Company's cash cycle decreased to 41 days in the first nine months of 1999 from 45 days in the first nine months of 1998, primarily due to improved inventory management in 1999. At the end of 1997, and during the first half of 1998, the Company carried higher levels of inventory relative to sales than was necessary. Since that time, plant management improved its control over this area.

Capital expenditures totaled $27.5 million in the first nine months of 1999 compared to $18.0 million in the same period of 1998. The increase was primarily due to an increase in new facilities purchased in 1999, and a fractional ownership investment in an airplane. Investments associated with new facilities totaled $16.6 million through September 1999. In 1998, amounts spent on new facilities totaled approximately $5.0 million. The Company expects to spend between $10 million and $15 million on capital expenditures for the balance of 1999, which includes outstanding purchase commitments on capital projects totaling approximately $7.2 million on September 25, 1999. The Company intends to satisfy these commitments utilizing its revolving credit facility.

The Company has not completed any business acquisitions during the first nine months of 1999. Management continues to focus on assimilating the acquisitions it completed in 1998, while also investigating other potential targets.

Cash flows provided by financing activities totaled approximately $9.2 million in the first nine months of 1999 compared to $65.9 million in 1998. The decrease was due to not completing any business acquisitions in 1999, offset by greater working capital requirements and higher capital expenditures in the first nine months of 1999. On September 25, 1999, the Company had $12.0 million outstanding on its $175 million revolving credit facility. The Company experiences its lowest working capital requirements between the months from August to January. Seasonal borrowings related to working capital are currently expected to peak between $60 million and $70 million during the months from February to July of the year 2000.

ENVIRONMENTAL CONSIDERATIONS AND REGULATIONS

The Company is self-insured for environmental impairment liability, and accrues for the estimated cost of monitoring or remedial activities. As of November 1, 1999, the Company owns and/or operates twenty wood preserving facilities throughout the United States that treat lumber products with a chemical preservative. In accordance with applicable federal, state and local environmental laws, ordinances and regulations, the Company may be potentially liable for costs and expenses related to the environmental condition of the Company's real property. The Company has established reserves for remedial activities at its North East, MD; Union City, GA; Stockertown, PA; Elizabeth City, NC; and Schertz, TX facilities. Remedial activities at the Granger, IN facility were completed in the second quarter of 1999, other than minimal costs to dismantle the remediation network, no other costs are expected in the future.

UNIVERSAL FOREST PRODUCTS, INC.

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

The Company has accrued, in other current and long-term liabilities, amounts totaling $2.3 million and $2.0 million at September 25, 1999 and September 26, 1998 for the activities described above. The increase is due to the addition of two facilities requiring remediation since 1998. Management believes that the potential future costs of known remediation efforts will not have a material adverse effect on its future financial position, results of operations or liquidity.

"THE YEAR 2000"

The Company has reviewed its primary business and financial systems, and has concluded it will not have any material "Year 2000" issues with the computer programs which drive these systems. Accordingly, management does not expect to incur any programming costs in this area. The Company believes its risks associated with the "Year 2000" relate primarily to its customers, suppliers, service providers and possible disruptions in the overall economy. Management has reviewed the systems of its significant customers and vendors, as well as its other ancillary systems, and has detected no material issues to date. This review was originally planned for an April completion, but due to priorities in other areas, it was completed in September of 1999. Issues that were identified were insignificant and are now being resolved. Incremental costs associated with this review are still expected to total $50,000, while no costs, other than internal management time, have been incurred in the first nine months of 1999. Although there can be no absolute assurances that there will not be a material adverse effect on the Company if third parties do not resolve their "Year 2000" issues in a timely manner, the Company believes its activities will minimize these risks. The Company will continue to evaluate and develop contingency plans as a result of its "Year 2000" assessment.

UNIVERSAL FOREST PRODUCTS, INC.

PART II. OTHER INFORMATION

Item 2. Changes in Securities.

(a) None.

(b) None.

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

	Date of Sale	Class of Stock	Number of Shares	Purchasers	Consideration Exchanged
Employee Stock Gift Program	Various	Common	50	Eligible employees	None

UNIVERSAL FOREST PRODUCTS, INC.

SIGNATURE

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

UNIVERSAL FOREST PRODUCTS, INC.

Date: November 8, 1999 By: /s/ William G. Currie
William G. Currie
Its: President and Chief Executive Officer

Date: November 8, 1999 By: /s/ Elizabeth A. Nickels
Elizabeth A. Nickels
Its: Executive Vice President of Finance and Administration and Treasurer (Principal Financial Officer)

UNIVERSAL FOREST PRODUCTS, INC.

EXHIBIT INDEX

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UNIVERSAL FOREST PRODUCTS
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9-MOS
DEC-25-1999
DEC-27-1998
SEP-25-1999
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