

MANUFACTURED HOUSING

By the Innovations in Manufactured and Modular Homes (I'm HOME) Network

Manufactured homes are an often overlooked and maligned component of our nation's housing stock, but these homes are an important source of housing for millions of Americans, especially those with low incomes and in rural areas. Although the physical quality of manufactured housing continues to improve, the basic delivery system of how these homes are sold and financed, and how manufactured home communities are owned and managed, still require substantial change to ensure that they are a viable and quality source of affordable housing.

Issue Summary

According to the 2023 American Housing Survey, the most recent data available, there are approximately 7.2 million manufactured homes in the U.S, comprising about 5.4% of the nation's housing stock. Manufactured housing is factory-built housing constructed to meet a national standard—the HUD Code—rather than local building codes. More than half of all manufactured homes are in rural areas around the country. In a typical year, new manufactured housing accounts for about 9% of all new single-family housing starts. Although the demographics of manufactured housing are changing, lower-income households are still the primary residents of manufactured homes with a median income of \$40,000. Manufactured homes have their origins in the automobile and recreational travel trailer industry, but most modern factory-built dwellings produced today are comparable in quality and safety to conventionally constructed single-family homes.

It is equally important to recognize the existing stock of older manufactured or mobile homes. According to the 2023 American Housing Survey, about a quarter of currently occupied manufactured homes were built before 1980. These older units are likely to be smaller, less safe, and have fewer amenities and less

investment potential than newer manufactured homes. The adoption of the HUD Code (see below) in 1976 and subsequent updates have significantly improved the quality of this housing type.

Affordability and convenience make manufactured homes a popular housing option. In 2024, the average sales price of a new manufactured home was \$123,300 (excluding land costs); much less compared to the average of \$405,939 (or \$514,500 including land) for a newly constructed site-built single-family home (U.S. Census Bureau). The median price for an existing homes sales in December 2024 was \$403,700 (Federal Reserve Bank of St. Louis). [Research on construction costs suggests \(https://tr.ee/CtrSIs\)](https://tr.ee/CtrSIs) that manufactured homes cost about half of what site-built homes cost per square foot, though this varies by the type of manufactured home, and transportation and onsite work increase the final costs.

Despite prevailing notions, reports have shown that manufactured housing titled as real estate appreciates similarly to site-built housing. New home purchasing transaction data from the Federal Finance Housing Agency's House Price Index (HPI) shows prices for manufactured homes and site-built homes have grown at almost identical rates over the past 24 years (see: [Manufactured Homes Increase in Value at Same Pace as Site-Built Homes \(https://tr.ee/9bC1Ex\)](https://tr.ee/9bC1Ex) and [FHFA House Price Index \(https://www.fhfa.gov/data/hpi?shortcut=hpi\)](https://www.fhfa.gov/data/hpi?shortcut=hpi)).

Even though the purchase price of manufactured homes can be relatively affordable, financing them may not be contrary to common narratives, just about 42% of manufactured homes are financed with personal property, or home-only loans (see *Manufactured Housing Personal Property Loans (2023)*). With shorter terms and higher interest rates, personal property loans are generally less beneficial for consumers than conventional mortgage financing. Home-only loans do, however, typically have lower closing costs and can

close faster than conventional mortgages. Interest rates for personal property loans (also known as chattel loans) can be over 1.5 times higher than for real property loans for site-built homes. Data from the “Home Mortgage Disclosure Act” allows for a greater understanding of how specific manufactured home characteristics impact consumer lending rates and affordability. There are cases in which dealers resort to unscrupulous sales and financing tactics, trapping consumers into unaffordable loans. See [1 in 5 Manufactured Home Borrowers Use Risky Contract Financing \(https://tr.ee/lRa1ml\)](https://tr.ee/lRa1ml).

A significant portion of manufactured and mobile homes are in community or park settings, though this is becoming less common. According to the U.S. Census Bureau, in 2023, approximately 29% of new manufactured homes were sited in land-leased communities. Estimates suggest that approximately 40% of all manufactured homes are in 45,000 to 50,000 land lease communities. Though about three quarters of manufactured homes are owner-occupied, the sector has a history of being placed on rented land and therefore manufactured homes have a pattern of land tenure status that is unique to this form of housing.

In manufactured home communities, many residents own their homes and rent the land, which can devalue the asset. Ownership of land is an important component to nearly every aspect of manufactured housing, ranging from quality to assets and wealth accumulation. Residents who do not have control over the land on which their home is placed often have reduced legal protections compared to other homeowners. Other common concerns faced by tenants of manufactured home communities include excessive rent increases, poor park management and maintenance, restrictive rules, and restricted access to municipal services. These concerns have been heightened with the growing prevalence of institutional investors purchasing manufactured home communities (see [Private Equity Stakeholder Project; https://tr.ee/dAj1PI](https://tr.ee/dAj1PI)). For these and other reasons, alternative park ownership models, such as resident, nonprofit, and government ownership are gaining traction.

What Advocates Should Know

FEDERAL RESOURCES FOR AFFORDABLE MANUFACTURED HOUSING

Manufactured housing is largely financed in the private marketplace. However, there are several existing federal resources that support the development, financing, and rehabilitation of affordable manufactured housing, such as HUD-HOME, HUD-CDBG, USDA Rural Development, Veterans Affairs, and Weatherization funds. For example, the HUD/FHA Title I Manufactured Home Loan program insures mortgage loans made by the private lending institutions to finance the purchase or refinancing of a new or used manufactured home. In February 2024, HUD published a [final rule \(https://tr.ee/PU2lQQ\)](https://tr.ee/PU2lQQ) to reform the Title I program, mainly to address loan limits that had become outdated and incongruent with home prices. Fannie Mae and Freddie Mac are also increasing their manufactured home as real property loan offerings.

AFFORDABLE HOUSING DEVELOPMENT WITH MANUFACTURED HOUSING

Once shunned by nonprofit housing developers, manufactured homes are now seen as options for infill, new developments, and other settings. Much of this progress is attributable to a growing and innovative group of advocates who challenged assumptions and convention about developing and preserving manufactured housing. Across the nation, several organizations and initiatives are utilizing manufactured homes to provide and maintain affordable housing. These efforts avoid the pitfalls of traditional dealer-based manufactured housing purchase and finance, and investor ownership of communities.

THE HUD CODE

An important factor in determining the quality of a manufactured home is whether the unit was built before or after June 15, 1976. This date marked the implementation of the “Manufactured Home

Construction and Safety Standards Act” ([42 U.S.C. Sections 5401-5426](https://www.law.cornell.edu/uscode/text/42/5401); <https://www.law.cornell.edu/uscode/text/42/5401>) regulating the construction of manufactured homes and commonly referred to as the “HUD code.” HUD develops and administers the regulations and other policies that implement the statute. These federal standards regulate manufactured housing design and construction, strength and durability, transportability, fire resistance, and energy efficiency. The HUD code evolves over time and has undergone several major modifications since 1976. In 2018, HUD launched an effort to revise and update various regulations and other guidance governing the HUD Code and issued a proposed rule for comment in July 2022. The final rule was issued in September 2024 (linked above). These updates include design flexibility for floor plans, attics, and roofs, and they include higher energy efficiency standards for appliances and water heaters. The updates provide better alignment between the HUD Code and current industry practice; however, the update did not include significant changes to energy efficiency requirements, which have not been updated since 1994, or reference the Department of Energy standards for manufactured housing.

In June 2023, HUD introduced the Office of Manufactured Housing Programs as a new, independent office within the Federal Housing Administration (FHA). Previously under the Office of Housing’s Office of Risk Management, the new office reports directly to the Assistant Secretary of Housing. This organizational change reflects the growing recognition of manufactured housing as a critical part of the solution to address the housing supply crisis under the Biden-Harris administration. The Trump administration and 119th Congress continue to focus on rising housing costs, so there is an opportunity to continue to uplift manufactured housing as a supply-side solution.

Legislative and Regulatory Actions

DUTY TO SERVE

The “Housing and Economic Recovery Act of 2008” mandates that Fannie Mae and Freddie Mac (the government sponsored enterprises, or GSEs) have a [duty to serve underserved markets](https://tr.ee/Pe2TGE) (<https://tr.ee/Pe2TGE>). Manufactured housing was identified in the act as one of three underserved markets along with rural areas and affordable housing preservation. Under the act, the GSEs are directed to increase mortgage investments and improve the distribution of capital available for mortgage financing in these markets. In 2016, the Federal Housing Finance Agency (FHFA) issued a final rule on the [duty to serve requirements](https://www.fhfa.gov/programs/duty-to-serve?redirect=) (<https://www.fhfa.gov/programs/duty-to-serve?redirect=>) requiring each enterprise to develop a three-year plan to reach the underserved markets.

FHFA approved the GSE’s 2025 - 2027 Duty to Serve plans in November 2024. Both GSEs remain largely conservative in their manufactured housing-related activities. Jointly, Fannie Mae and Freddie Mac commit to increases in their loan purchase targets for Manufactured Housing Titled as Real Property (MHRP) as well as supporting the market through targeted research, product changes and outreach. Neither GSE plan includes any activity or product for the personal property (chattel) market despite work in previous years to launch a personal property pilot.

To address the concerns of lot rent increases, both GSEs outline a potential new product for manufactured home community conventional financing that includes rental restrictions, modeled on success of tenant site lease protections and rent restriction incentives for conventional multi-family financing. In addition to commitments in their Duty to Serve plans, Freddie Mac also expanded its CHOICEHome conventional mortgage program in 2025 to include single-section CrossMod homes, broadening the range of factory-built homes eligible for conventional financing and supporting greater market access for this emerging housing category.

The [Underserved Mortgage Markets Coalition \(UMMC\)](https://underservedmortgagemarkets.org/) published a “Scorecard” (<https://tr.ee/iHte8G>) for the Duty to Serve Plans in June 2025, which outlines the priorities of affordable housing advocates and measures the quality of the forthcoming Duty to Serve plans against the UMMC [Blueprint 2024](https://tr.ee/Kb9Y2B) (<https://tr.ee/Kb9Y2B>) for effective Duty to Serve plans.

ENERGY EFFICIENCY STANDARDS

In May 2022, the U.S. Department of Energy (DOE) released a final rule establishing updated Manufactured Housing Energy Efficiency Standards. The original compliance date for manufacturers was May 31, 2023. However, in May 2023, DOE announced a delay in implementation, pushing the compliance date to 60 days after DOE establishes final enforcement procedures for single-section homes, and to July 1, 2025, for multi-section homes.

In late December 2023, DOE issued a notice of proposed rulemaking to establish enforcement procedures for the manufactured housing energy standards. The updated standards provide modest efficiency increases for single-section (Tier 1) homes and more significant efficiency increases for multi-section (Tier 2) homes. Under existing statute, DOE energy standards must ultimately be integrated with HUD Code to be enforceable.

As of December 2024, the DOE standards were technically scheduled to take effect despite continued uncertainty over how, or whether, they would be incorporated into the HUD Code, what role the HUD Manufactured Housing Consensus Committee (MHCC) would play in reviewing them, and how compliance would be enforced. During this period, industry advocates filed a federal lawsuit challenging DOE’s authority and cost-benefit analysis and supported legislative proposals that would designate HUD as the sole authority over energy standards for manufactured housing.

Following the change in administration in January 2025, DOE undertook additional review of the manufactured housing energy standards consistent with broader deregulatory priorities. On July 2, 2025, DOE issued

a final rule further postponing enforcement for Tier 2 (multi-section) homes until 180 days after publication of final enforcement procedures. The July 1, 2025, compliance date for Tier 1 (single-section) homes technically remained in place, although enforcement procedures have yet to be finalized, leaving the standards effectively unenforced. DOE has also signaled openness to revisiting or revising the standards, and litigation challenging the rule has been paused while the agency reconsiders its approach.

The MHCC—established under the “National Manufactured Housing Construction and Safety Standards Act of 1974” to provide recommendations to the HUD Secretary regarding the HUD Code—has not yet played a formal role in reviewing or integrating the DOE standards, reinforcing concerns about regulatory fragmentation and process misalignment between DOE and HUD.

Subsequent to DOE’s issuance of the updated energy standards, the U.S. Environmental Protection Agency (EPA) updated the ENERGY STAR Manufactured Homes Program. The ENERGY STAR Manufactured New Homes Version 3 requirements went into effect January 1, 2023, with a one-year transition period. In 2023, EPA announced that manufactured homes produced prior to January 1, 2026, could be certified under either Version 2 or Version 3. On September 18, 2025, EPA published a Policy Record deferring the requirement that manufactured homes produced on or after January 1, 2026, be certified under Version 3. A new compliance date has not yet been established.

DOE also issued program guidelines for DOE Efficient New Homes Program (formerly called Zero Energy Ready Home (ZERH)-Manufactured Housing) in 2023. Likely influenced by the availability of the federal **45L tax credit** for ENERGY STAR and ZERH-certified homes—and the requirement that ZERH homes also meet ENERGY STAR criteria—the share of manufactured homes certified under ENERGY STAR increased from approximately **20% of total production in 2022 to 36% in 2023**. According to the Energy and Environmental Building Alliance, by the end of **2024, 28,055 manufactured homes** had received ENERGY STAR certification, and DOE’s Office of Energy Efficiency and Renewable Energy listed **65 manufactured home plant partners**.

The 45L tax credit was originally authorized through 2032; however, the “One Big Beautiful Bill Act” established an earlier sunset date of July 1, 2026, introducing additional uncertainty around future voluntary energy-efficiency adoption in the manufactured housing sector.

“HOUSING SUPPLY EXPANSION ACT”

In 2025, the bipartisan “Housing Supply Expansion Act” was introduced in both the Senate and the House of Representatives. The bill would amend federal manufactured housing law to remove the requirement that manufactured homes be constructed on a permanent chassis—a provision rooted in the original HUD Code but increasingly viewed as outdated given modern construction, foundation systems, and installation practices. Proponents argue that eliminating the permanent chassis requirement would reduce costs, expand design and siting flexibility, and improve parity with site-built housing in zoning, appraisal, and real-property treatment.

At the end of 2025, the legislation had not been enacted. In the Senate, chassis reform continued to be discussed as part of broader housing supply proposals, including the “ROAD to Housing Act of 2025.” In the House, the companion bill was referred to committee but did not advance to a floor vote, reflecting ongoing debate rather than a formal rejection. The House introduced the “Housing for the 21st Century Act” in December 2025, which includes a provision to remove the chassis requirement. Chassis reform remains under consideration but unresolved, highlighting both bipartisan interest in modernizing the HUD Code and the political and institutional hurdles to statutory change.

PRICE PROGRAM

In December 2022, Congress passed the fiscal year 2023 omnibus appropriations bill including groundbreaking federal investment for manufactured housing. HUD issued the Notice of Funding Opportunity for the Preservation and Reinvestment Initiative for Community Enhancement (PRICE) program on

February 28, 2024. The [PRICE program \(hud.gov/program_offices/comm_planning/price\)](https://www.hud.gov/program_offices/comm_planning/price) awards \$235 million in competitive grant funding for the preservation of manufactured housing and manufactured home communities. The PRICE program is a first-of-its-kind initiative and can make important strides to support communities to maintain, protect, and stabilize manufactured housing stock.

In 2025, Senator Cortez Masto (D-NV) introduced the “Preservation and Reinvestment Initiative for Community Enhancement (PRICE) Act” to make the PRICE program permanent. The bill was included in the Senate’s comprehensive bipartisan housing package, the “ROAD to Housing Act,” which is still being negotiated at the time of writing.

THE “ECONOMIC GROWTH, REGULATORY RELIEF, AND CONSUMER PROTECTION ACT”

In 2018, the president signed into law S. 2155, which includes a provision on manufactured home loans. The statute amended the “Truth in Lending Act” (TILA) to specify that a retailer of manufactured housing is generally not considered a mortgage originator. The provision was not supported by affordable housing advocates because it reduced already weak consumer protections in the manufactured housing market.

THE “DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT” (PL 111-203)

Enacted in 2010, Dodd-Frank revised TILA to establish specific protections for mortgage loans, origination activities, and high-cost lending. These provisions enhance consumer protections for purchasers of manufactured homes. Dodd-Frank also created what is now known as the Consumer Financial Protection Bureau to supervise manufactured housing finance activities. S. 2155 (above) modifies one provision of Dodd-Frank.

What to Say to Legislators

Advocates should speak to lawmakers with the message that:

- Manufactured housing is a proven solution to efficient, quality home production, and with the right consumer protections, is well positioned to help alleviate the housing supply crisis.
- Manufactured homeowners should be provided opportunities to obtain standard mortgage lending instead of more costly personal property loans.
- Borrowers with personal property loans should be afforded consumer protections consistent with real property or standard mortgage loans.
- Legislation should be enacted that limits predatory lending practices involving manufactured homes.
- HUD and FHA should continue to revise the Title I Manufactured Housing loan program to align with the requirements for the Single Family Title II loan program.
- USDA, HUD, and the GSEs should be encouraged to conduct innovative and responsible pilot programs to improve manufactured homeowners' access to credit.
- The GSEs should be held accountable to implement the manufactured housing elements of their current Duty to Serve plans.
- Policies and programs should be enacted to facilitate manufactured housing community preservation, such as protection from community sales, closures, and predatory rent increases. Residents should be properly notified and given the first right of refusal on the sale of their community.
- Improved data collection for manufactured homes should be incorporated into publicly available data resources such as the "Home Mortgage Disclosure Act," The American Community Survey, and the American Housing Survey. Manufactured home data should

indicate property status (personal property or real property) and location information indicating whether the unit is in a manufactured home community or on a scattered site lot. The inclusion of these updated and enhanced manufactured home data would provide a much more complete assessment of manufactured housing.

- HUD should continue updating installation and inspection standards to better align manufactured housing with site-built construction practices, without increasing unnecessary costs.

For More Information

I'm HOME Network, Lincoln Institute of Land Policy, <https://tr.ee/B3Rmnl>

The Housing Assistance Council: 202-824-8600, <http://www.ruralhome.org/>

Next Step: <https://nextstepus.org/>

ROC USA: 603-856-0246 <http://www.rocusa.org>

Underserved Mortgage Markets Coalition: <https://underservedmortgagemarkets.org/>

National Consumer Law Center: 202-452-6352, <http://www.nclc.org/issues/manufactured-housing.html>

National Manufactured Homeowners Association: <http://www.nmhoa.org/>

The Pew Charitable Trusts: <https://www.pewtrusts.org/en/projects/housing-policy-initiative>

Overcoming Barriers to Manufactured Housing: Promising New Approaches from Five Case Studies, Joint Center for Housing Studies of Harvard University, 2024. <https://tr.ee/AVxwGz>