

# Top 10 Truths

Manufactured housing is an important affordable homeownership solution in the United States. It is, in fact, home to 17 million Americans already. Yet many myths persist about this form of housing. The following are 10 facts to dispel stereotypes and raise awareness of manufactured housing as a high-quality and affordable homeownership option.



## 1 Manufactured homes are not mobile

“Mobile home” is a misnomer. Less than 1% of manufactured homes are moved after being installed.<sup>1</sup> Moving them is expensive and impractical. The cost of relocating a manufactured home can run between \$6,000 and \$10,000, an amount equal to five to seven years’ worth of equity for many homeowners.<sup>2</sup> Not only can improperly moving and installing a manufactured home seriously damage a home and its contents, but many manufactured home communities do not allow the installation of older units.

## 2 Today’s manufactured homes are well designed and constructed

When properly constructed and sited, manufactured housing is of comparable quality to site-built housing. Since the implementation of the 1976 HUD Code, the quality of manufactured housing has improved dramatically. In fact, manufactured housing is constructed of the same materials as site-built housing and now has a comparable lifespan. It can be designed in a variety of architectural styles to blend into almost any site-built neighborhood. Furthermore, the manufacturing process allows not only for increased affordability, but also for the efficient use of resources. Construction of a manufactured home generates 30 to 45% less waste than comparable site-built construction.<sup>3</sup>

## 3 Manufactured housing is home to a significant number of Americans

Seventeen million Americans live in manufactured housing, and manufactured housing makes up 7% of the nation’s housing stock.<sup>4</sup> Manufactured housing represents nearly 11% of housing for families living at 150% or less of the poverty level<sup>5</sup> and is the largest source of unsubsidized affordable housing in the nation.

## 4 For many people, manufactured housing is their housing of choice

Today’s manufactured homes are safe, energy efficient and last as long as traditionally built homes. A new manufactured home can be quickly installed and customized with numerous features. For millions of homebuyers, a manufactured home is the smart choice: an affordable investment with the potential to appreciate in value.

## **5 People who live in manufactured homes are stable residents**

Contrary to popular belief, manufactured housing owners are not necessarily more transient than the general population. They also represent all income levels and all ages. According to the most recent American Housing Survey, owners of manufactured homes represented only 2% of all Americans who moved that year. The typical turnover rate in a manufactured housing community is only 2-4% per year.<sup>6</sup>

## **6 Manufactured housing is located in all regions of the United States**

Manufactured homes can be found in urban and rural areas throughout the country. Although inroads into both urban and suburban communities have been made, the majority of manufactured housing is still located in rural America. Rural areas contain less than one-quarter of the nation's housing units, but more than six out of 10 manufactured homes are located in rural areas.<sup>7</sup>

## **7 Most manufactured homes are located on individual lots, not in 'trailer parks'**

Contrary to popular perception, most manufactured homes are placed on privately owned land, rather than in land-lease communities, or "parks," where homeowners rent their home site. In 2006, only 28 percent of new manufactured homes were placed in land-lease communities.<sup>8</sup>

## **8 Owning a home on rented land is a precarious situation**

Approximately one-third of owners of manufactured homes do not own the land beneath their homes. Owning a "home on the land of another" leaves families at the mercy of landowners regarding potential rent increases, community rules, infrastructure investment and maintenance, and potential community closure for a "change of use." It means not having control over your home and biggest financial asset.

## **9 Residents of manufactured home parks can own and operate their own communities**

Mounting evidence shows that homeowners want the security of community ownership and that they are capable of buying and managing it. Throughout the United States, there are more than 750 resident-owned manufactured home communities. A national nonprofit, ROC USA™, works with local and national organizations to provide technical assistance and financing to help homeowners become community owners.

## **10 Manufactured homes can appreciate in value**

Properly installed on land with long-term security, manufactured housing can be an asset builder for homeowners. The most important factors affecting appreciation are land control, financing and titling. Under the right circumstances, there is no inherent reason why a home built in a factory cannot appreciate as a comparable site-built home would.<sup>10</sup>

### **Endnotes**

1 Genz, Richard. Why Advocates Need to Rethink Manufactured Housing. Housing Policy Debate, Volume 12, Issue 2. Fannie Mae Foundation, 2001.

2 Jewell, Kevin. Appreciation in Manufactured Housing: A Fresh Look at the Debate and the Data. Consumers Union, February 2002.

3 Grosskopf & Cutlip. Safety, Sustainability and Public Perception of Manufactured Housing in Hot, Humid Climates. University of Florida, 2006.

4 American Housing Survey, 2005.

5 American Housing Survey, 2005.

6 Rowe, Randall. Investing in Manufactured Housing Communities. Urban Land 57(6), 1998.

7 American Housing Survey, 2005.

8 Manufactured Housing Census, <http://www.census.gov/const/www/mhsindex.html>.

9 Please visit <http://www.rocusa.org/>.

10 Jewell, Kevin. Appreciation in Manufactured Housing: A Fresh Look at the Debate and the Data. Consumers Union, February 2002.