The California Department of Housing and Community Development outlines many of the state's housing problems: low homeownership rates, new home production falling far short of demand and housing costs that are unaffordable for the majority of California renters—3 million households. Expanded use of manufactured housing could help solve some of these problems. Nearly half (47%) of manufactured housing in California is affordable to very low-income households, compared to just 18% of the state's housing stock overall. Among very low-income households, both renters and owners of manufactured homes spend less on their housing costs than renters or owners of all housing types. And despite the fact that the median income of owners of manufactured homes is less than half of California homeowners’ overall, owners of manufactured homes spend a slightly smaller share of their incomes on housing.

Manufactured housing also has the potential to maximize the impact of workforce housing development. Typically targeted at households earning 60-120% of area median income, workforce housing is designed to serve workers like teachers and firefighters who earn too much to qualify for affordable housing subsidies but still feel the squeeze of high housing prices near their jobs. But with high development costs and limited affordable housing subsidies for these middle-income residents, many California cities struggle to build enough units to house a growing workforce. Between 2011 and 2015, for instance, the Bay Area produced only 65,000 units for some 500,000 added jobs, or one unit of housing for every eight jobs created. By 2025, California will need to build 180,000 units annually to keep pace with growing demand and ensure people can live where they work. At less than half the average cost per square foot of a site-built home, manufactured housing could be an effective and less expensive way to combat the shortage of housing for California workers.

If quality, affordable housing is out of reach for middle-income Californians, it is an even greater struggle for residents of the state’s 15 U.S. Department of Housing & Urban Development-recognized colonias—communities near the US-Mexico border marked by a lack of decent housing, potable water and an adequate sewage system. The vast majority of colonia residents are Latino, and poverty rates in these communities are high. Manufactured and mobile homes make up a major part of the housing landscape in these communities. In the Salton Sea Beach colonia, for instance, manufactured housing makes up nearly the entire housing stock. However, these communities often feature dilapidated housing and inadequate or non-existent infrastructure. In Niland, for instance, 69% of units need restoration, while in Salton Sea Beach that figure rises to 73%. Replacing inadequate mobile homes with modern manufactured housing has the potential to expand access to quality, affordable housing to some of California's most vulnerable residents.

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

<table>
<thead>
<tr>
<th>HOW MANY HOUSEHOLDS?</th>
<th>HOW AFFORDABLE IS MANUFACTURED HOUSING?</th>
<th>HOW MUCH MANUFACTURED HOUSING IS AFFORDABLE?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.5M</td>
<td>$1,800</td>
<td>47% of manufactured housing is affordable, compared to only 18% of all housing</td>
</tr>
<tr>
<td>residents or roughly 3% live in</td>
<td>$1,500</td>
<td>Housing is “affordable” if total housing costs account for 30% or less of household income for households earning incomes below 50% of area median income.</td>
</tr>
<tr>
<td>519,972 manufactured homes in California</td>
<td>$1,200</td>
<td></td>
</tr>
<tr>
<td>$900</td>
<td>$600</td>
<td></td>
</tr>
<tr>
<td>$300</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Manufactured Homeowners</td>
<td>All Homeowners</td>
<td>All Renters</td>
</tr>
</tbody>
</table>

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 California, Sources: 2011-2015 American Community Survey 5-Year Estimates.  
6 Mukhija and Monkkonen, Federal Colonias Policy, 767.  
7 Housing in the Border Colonias, 2.  
8 Mukhija and Monkkonen, Federal Colonias Policy, 768.
Residents of manufactured homes differ in some key ways from their neighbors in other types of housing. Compared to all homeowners in California, 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 19% of owners of manufactured homes have Associate’s degrees or higher, compared to 45% of all homeowners and 382% of renters. The median income of owners of manufactured homes ($34,983) is also lower than that of all renters ($83,796) and just over one-third the median income of all homeowners ($42,053).

**HOMEOWNERSHIP**
Manufactured home residents in California 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**

<table>
<thead>
<tr>
<th></th>
<th>Manufactured Homeowners</th>
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</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**
More than a quarter of all manufactured home residents in California work in five industries, including construction, food services and education.
SNAP BENEFITS
More than one in 10 owners of manufactured homes receives benefits from the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps). Owners of manufactured homes are more than twice as likely to receive SNAP benefits compared to all homeowners, but are less likely than renters to receive benefits.

HOUSEHOLD COMPOSITION
Residents of manufactured homes are slightly more likely than renters overall—and much less likely than homeowners overall—to be married couples.

RACE/ETHNICITY
About three in 10 manufactured home residents in California are Latino, and about half are White. Manufactured home residents are less likely to be Black or Asian than either homeowners or renters as a whole.

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?

California Manufactured Housing Communities

LEGEND
- Represents one manufactured home community

IN WHAT CONDITION ARE MOST MANUFACTURED HOMES?

More than half of manufactured homes in California 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: 5%
- Built 1960 to 1979: 50%
- Built 1980 to 1999: 31%
- Built 2000 or Later: 14%

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.