AFFORDABLE HOUSING NEED & THE ROLE OF MANUFACTURED HOUSING

The Atlanta Metropolitan Statistical Area (MSA) was among the fastest growing in the country between 2000 and 2010.1 Much of the area’s growth over the past several decades has been sustained by the region’s ability to supply housing affordable to the workforce in the suburban counties. However, the metro region’s existing housing stock has also been shaped by the foreclosure crisis, which hit Atlanta’s in-town historic neighborhoods with particular force, leaving a trail of vacant and blighted properties in its wake. With smaller household sizes, an aging population, slowed job growth and higher living and transit costs, substantial pressure will likely occur for local governments in the Atlanta MSA to accommodate diverse housing needs including more affordable communities in the future.

As household sizes and compositions change, the stock of housing will need to adapt to meet residents’ needs. For older residents, that may require providing housing where they can age in place comfortably because certain housing and transit elements exist that promote independence, convenience and physical security. Bringing more affordable housing into core metropolitan counties closer to job opportunities is critical for minimizing workforce households’ housing and transit costs. In 2010, households in the ARC region spent more on transportation each year than any other metro area, and many areas outside the city’s core lack the minimum densities required to support successful transit expansion.2

The Atlanta Regional Commission (ARC) is a forum through which local governments in a ten-county region surrounding Atlanta plan and coordinate to address problems of regional importance. In 2010, the ARC conducted a regional assessment as part of Plan 2040, the central metropolitan region’s long-range plan for land development and transportation needs.3 Among many findings, the assessment recognizes that the dynamics of population growth will greatly impact the ten-county ARC region and its land use; traffic congestion threatens the health of the regional economy; and the current housing supply must expand and change to meet future demands. Among the ARC’s initiatives that address regional affordable housing need is the Livable Centers Initiative, which encourages and funds transit-oriented land use planning and development that connects residents to employment and recreation. While local and regional government and planning authorities must define their own comprehensive strategies to ensure that the stock of affordable housing is appropriately sized, manufactured housing—due to its low cost, high quality and quick construction—could become a useful tool in their arsenal to enhance housing affordability and revitalize centrally-located, in-town communities gutted by the foreclosure crisis without seeking heavy subsidies for development.

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 local markets and the extent to which manufactured housing contributes to a set of solutions for affordable housing needs in the Atlanta metro area. The “Atlanta metro region” is synonymous with the Atlanta Metropolitan Statistical Area, which includes the following counties: Barrow, Bartow, Butts, Carroll, Cherokee, Clayton, Cobb, Coweta, Dawson, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Haralson, Heard, Henry, Jasper, Lamar, Meriwether, Newton, Paulding, Pickens, Pike, Rockdale, Spalding and Walton.

3 The ARC defines the Atlanta region as a ten-county area including: Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Fulton, Gwinnett, Henry and Rockdale.
In many ways, owners of manufactured homes in the Atlanta metro area more closely resemble the demographic profile of renters than other homeowners. Like many renters, owners of manufactured homes are more likely to fall into populations that are typically disadvantaged: they are more likely to be low-income, to work in low-wage service occupations, to be Hispanic or Latino and to be immigrants than their neighbors in other housing types. All of these characteristics make this population of homeowners more vulnerable to the perils of unaffordable housing and highlight the need to focus attention and resources that expand access to opportunity in the communities where these homes are located.

**HOMEOWNERSHIP**
Manufactured home residents are slightly less likely to own their homes than other residents of the Atlanta metro area.

**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. Plus, homes financed with personal property loans tend to be titled as personal property, like cars, which depreciate. This makes it much harder for homeowners to build wealth through homeownership.

**EDUCATION**
Owners of manufactured homes are less likely to have completed post-secondary education than both other homeowners and renters, which has implications for their access to employment given the growing necessity of higher education for well-paying jobs.

**JOBS**
 Owners of manufactured homes often work in lower-wage occupations.
Note: Unless otherwise noted, the data presented here is from the 2010 American Community Survey 5-Year Estimates. On the “Monthly Housing Cost Comparison” graph, selected monthly owner costs for both manufactured home owners and all home owners are calculated from the sum of payment for mortgages, real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees. On the stacked bar chart indicating the age of manufactured homes on page 4, we have used “built before 1980” as a proxy for homes built before the 1976 HUD code went into effect since the decennial data only allows us to analyze home construction in 10-year increments.
WHERE ARE MOST MANUFACTURED HOMES LOCATED?

Innovations in Manufactured Homes (I'M HOME) is a national initiative managed by CFED 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.

Manufactured Housing Units and Public Transit

In what condition are most manufactured homes?

About one-fifth of the manufactured homes in the Atlanta metro area were built before 1980. Why does this matter? Before HUD 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.

Sources: Alternative estimate calculated by CFED from the American Community Survey, American Housing Survey, and public data sources (2010).