The Black Belt region of Alabama originally referred to the large stretch of dark and fertile soil running from Virginia to Texas. In the early to mid-1800s, this region was built on slavery and cotton, and became one of the most affluent and politically powerful areas in the United States. In the 20th century, the region’s high Black population helped give rise to Civil Rights Movement, challenging the legacy of decades of oppression. As its rich soil declined and its population dwindled over the last several decades, the Black Belt today has become marked by numerous socioeconomic challenges, among them access to safe and affordable housing.

According to the 2019 Prosperity Now Scorecard, the state of Alabama has the 17th highest homeownership rate in the country at 68%. This is consistent with homeownership in the Black Belt, where the rate is roughly 70%. However, with over 50% of renters paying 30% of their income or more towards housing, many residents of the Black Belt face serious housing affordability problems. At less than half the average cost per square foot compared to site-built homes, manufactured housing represents the largest source of unsubsidized affordable housing in the country. This remains true in the Black Belt, where manufactured housing makes up 28% of the region’s affordable housing despite accounting for less than 23% of the total housing stock.

The monthly costs of owning a manufactured home in the Black Belt tend to be considerably lower than all types of homeownership and rental housing, and is similar to monthly housing costs for manufactured homeowners statewide. Roughly 23% of the region’s residents already live in manufactured homes, compared to just 13% of all Alabamans. Therefore, manufactured housing could be a powerful tool for affordable housing in the region, particularly for reducing the racial wealth gap, with Black residents making up a higher percentage of renters and lower percentage of homeowners proportionate to their population.

For many low- and moderate-income households, manufactured housing is more affordable than other types of housing.
WHO LIVES IN MANUFACTURED HOMES?

Residents of manufactured homes in the Black Belt differ in some key ways from their neighbors in other types of housing. Non-Hispanic Whites and Blacks make up the vast majority of the region’s residents, at 59% and 37%, respectively. Whites make up a greater share of all homeowners at 66%, and over 56% of all renters are Black. At $32,661, median incomes among manufactured homeowners tend to be lower than the $48,355 among all homeowners, but much greater than the $21,614 among all renters. Additionally, only 24% of the region’s manufactured homeowners receive Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) benefits, more than twice as likely as all homeowners, but almost half as likely as renters. Manufactured homeowners also have lower levels of educational attainment: just 12.8% have associate degrees or higher, compared to 29.4% of all homeowners and 18.1% of renters.

HOMEOWNERSHIP
Manufactured home residents in the Black Belt are slightly more likely to own their homes compared to residents of all other types of housing. 72% of manufactured home residents own their homes compared to 70% of residents in 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 2013-2017 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 repayment periods and fewer protections for borrowers. 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

<table>
<thead>
<tr>
<th></th>
<th>Manufactured Homeowners</th>
<th>All Homeowners</th>
<th>All Renters</th>
</tr>
</thead>
<tbody>
<tr>
<td>MEDIAN HOUSEHOLD INCOME</td>
<td>$32,661</td>
<td>$48,334</td>
<td>$21,614</td>
</tr>
</tbody>
</table>

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

JOBS
Almost 60% of manufactured home residents in the Alabama Black Belt work in manufacturing, retail, construction, healthcare/social assistance or public administration.

Manufacturing 19%  
Retail 13%  
Construction 8%  
Healthcare & Social Assistance 10%  
Public Administration 8%
SNAP BENEFITS
Compared to all homeowners, owners of manufactured homes are about twice as likely to receive benefits from the Supplemental Nutrition Assistance Program.

OWNERS OF MANUFACTURED HOMES

\[
\begin{array}{c|c|c|c}
\text{ALL HOMEOWNERS} & \text{ALL RENTERS} \\
\hline
\text{SNAP BENEFITS} & 12\% & 32\% \\
\text{HOUSEHOLD COMPOSITION} & 43\% & 31\% \\
\text{AGE} & 23\% & 6\% \\
\text{IN WHAT CONDITION ARE MOST MANUFACTURED HOMES?} & 16\% & 60\% & 23\% \\
\end{array}
\]

HOUSEHOLD COMPOSITION
Owners of manufactured homes are much more likely than renters overall—and less likely than homeowners overall—to be married couples. Roughly one-third of households living in manufactured homes are non-family households.

AGE
Manufactured homeowners tend to be younger than all homeowners, but older than renters.

RACE/ETHNICITY
Whites make up the largest share of all homeowners and just over half of manufactured homeowners. Blacks make up slightly more than half of all renters and almost half of all manufactured homeowners.

IN WHAT CONDITION ARE MOST MANUFACTURED HOMES?
About one in every six manufactured homes in Alabama’s Black Belt was built before 1980. Almost a fifth of manufactured homes in Tennessee 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.
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.