MASSACHUSETTS
AFFORDABLE HOUSING NEED & THE ROLE OF MANUFACTURED HOUSING

Manufactured housing is just a small part of the Massachusetts housing market. Only 0.5% of the population lives in manufactured homes, which make up less than one percent of the state's total housing stock. However, manufactured housing is one of the most affordable housing options in one of the most expensive housing markets in the country.

Massachusetts faces major housing affordability challenges, especially when it comes to homeownership. The 2017 Prosperity Now Scorecard ranked the state 48th in the country on housing and homeownership outcomes. The homeownership rate is lower in Massachusetts than in all but nine other states, and homes are less affordable in Massachusetts than in all but three other states. In this context, manufactured housing has the potential to put homeownership within reach for more Massachusetts residents. At less than half the average cost per square foot of a site-built home, manufactured homes are typically more affordable than site-built homes. More than half (57%) of the Massachusetts manufactured housing stock is affordable, compared to less than a quarter (23%) of all the state's homes. Owners of manufactured homes in the Bay State spend about the same share of their income on housing costs as all homeowners, despite the fact that they earn less than half the state median income. Also, among very low-income homeowners, those living in manufactured homes tend to face lower housing cost burdens.

Massachusetts leaders and housing experts recognize the tremendous challenges that hundreds of thousands of state residents face in securing an affordable place to live. A 2016 Special Senate Committee on Housing report acknowledged that “Massachusetts is currently dealing with a severe housing crisis due in large part to a low rate of housing production which has not kept pace with population growth and needs.” The Metropolitan Area Planning Council estimated that the Boston metro region alone would need to add more than 430,000 new housing units by 2040 in order to keep up with expected growth. The state's FY2015-2019 Consolidated Plan also notes the need for both greater affordable rental opportunities and more affordable homeownership opportunities, including options for populations with special needs. None of these sources recommend that manufactured housing be used as a tool to address the state's housing production and affordability challenges, nor do they acknowledge the potential for providing services in manufactured home communities to meet the needs of special populations. In order to reach the state's housing goals, Massachusetts policymakers should explore how to expand the use of manufactured housing.

For many low- and moderate-income households, manufactured housing is more affordable than other types of housing.

Note: This Data Snapshot is designed to assess the role of manufactured housing in state and local markets and the extent to which manufactured housing contributes to a set of solutions for affordable housing needs in Massachusetts. The data source is the 2011-2015 American Community Survey 5-Year Estimates, except where otherwise noted.

2 Ibid.
4 Facing The Massachusetts Housing Crisis Special Senate Committee on Housing Report (March 2016). http://malegisature.gov/CC/WhatsNext/Attachment/1
5 Tim Reardon and Meghna Hari, Population and Housing Demand Projections for Metro Boston Regional Projections and Provisional Municipal Forecasts (Boston, MA: Metropolitan Area Planning Council, 2014). http://www.mapc.org/sites/default/files/Metropolitan%20Projections%20Final%20Report_1_16_3014_0.pdf
Residents of manufactured homes differ in some key ways from their neighbors in other types of housing. Compared to all homeowners in Massachusetts, owners of manufactured homes are more likely to receive SNAP benefits and to be over the age of 65. Owners of manufactured homes also have lower levels of educational attainment; just 21% of owners of manufactured homes have Associate’s degrees or higher, compared to 54% of all homeowners and 38% of renters. The median income of owners of manufactured homes ($32,807) is also lower than that of all renters ($38,138) and just over one-third the median income of all homeowners ($92,084).

**HOMEOWNERSHIP**
Manufactured home residents in Massachusetts are more likely to own their homes compared to residents of all other types of housing.

*Note: The homeownership rates in this document are the percentage of occupied housing units that are owner-occupied, based on the 2011-2015 American Community Survey 5-Year Estimates.*

**HOME FINANCING**
Owners of manufactured homes are less likely to have a mortgage and, presumably, more likely to have a personal property loan. Why does this matter? Personal property loans tend to have higher interest rates, shorter prepayment periods and fewer protections for owners. Homes financed with personal property loans tend to be titled as personal property, like cars. In many cases, lenders use depreciation tables, similar to those in the auto industry, to value existing homes, leading to losses in value for the owner. This makes it much harder for homeowners to build wealth through homeownership.

**MEDIAN HOUSEHOLD INCOME**
- **Manufactured Homeowners**: $32,807
- **All Homeowners**: $92,084
- **All Renters**: $38,138

**EDUCATION**
Owners of manufactured homes are less likely to have completed high school or postsecondary education than both renters and all homeowners.

**JOBS**
Manufactured home residents in Massachusetts most commonly work in construction jobs, hospitals, schools or retail jobs.
OWNERS OF MANUFACTURED HOMES

One in five owners of manufactured homes receives SNAP benefits, and owners of manufactured homes are more than three times more likely to receive SNAP benefits compared to all homeowners.

AGE

Seniors make up a larger share of manufactured home residents than either homeowners or renters as a whole.

HOUSEHOLD COMPOSITION

Residents of manufactured homes are slightly more likely than renters overall—and much less likely than homeowners overall—to be married couples. Nearly one in six households living in manufactured homes are non-family households.

RACE/ETHNICITY

More than 9 in 10 manufactured home residents in Massachusetts are White, a higher share than among either homeowners or renters overall.

Note: The income and demographic data presented on pages 2 and 3 come from the 2013 American Community Survey 5-Year Estimates.
WHERE ARE MOST MANUFACTURED HOMES LOCATED?

There are

35 ROCS
and
4,102
home-sites in
251
manufactured home communities in Massachusetts.7

17
of these communities are resident-owned cooperatives, which together include
1,899
homes.8

LEGEND

◆ Represents one manufactured home community

Massachusetts Manufactured Housing Communities

IN WHAT CONDITION ARE MOST MANUFACTURED HOMES?

More than half of manufactured homes in Massachusetts were built before 1980. Why does this matter? Before the U.S. Department of Housing & Urban Development began regulating the construction of these homes in 1976, there were no consistent building standards for manufactured homes, so older units are more likely to be in need of repair or replacement.

Built Before 1959

Built 1960 to 1979

Built 1980 to 1999

Built 2000 or Later

9%
45%
35%
11%

I'M HOME

Innovations in Manufactured Homes (I’M HOME) is a national initiative managed by Prosperity Now which seeks to ensure that owners of manufactured homes have the opportunity to build wealth through homeownership by improving the quality of new and replacement development, enhancing homeowners’ ability to enjoy long-term land security, expanding access to safe home financing and encouraging a supportive policy environment.