



## Why a manufactured home?

Little do most people realize that a new era of manufactured homes has dawned. Today, most people would be hard pressed to tell the difference between a manufactured home and a site-built home. Manufactured homes now come with [landscaped lawns](#) and [garages](#). Many are multi-story structures that have energy efficient heating and cooling systems and [ENERGY STAR](#) appliances.

More than 17 million Americans live in manufactured homes. What do they know that the rest of us don't? Read on to

### Mobile vs. Manufactured

Mobile homes refer to those built before 1976 when the government didn't have any building regulations. Since that date, factories have built manufactured homes to a higher standard [source: [Manufactured Homes Source](#)].

### Appreciate in Value

Many people believe that manufactured homes will never rise in value. In fact, some people say manufactured homes depreciate over time. A manufactured home is just like any other home. When it's properly built and maintained, manufactured homes appreciate just like site-built homes. But, as with all housing, the value of a manufactured home depends on a variety of market factors such as:

- the local housing market
- the local community
- the initial price of the home
- inflation
- the age of the home
- the overall condition of the home
- the location of the home [source: [ManufacturedHousing.org](#)]

In addition, studies have shown that manufactured housing has little impact on property values. In 1993, researchers at the University of Michigan concluded that manufactured homes did not impact property values of site-built homes in adjacent neighborhoods [source: [ManufacturedHousing.org](#)].

Many people, including Warren Buffett, one of the richest men in the world, think manufactured homes are a good [investment](#). In 2003, Buffet and his company, Berkshire Hathaway, plunked down \$1.7 billion to buy Clayton Homes Inc., a manufactured-housing company based in Knoxville, Tenn. In his annual letter to investors in 2011, Buffett said his company should serve as a model for those in the government who want to reform the nation's housing system [source: [Howley](#)].

## **Less Expensive**

There are many variables involved in the price of manufactured homes. There are features, floor plans, and details that prevent a simple answer. The sales price for a new manufactured home ranges from under \$20,000 for a single-section home with basic features to prices in excess of \$100,000 for a deluxe multisection home. Depending on the region of the country, construction cost per square foot for a new manufactured home averages anywhere from 10 to 35 percent less than a comparable site-built home, excluding the cost of land.

## **Affordability**

In 2007, Jim and Debby moved into a new 1,720-square-foot modular home in Florida. At the time, they paid \$118,000 [source: [Swider](#)]. They couldn't believe their good fortune. In 2007, the median price of a single single-family house in Pinellas County, where Gulfport is located, was \$210,000. They were getting a bargain, and they knew it. They bought a brand new, modern house for \$92,000 less than what a typical single-family home was worth [source: [Swider](#)].

Manufactured housing is an affordable option for Americans to purchase their own [homes](#). Manufactured homes can cost an average of \$62,600, compared with \$272,200 for a single-family site-built home [source: [U.S. Census Bureau](#), [U.S. Census Bureau](#)]. Manufactured homes also cost 10 to 35 percent less per square foot to build than site-built homes [source: [ManufacturedHousing.org](#)].

The middle class loves manufactured homes. According to [ManufacturedHousing.org](#), median annual income for those living in a manufactured home is \$34,700. Twenty-four percent of all households, however, bring home \$50,000 or more each year. In addition, the average household size is 2.7 people [[ManufacturedHousing.org](#)].

## **Energy Efficiency**

The new generations of manufactured homes are energy efficient. Factories now outfit manufactured homes with [ENERGY STAR](#) appliances. Builders take great care in making sure each home is tightly constructed with efficient [heating and cooling systems](#), [water heaters](#), and high-performance windows.

How much money can a manufactured home save a person? Let's look at one example. A few years ago, North Carolina A&T University and the U.S. Department of Energy studied the energy efficiency of one type of manufactured home. The university built two houses on the Greensboro campus. Each three-bedroom, three-bath house was 1,528 square feet (142 square meters) [source: [U.S. Department of Energy](#)].

Although the homes were unoccupied, researchers rigged up the lights and appliances with timers to simulate normal energy use. One house was a "base" house that acted as a control. The other was an "energy" house, which was built with energy-efficient materials and appliances. Researchers expected the energy house to be 50 percent more energy efficient than the base house. After studying both houses for an entire winter heating season and summer cooling season, researchers found that the energy house actually exceeded expectations with an overall savings of 55 percent [source: [U.S. Department of Energy](#)].

## **Ground Zero for Tornadoes?**

We've all seen pictures of the devastation: A tornado or hurricane rips through a manufactured home park, tearing buildings loose and causing considerable damage. Many people believe manufactured homes are vulnerable to high winds. In reality, the U.S. government requires that manufactured homes be built to withstand winds up to 110 mph (177 kph) in areas that are prone to hurricane-force winds [source: [Manufactured Housing Association of Oklahoma](#)].

## Quality Control

There Are Major Benefits To Building Your Home In A Factory

- All aspects of the construction process are controlled.
- The weather doesn't interfere with construction and cause delays.
- All technicians, craftsmen and assemblers are on the same team and professionally supervised.
- Inventory is better controlled and materials are protected from theft and weather-related damage.
- All construction materials, as well as interior features and appliances are purchased in volume for additional savings.
- Cost of interim construction financing is significantly reduced or eliminated.
- All aspects of construction are continually inspected by not one, but several, inspectors.

## Amenities

Today's manufactured homes come with many "standard" features that you would find in a site-built home. Many floor plans are available that range from the basic models to more elaborate designs with living and dining rooms with vaulted ceilings, fully-equipped modern kitchens, comfortable bedrooms with walk-in closets, and bathrooms with recessed bathtubs and whirlpools.

You may also select from a variety of exterior designs, including metallic, vinyl, wood, or hardboard. You also may select such design features as a bay window, a gable front, or a pitched roof with shingles. Awnings, enclosures around the crawl space, patio covers, decks, and steps are also available at additional costs.

With many manufacturers now using the latest in computer-assisted design, you have the flexibility of selecting variations to the floor plans and decors, including the color and thickness of the carpeting. These options can include everything from the type of exterior siding materials to energy-efficiency features to kitchen appliance upgrades.

Wall-to-wall carpet, [hardwood floors](#), [ENERGY STAR](#) appliances, top-of-the line fixtures, 10-foot ceilings, [ceramic tile](#). You would think you were in Derek Jeter's McMansion in Tampa, Fla. Actually, all the amenities you can find in a site-built home can also be added to manufactured homes. The only difference is that workers install everything in the house before it reaches your property. Some manufactured homes have walk-in closets, jetted tubs and soaker bathtubs, and others come equipped with fireplaces, bay windows and gabled roofs. And it's common for homes to have more than one bathroom outfitted with double sinks and sunken tubs.

## Nice Communities

Despite the trailer park stereotype, many manufactured home communities are wonderful places to hang your hat. Homeowners can rent or own the land on which their houses sit. More than 75 percent of manufactured homes are located on private property, while the remaining 25 percent are located in communities where the homeowner leases the lot [source: [ManufacturedHousing.org](#)].

One of the biggest benefits of living in manufactured home communities is that residents don't have to worry about the expenses of [lawn maintenance](#), trash removal, snow plowing and other on-site repair work [source: [Manufactured Home Source](#)].

Some communities are gated and secure, while other communities -- especially those for adults only -- resemble tiny resorts. They offer organized social activities, walking trails, fitness centers, [pools](#), tennis courts and even golf courses. Many communities have common areas and are beautifully landscaped.

## Warranty

When you bought your last home and something went wrong, how difficult was it to get the [contractor](#) to come and fix it? Chances are it was a hassle, and the work wasn't done in time. New Manufactured homes generally come with a one-year or longer warranty for construction and separate warranties for windows, doors, siding, faucets, appliances -- you name it. Most will even provide their customers with [extended warranties](#). There are also Home Owner Warranty programs available for Pre-Owned Manufactured & Mobile Homes. Ask your Lender or Sales Agent!

While all new homes will have a warranty, used homes might not. Ask some of these important questions before signing off on the house:

- How long does the warranty last?
- What does the warranty cover?
- What voids the warranty?
- Does the retailer, builder or installer perform the warranty work, or is it split between all parties?
- Does the warranty become void if the installation site is not properly prepared? [source: [Consumer Union](#)]

However, buyer beware: The key is to make sure you have a copy of the complete warranty and not a summary document. And be sure to keep the warranty up to date if it requires renewing.

## Supremely Green

Manufactured homes come in all shades of colors, but the most important is "green," as in environmentally friendly. Builders of manufactured homes generally don't waste a lot of building materials, and whatever scraps they do end up with are often recycled. Modular construction allows builders to use less material without compromising a building's structure [source: [Gorman](#)].

Even investor Warren Buffett has gone green when it comes to modular home building. In 2009, one of Buffett's companies, Clayton Homes, a subsidiary of Berkshire Hathaway, unveiled its line of green modular homes known as the i-house. With a price tag of less than \$75,000, the 750-square-foot (69.6 square-meter) i-house has low-flow faucets, high-efficiency heat pumps and roofs designed to collect rainwater. The i-house saves energy, water and [reduces carbon emissions](#). The i-house is so eco-friendly that it achieved a Platinum rating -- the highest mark possible -- from the [Leadership in Energy and Environmental Design \(LEED\)](#) program run by the U.S. Green Building Council

## Design Flexibility

If you haven't figured it out yet, manufactured homes are not your granddad's mobile homes. Some of the designs are even elaborate. Modular homes, for example, have more than one story. They have [porches](#), [garages](#) and [decks](#), and vaulted ceilings. And depending on the lots, homeowners can add beautiful lawns and landscaping. Builders can also customize houses to customer's specific needs -- want stainless steel appliances, [hardwood floors](#) and granite countertops? No problem. Some companies even specialize in upscale modular homes. One firm, the Modular Center, has a "Masterpiece Collection," which features homes that range from 2,000 square feet (185.8 square meters) to more than 5,000 square feet (464.5 square meters) [source: [Modular Center](#)].

## **Speed of Construction**

Although the homeowner is responsible for the foundation, and for establishing utilities like [electricity](#) and sewage before manufactured homes arrive onsite for final construction, factories can build a typical double-wide or single-wide manufactured home in about one-third of the time it takes a contractor to construct a site-built home [source: [ManufacturedHousing.org](#)]. When the house gets to your property, it is nearly 90 percent complete, which allows you to move into your new home much faster, as well [source: [Nationwide Homes](#)]. And just because construction and set up moves at a rapid pace doesn't mean the builders can ignore safety and building codes. In-house and third-party inspectors examine each structure before and after the home is on site [source: [Modular Center](#)].