Transforming Trailers into Assets

Peter Skillern and Tanya Wolfram

The name Dreamland expressed residents' hopes of what the park could be and perhaps was at one time—a community of well-kept manufactured homes (colloquially known as mobile homes) bought by working people trying to live the American dream. Instead it became the epitome of everything a community dreads—rusting single-section trailers nearly touching each other, vacant and boarded-up homes, problems with crime.

But through redevelopment, improvements in infrastructure, and nonprofit ownership, Dreamland still could become the neighborhood its name evokes.

Although some critics of manufactured housing wish it would just disappear, it is an important source of affordable housing throughout the country and even more so in the rural South, where the majority of manufactured homes are located. In North Carolina, manufactured homes make up 16.4 percent of living units and house more than 1.3 million people.[1] During the 1990s, manufactured housing accounted for 40 percent of the new housing starts in North Carolina.[2]

The nation needs to recognize manufactured housing as a legitimate option for homeownership and an avenue for building vibrant neighborhoods and communities.

In America, property ownership, particularly homeownership, always has conveyed status. Owning a home is a critical part of attaining the American dream. Today, government policies and popular culture continue to view owning a home as a measure of personal success.

However, not all homes or forms of homeownership are treated equally by lenders, governments, and society. Although ownership of manufactured homes is becoming increasingly common in the United States, purchasers of such homes often do not enjoy the same rights and benefits as other homeowners. A family that buys a manufactured house has substantively different privileges, protections, and opportunities than one owning a site-built house.

Recently there has been a movement to acknowledge the role of manufactured housing in providing affordable housing and to concentrate on the opportunities that manufactured housing offers as part of a wealth-building strategy. The nation needs to recognize manufactured housing as a legitimate option for homeownership and an avenue for building vibrant neighborhoods and communities. The nation also needs to realize that redevelopment and nonprofit management of "land-lease communities"—communities where the homeowner owns the home but rents the lot—can play a role in promoting community development; creating safe, clean neighborhoods; and building homeowner wealth.

This article discusses the growth of manufactured housing and its importance in providing affordable housing. The

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Adam Rust/Community Reinvestment Association of North Carolina

Children play on the highway berm above Dreamland, the mobile home park where they live, in Sanford, North Carolina.

article also identifies issues affecting consumers and the community. Finally, it recommends the rehabilitation of land-lease communities as a community development strategy to provide safe, affordable neighborhoods.

Manufactured Housing and Homeownership

Although manufactured housing began in the 1930s as part of the recreational vehicle industry, it soon became a form of permanent housing. Manufactured homes are built entirely in a factory, on a chassis with axles and wheels that allow it to be transported to a home site. Whereas site-built homes conform to state and local building codes, manufactured homes since 1976 have been built according to the code developed by the U.S. Department of Housing and Urban Development. That code preempts state and local building regulations. (For some interesting facts about another type of housing, the modular home, see the sidebar on page 7.)

Manufactured homes are an important source of low-cost housing for many owners. In the United States today, nearly 7.2 million households, or 6.8 percent, live in manufactured homes. In the South, manufactured homes make up an even greater share of occupied housing stock. In 2003, 55 percent of all new manufactured homes were placed in the South, and 54 percent of all existing manufactured homes were found there.[3] In the same year, North Carolina was third behind Florida and Texas in the number of new manufactured home placements.

For many residents in rural parts of North Carolina, manufactured housing is the housing of choice. In 20 of North Carolina's 100 counties, it constitutes more than 30 percent of the occupied housing stock (see Figure 1). Most of the counties with high concentrations of manufactured homes are outside the state's major metropolitan areas. Manufactured housing is found disproportionately in rural areas because of the difficulties and the costs of site-built construction at relatively scattered sites, the lack of alternative forms of affordable housing, and generally lower incomes. In addition, land-use policies and zoning restrictions limit the placement of manufactured homes at urban and suburban sites.

However, it is a mistake to think that manufactured housing is limited to rural communities. Manufactured housing may not constitute a large percentage of the total housing stock, but it is present in metropolitan areas. For example, in Wake County, one of North Carolina's most urban areas, there are more than 14,000 manufactured homes—the fifth-highest number in the state. In and near Asheville, in Buncombe County, there are more than 18,000. (See Table 1.)

Although the image of a beat-up, single-section trailer endures in the American imagination when the term "mobile home" is used, three-fourths of today's new manufactured homes are multisection structures with design features intended to resemble a conventional, site-built home. Many have pitched roofs, porches, and garages. They are placed on individual lots, in subdivisions, on urban and suburban "infill" lots (lots surrounded by existing development), and in land-lease communities. Nearly 70 percent of them are on property outside a manufactured home community, nearly 20 percent in a manufactured home park or court, and 11 percent in a manufactured housing subdivision.[4]

The American Dream for Less

The most popular reason for purchasing a manufactured home is the price. In the 2001 American Housing Survey, more than 40 percent of owners who had recently moved into their manufactured homes ranked financial considerations as the main reason for their choice.[5]

To me, it was a cost thing.
—*Jennifer Thomas, Reidsville, N.C.*[6]

It is easy to see why manufactured housing is an attractive option to many buyers. In 2003 in the South, the average sales price of a manufactured home was $50,300. Single-section homes averaged $30,300, and double-section homes averaged $56,700. In contrast, the average sales price of a site-built home was $209,800.[7] The manufactured housing industry estimates the cost per square foot at $27.50 for a single-section home and $32.77 for a multi-section home. Comparable costs for a site-built home are $75.68 per square foot (not including land).[8]

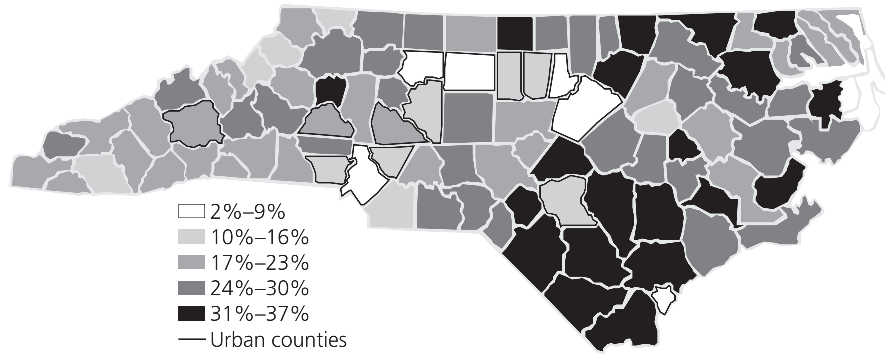
The "Realness" of Real Estate

There are many differences between site-built homes and manufactured homes, including construction processes, building codes, and buying processes. A fundamental difference is rooted in their property classifications. Site-built homes always are treated as real estate, but manufactured homes often are treated as personal property. This difference affects how manufactured housing is sold, appraised, financed, sited, and regulated. It also has implications for tax revenue for local communities.

Property Classification

Real property stays in one place; personal property is mobile. How "real" is a manufactured home? All manufactured housing units begin as personal property. To be transported, they must be registered with a state's department of motor vehicles.

Figure 1. **Manufactured Homes as a Percentage of Total Housing Units, by County, North Carolina, 2000**



Source: Created by Tanya Wolfram using data from U.S. Census Bureau, Census 2000, Summary File 3, *H.30, Units in Structure*, available at http://factfinder.census.gov/.

Yet, depending on how the unit is ultimately secured to real property (land), manufactured housing falls along a continuum of "realness." At one end are units that are placed on rental lots in parks and not secured to a permanent foundation. These are usually considered personal property. At the other end are multisection units placed on a permanent foundation, sited on land owned by the unit owners, and improved with the addition of a porch or a garage. These are more likely to be considered real property.

Do you think of yourself as a homeowner?
—*Interviewer*

Yes. We're borrowing the land, but the home is ours.
—*Al Williams, Reidsville, N.C.*[9]

Financing and Regulation

The difference between real property and personal property is the basis for the development of parallel financing systems for manufactured and site-built homes. Owners of manufactured homes typically pay more for credit and have fewer regulatory protections. (For a summary of the differences between real and personal property, and for remedies to put them on equal footing, see Table 2.)

Most manufactured homes, like cars, are bought from a dealer, and most are purchased with personal-property, or asset-backed, loans instead of real estate loans.

A mobile home loan is . . . sort of in between a car loan and a home mortgage.
—*Randy Hanks, Reidsville, N.C.*[10]

Units that are financed as asset-backed, chattel, or consumer loans have significantly higher interest rates than real estate mortgages do and generally have shorter terms: ten or fifteen years. In 2001, mortgage rates for site-built homes ranged from 6.45 percent to 7.25 percent. By comparison, the effective interest rates (annual percentage rates) for manufactured homes in North Carolina were estimated at 10.75 percent for single-wide homes and 8.00 percent for multisection units.[11] On a thirty-year loan for $80,000, the difference between 7 percent and 10 percent would be $170 per month or $129,600 over the life of the loan (see Figure 2).

Chattel loans for homes can have interest rates as high as 18 percent. The monthly payment is lowered by extending the term to thirty years. High rates and long terms increase the costs of interest and defer the repayment of principal.

State laws defining manufactured housing as personal property provide effective barriers to manufactured units being financed as real property.[12] In 2001 the North Carolina General Assembly passed a law amending the definition of "real estate" to allow owners of manufactured homes on permanent foundations on land they own, to register for a real estate deed rather than a personal

Table 1. **North Carolina Counties with the Highest Number of Manufactured Homes, 2000**

County	No. MHs	Percent MHs
Brunswick	18,458	35.9
Buncombe	18,054	19.2
Robeson	17,748	37.1
Cumberland	16,264	13.7
Wake	14,210	5.5
Randolph	13,694	25.2
Onslow	13,585	24.4
Harnett	12,300	31.9
Wayne	12,039	25.4
Johnston	11,852	23.6

Source: Calculated by Tanya Wolfram using data from U.S. Census Bureau, Census 2000, Summary File 3, *H.30*, *Units in Structure,* available at http://factfinder.census.gov/.

Note: MH = manufactured home.

property title. In 2003 the General Assembly passed a law allowing units in land-lease communities to be recognized as real property if the foundations and the leases meet minimum standards.

Yet titling as real property remains the exception: in 2003, 62 percent of new manufactured homes were titled as personal property, while just 33 percent were titled as real estate.[13]

Appraisal

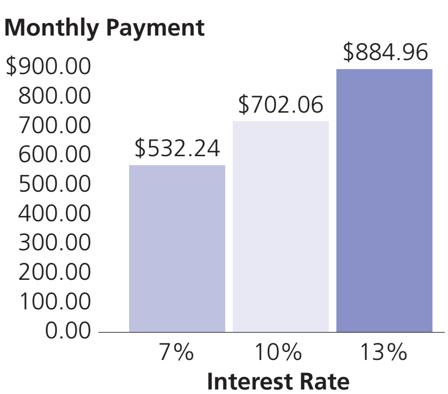
The conventional wisdom is that manufactured homes automatically depreciate in value. Public officials and advocates of low-income housing often criticize manufactured housing because depreciation defeats the wealth-building goal of homeownership. If manufactured homes depreciate, then the owners are not building assets.

Historically, manufactured homes have been appraised according to a depreciation schedule based on the Manufactured Housing Appraisal Guide of the National Automobile Dealers Association (NADA Guide). NADA determines the value of older manufactured homes in the same way that it determines the value of used cars.

Appreciation of any home depends on the physical condition of the home and changes in supply and demand.[14] Manufactured homes can appreciate, but whether they do depends on a wider number of factors: where the home is located (manufactured homes in urban areas tend to appreciate more than those in rural areas), how well built and well maintained the home is, whether the owner of the home also owns the land on which the home sits, and whether the home is financed as personal or real property. Also, homes located in the South and the Midwest do not perform as well as homes in the Northeast and the West. In New Hampshire, even manufactured homes in land-lease communities have appreciated, partly because of tenant-controlled park management and also because of their proximity to the extremely expensive Boston housing market.

Manufactured homes tend to have a higher variation in appreciation (or depreciation) than site-built homes. The variation makes a manufactured home a riskier purchase for the consumer in terms of building wealth. The question remains how to reduce that risk and introduce systematic reforms to help manufactured homes appreciate rather than depreciate.

Figure 2. **Effect of the Interest Rate on Monthly Payments for a 30-Year Loan of $80,000**



Source: Created by Tanya Wolfram.

Modular Homes

North Carolina is the number one producer of modular homes, with 4,903 built in 2003.[1]

With the decline in credit for mobile homes, production of units dropped 65 percent nationwide, from a high of 372,843 a year in 1998 to 130,937 in 2003.[2] Meanwhile, the availability of mortgages for modular homes has encouraged growth in their production by double-digit percentages in the past five years. This growth is expected to accelerate. Still, production was only 37,800 nationally in 2003.[3]

Modular homes are factory built to the local building code where the unit will be placed. Compliance with the local code is enforced by a third-party inspector and is paid for by the manufacturer. Regardless of where the manufacturer is located, the inspector is accountable to the North Carolina Department of Insurance for code compliance of units placed in North Carolina. Local building inspectors are responsible only for compliance with local zoning, foundation, and connection requirements.

Those who sell modular homes here are currently not licensed by either the North Carolina Real Estate Commission, for real estate agents, or the Department of Insurance, for mobile home dealers. The complexity of the regulatory scheme provides disincentives for industry to expand modular production and leaves gaps in consumer protection.

Notes

1. Telephone Conversation with Thayer Long, Director of State and Local Affairs, National Manufactured Housing Inst. (Dec. 13, 2004).
2. *Id.*
3. *Id.*

Table 2. **Remedying the Differences between Real Property and Personal Property**

Real Property	Personal Property
Registered with deed at courthouse.	Registered with title at Department of Motor Vehicles. **Remedy:** N.C. passes law to recognize units as real property, including land-lease units with long-term leases. Units are titled with deeds.
Appraisal based on market value.	Currently no appraisal. Financing based on sales price only. **Remedy:** Market-value appraisals become a requirement of loan underwriting. Deed information makes sales comparisons possible.
Clean title insured with title insurance.	No title insurance. **Remedy:** Title insurance companies issue Alta Seven Endorsement, which guarantees that property has been legally converted from personal to real property by changing titling from Department of Motor Vehicles to Registry of Deeds. Conversion allows property to qualify for title insurance as real property on basis of filing with deed.
Private mortgage insurance available to reduce risk, cost, and down payment.	Private mortgage insurance not available. **Remedy:** With changes in property definition, appraisals, and long-term leases, private mortgage companies should provide mortgage insurance at reasonable rates. Such insurance is needed to involve banks and secondary market on larger scale.
Competition among banks for loans. Highest level of regulatory oversight.	Subprime lenders only. Lowest level of regulatory oversight. **Remedy:** Banks enter market because units are recognized as real property with appraisals, title insurance, and private mortgage insurance.
Loans originated as mortgages at prime market rates.	Loans originated as chattel loans at higher rates. **Remedy:** Banks originate loans as mortgages at lower costs than subprime lenders charge, thus creating competition.
Loans sold on secondary market as mortgage-backed securities. Participation of government-sponsored enterprises (GSEs) like Fannie Mae and Freddie Mac, which are largest purchasers of loans then sold to investors as securities.	Loans sold to investors as asset-backed securities with higher costs and no government guarantees. Because of risk levels, investors do not purchase these securities. Result is lack of credit for homeowners to buy and sell their houses, or credit at very high interest rates. **Remedy:** GSEs purchase loans, reducing cost, providing more capital to lenders to make additional loans, and thus increasing liquidity of manufactured housing market. Liquidity helps individual homeowners buy and sell their houses at reasonable interest rates.

Implications for Tax Revenue

The explosion in manufactured housing affects property tax capacity and property tax revenues for North Carolina municipalities and counties. Because of the tax implications, local governments and school systems have been wary of manufactured housing.

The impact on property tax revenues depends on which type of housing the owner would otherwise have occupied:

- When manufactured homes substitute for similar-sized but more expensive site-built homes, residential tax values for local governments are lower.
- When manufactured homes are an alternative to rental or similarly priced site-built homes, the local government property tax is unaffected.[15]

For tax assessments on a local level, manufactured housing can be valued as real property or personal property, depending on a local government's classification criteria. If manufactured homes are taxed as personal property or are automatically depreciated according to the NADA Guide, counties that have a high concentration of manufactured homes face declining tax revenues. Each year these counties must work with a smaller tax base to fund vital programs and services, such as schools, infrastructure, and law enforcement.

In an informal survey of twenty-six counties, the Community Reinvest-ment Association of North Carolina found that they tax manufactured homes in a variety of ways. Most tax such homes as real property if they are on a permanent foundation on land owned by the homeowner. Eight tax single-section homes as personal property but multi-section homes as real property. Two tax single-section units as personal property unless the owners make an improvement, such as adding a porch.

Recognizing the "real" character of manufactured housing helps the asset base of an entire community. For example, in Henderson County in the early 1990s, the tax assessor began to assess market values of manufactured homes rather than automatically depreciating them. Once he established the market values, he determined that depreciation schedules had undervalued this housing stock. The reevaluations resulted in a $53 million increase in the assessed value of the tax rolls over two years.[16]

The Unique Situation of Land-Lease Communities

In land-lease communities, owners of manufactured homes pay monthly rent to a landlord for the lots on which their homes sit. Their lack of ownership of the land makes them more vulnerable than other homeowners. They do not control rents or the community. Park owners can raise rents. That decreases equity and increases the likelihood of depreciation. In addition, parks can


An abandoned mobile home near Chapel Hill

Adam Rust/Community Reinvestment Association of North Carolina

close, forcing the homeowners to move their homes.

You can't afford a house, so you go for a trailer . . . You work hard for five, six years to get it, and you think you're doing OK. And then you find out [the park owner] can just pull it out from under you.

—*Ruth Dafader, Cary, N.C.*[17]

If a land-lease community closes or the owner of a manufactured home is evicted, there are few options, and all are expensive. Displaced owners must move their units to another park or onto private land. Although manufactured homes still are widely known as "mobile" homes, this term is a misnomer. In land-lease communities, the homes often are attached to the land with piers or blocks and tie-down straps, and the wheels, the axles, and the hitches underneath the homes have been removed. Most owners of manufactured homes intend their homes to stay attached permanently. Moving a manufactured home is expensive —it costs at least $2,000—and often difficult because private parks commonly refuse entry to older units.

Park owners control not only rents but also park rules and infrastructure. Owners can arbitrarily change park rules affecting residents and ignore infrastructure problems. Although not universal, problems with septic tanks, drainage, unsafe drinking water, and old electrical units are not uncommon and can decrease the quality of life in a land-lease community. Residents often feel unable to complain for fear of being evicted.

In short, the rights of homeowners and the potential conflicts between homeowners and park owners in land-lease arrangements resemble those in traditional landlord-tenant relationships. The balance of power rests with the park owner or manager. "The imbalance of power between landlord and tenant is greatest in land-lease communities," says Stella Adams, executive director of the North Carolina Fair Housing Center. "The threat of eviction is powerful in limiting tenant complaints."[18]

Manufactured homes can appreciate, but whether they do depends on where the home is located, how well built and well maintained the home is, whether the owner of the home also owns the land on which the home sits, and whether the home is financed as personal or real property.

Land-Lease Communities as Vibrant Neighborhoods

In the minds of many, the image of the run-down trailer park represents all that is wrong with manufactured housing. This picture does not reflect the entire story. Within land-lease communities, there is a spectrum of need, ranging from distressed parks that should be closed because of health and economic reasons, to parks that simply would benefit from better management and financing to provide a higher quality of life and more economic benefit to residents. Further, there are parks, such as Parrish Manor near Garner, North Carolina, that are well managed and well maintained.

Disposing of Abandoned Mobile Homes

Driving through rural North Carolina, one cannot help but notice old manufactured homes abandoned and overgrown with weeds. The North Carolina Association of County Commissioners estimates that there are 40,000 such homes in the state.[1] They are a source of blight. But they are expensive to move, so what is a community to do?

Some parts of an abandoned manufactured home can be recycled. Scotland County, for example, accepts old manufactured homes at landfills and separates the recyclable steel and aluminum. Owners have to pay to move them, though.

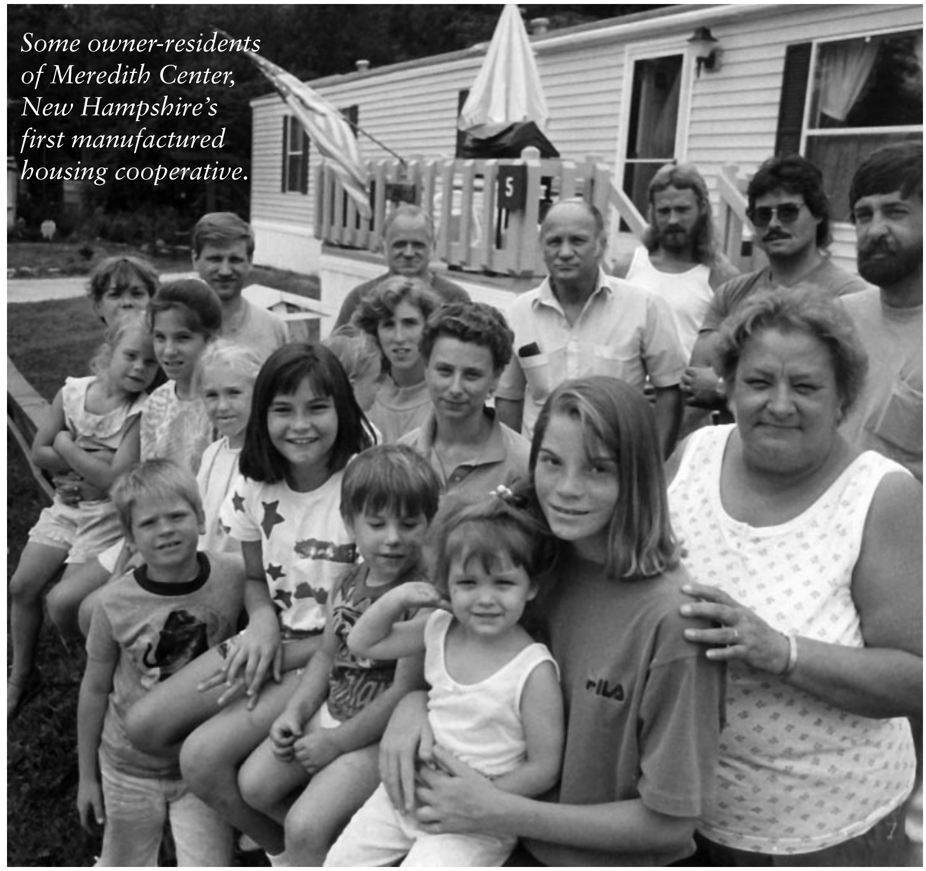
How can local governments help pay for the disposal of old units blighting the community? The North Carolina Manufactured Housing Institute organized a test clean-up program for Burke, Harnett, and Onslow counties. The industry trade group provided $15,000, which was supplemented by $10,000 from each of the three counties.

The ad hoc methods just mentioned are admirable, but the state needs a systematic way of dealing with disposal. The Community Reinvestment Association of North Carolina suggests that the General Assembly pass a "white tax" (also called an "advance disposal tax") on the sale of any new or used home by manufactured housing dealers. Similar to taxes on large appliances, this tax would provide funds to help counties dispose of older homes.

Note

1. Richard Stradling, *Counties Target Trailer Blight*, News & Observer (Raleigh), Jan. 4, 2004, at A1.

Land-lease communities offer a unique opportunity to provide affordable housing in quality neighborhoods through redevelopment. "Redevelopment of land-lease communities" often means rezoning the land and building condominiums, retail enterprises, or single-family homes. In this article, though, it means revitalization through improvements in the infrastructure while maintaining the land-lease structure under community ownership (either management by a nonprofit organization or cooperative ownership). Nonprofits can provide new financing, infrastructure, investment, and better management to create decent, affordable housing in safe, healthy communities. Cooperative ownership allows residents to own and manage their community. The New Hampshire Community Loan Fund has assisted sixty-nine parks in becoming tenant owned. Together the parks are home to about 3,300 families.[19]



Some owner-residents of Meredith Center, New Hampshire's first manufactured housing cooperative.

Geoff Forester/New Hampshire Community Loan Fund

Redevelopment of a land-lease community allows for revitalization of an entire neighborhood. In one transaction the nonprofit can acquire 200 or more lots. In traditional urban redevelopment, the developer must acquire each lot in individual transactions, making it more difficult to reach the scale necessary for transformation of the entire community.

Community ownership removes parks from the speculative market, providing greater long-term affordability.

Without improvements in public infrastructure, park depreciation can lead to a spiral of decline that creates slum neighborhoods. Local and state governments invest public resources to mitigate a public health nuisance, provide affordable housing, or improve neighborhood conditions. So nonprofits can attract public money, such as Community Development Block Grants, to renovate parks while maintaining the affordability of lot leases. Community ownership removes parks from the speculative market, providing greater long-term affordability.

Community ownership also can improve individual homeowners' financial position, creating an opportunity for them to have greater financial returns than they would under the traditional land-lease model. In the community ownership model, the organization provides long-term leases, granting greater property rights and the opportunity to finance the unit as real property, thus lowering the interest rate by about 4 percent. The lower interest rate reduces monthly payments, accelerates amortization and equity build-up, and provides liquidity for selling the unit. Long-term leases provide caps on increases in lot rents.

To be successful, community ownership must set high community standards and exercise good fiscal discipline. Lot leases and park rules give the organization significant control. Nonprofit management also must fulfill its broader mission of providing greater social services to meet human needs and develop opportunity. Partnerships with local providers of social services will increase services to residents.

Community ownership of manufactured housing communities has been demonstrated to be a successful strategy. For example, the Vermont State Housing Authority owns seventeen manufactured housing communities and manages 1,000 units. A variety of agencies play the necessary roles to address the needs of the communities. Prominent among those agencies is the Vermont Housing Finance Agency, which provides four financing products: bridge loans for acquisition and redevelopment of manufactured housing communities; financing of new units with mortgage revenue bonds; refinancing for creditworthy borrowers in older homes that do not meet current standards; and permanent financing through issuance of bonds for parks.

These four products provide affordable credit for low-income households and communities. Not available in the private sector, they serve the unique needs of land-lease communities. Vermont has thirty-eight nonprofit-controlled parks, reflecting a strong community-based approach to managing these assets locally. With financing and grant dollars, Vermont has made a significant inroad in addressing the needs of its citizens living in manufactured housing.

Unfortunately the North Carolina Housing Finance Agency does not offer financing products for land-lease communities. The lack of alternative financing is one of the most significant barriers to redevelopment of parks in North Carolina.

Recommendations

Although some problems with manufactured housing persist, it is important to recognize the possibilities for manufactured housing in providing affordable housing and homeownership opportunities. For owners and communities, the key to improving manufactured homes is to classify them as real property instead of personal property. Recognizing them as real property will bring the systems that govern the manufactured housing sector into better alignment with the systems governing real property and providing benefits to owners and communities.

But defining manufactured housing as real property is not sufficient to transform it into a widely accepted form of housing that can be used to build household wealth and healthy communities. For each step in ownership—purchase, installation, and financing—reforms are needed that provide greater accountability and consumer protection. By becoming more similar to traditional real estate, manufactured housing will gain greater acceptance and value. Achieving this transformation requires action by advocates, government, and industry.

No policy changes will correct problems in the manufactured housing industry without enforcement of existing laws and regulations that protect consumers from predatory lending practices, poor-quality work, poor installation, and false appraisals. Vigorous enforcement of these laws is necessary.

Specifically, state enforcement agencies need to staff initiatives adequately and pursue them aggressively to clean up abuses. Also, consumer advocacy agencies need to expand their expertise to address manufactured housing issues. Inattention to the abuses of the industry has hurt consumers and damaged the industry's long-term profitability.

State and local government agencies and nonprofits need to develop the financing tools and expertise to intervene in distressed manufactured housing communities. Ignoring the problem fails to recognize the housing needs of thousands of North Carolinians.

Conclusion

Manufactured housing plays an important role in providing affordable housing for North Carolinians. For manufactured housing to become a tool for wealth creation, the manufactured housing market must conform with the traditional real estate market in property definitions, sales and financing, and regulatory oversight. Achieving such reforms in the market will take leadership from nonprofits, government, and the private sector. Both market reforms and project intervention can help change the stigma of mobile home parks and offer opportunities for safe, decent, and affordable housing.

Notes

1. U.S. Census Bureau, Census 2000, Summary File 3, *H.1.3, Housing Units,* and *H.3.3, 100 Percent Count of Housing Units*, available at www.census.gov/Press-Release/www/2002/sumfile3.html.

2. Federal Reserve Bank of Richmond, *A Few Facts about Manufactured Housing*, available at www.rich.frb.org/cao/reports/housing.html (last visited Aug. 31, 2004).

3. U.S. Census Bureau, *Selected Characteristics of New Manufactured Homes Placed by Region—2003* (produced by the Census Bureau from a survey sponsored by the U.S. Department of Housing and Urban Development), available at www.census.gov/const/mhs/char03.pdf (last visited Nov. 4, 2004); U.S. Census Bureau, Census 2000, Summary File 3, available at www.census.gov/Press-Release/www/2002/sumfile3.html.

4. U.S. Census Bureau, *Selected Characteristics*.

5. U.S. Census Bureau, Census 2000, Summary File 3, *H.30, Units in Structure,* and *H.33, Total Population in Occupied Housing Units by Tenure by Units in Structure*, available at http://factfinder.census.gov/.

6. Interview with Jennifer Thomas, owner of manufactured home, Reidsville, N.C. (Mar. 21, 2002).

7. U.S. Census Bureau, Manufactured Housing Survey, *Average Sales Price of New Manufactured Homes by Region and Size of Home*, available at www.census.gov/const/www/mhsindex.html (last visited Nov. 22, 2004). The median sales price for new, detached, single-family homes in the South in 2003 was $168,400. U.S. Census Bureau, *Construction Statistics: Median and Average Sales Prices of New Detached One-Family Houses Sold*, available at www.census.gov/const/C25Ann/soldmedavgpricedetach.pdf (last visited Oct. 19, 2004).

8. Manufactured Housing Institute, *Quick Facts 2004*, available at www.manufacturedhousing.org/media_center/quick_facts2004/cost_size.html (last visited Oct. 19, 2004).

9. Interview with Al Williams, owner of manufactured home, Reidsville, N.C. (Mar. 21, 2002).

10. Interview with Randy Hanks, owner of manufactured home, Reidsville, N.C. (Mar. 21, 2002).

11. North Carolina Manufactured Housing Institute, Profile of Manufactured Housing Homeowners in North Carolina (2000) (unpublished report).

12. All manufactured housing units are initially registered with the department of motor vehicles. Only those that are converted to real property through securing them to foundations on property owned by the borrower become registered with the county register of deeds. Because the department of motor vehicles does not list liens against manufactured housing units, it becomes difficult to determine all the liens placed against a manufactured housing unit. It also is more difficult to determine the chain of title from dealer to buyer to subsequent owners, creating uncertainty of ownership. With uncertainty in title and liens, companies that insure that the title to the property is clear are unwilling to do so. Without title insurance, secondary-mortgage-market players will not purchase the loans, and primary-mortgage lenders will not make them.

13. U.S. Census Bureau, *Selected Characteristics*. The other 5 percent were simply untitled—no classification.

14. Kevin Jewel, Manufactured Housing Appreciation: Stereotypes and Data (Austin, Tex.: Consumers Union, Apr. 2003).

15. L. Kenneth Hubbell & David Sjoquist, Manufactured Housing in Georgia: Trends and Fiscal Implications, FRP Report no. 35 (Atlanta: Georgia State Univ., 1999).

16. Richard Genz, *Why Advocates Need to Rethink Manufactured Housing*, 12 Housing Policy Debate (Fannie Mae Foundation) no. 2 (2001).

17. Kristin Collins, *End of Home for Mobile Home Park*, News & Observer (Raleigh), Mar. 13, 2002, at A1.

18. Stella Adams (Executive Director, North Carolina Fair Housing Center), Speech at the Southern Anti-Racism Conference (June 26, 2004).

19. For more information, visit the New Hampshire Community Loan Fund's website, at www.nhclf.org/MHPP01.html.