

OREGON

AFFORDABLE HOUSING NEED & THE ROLE OF MANUFACTURED HOUSING

In Oregon, manufactured housing plays a small but important role in the robust affordable housing market. There are nearly 140,000 manufactured homes in Oregon, accounting for 7.6% of the total housing stock and housing 8.3% of the population. Forty-five percent of Oregon's manufactured homes are located in more than 1,000 communities across the state.¹

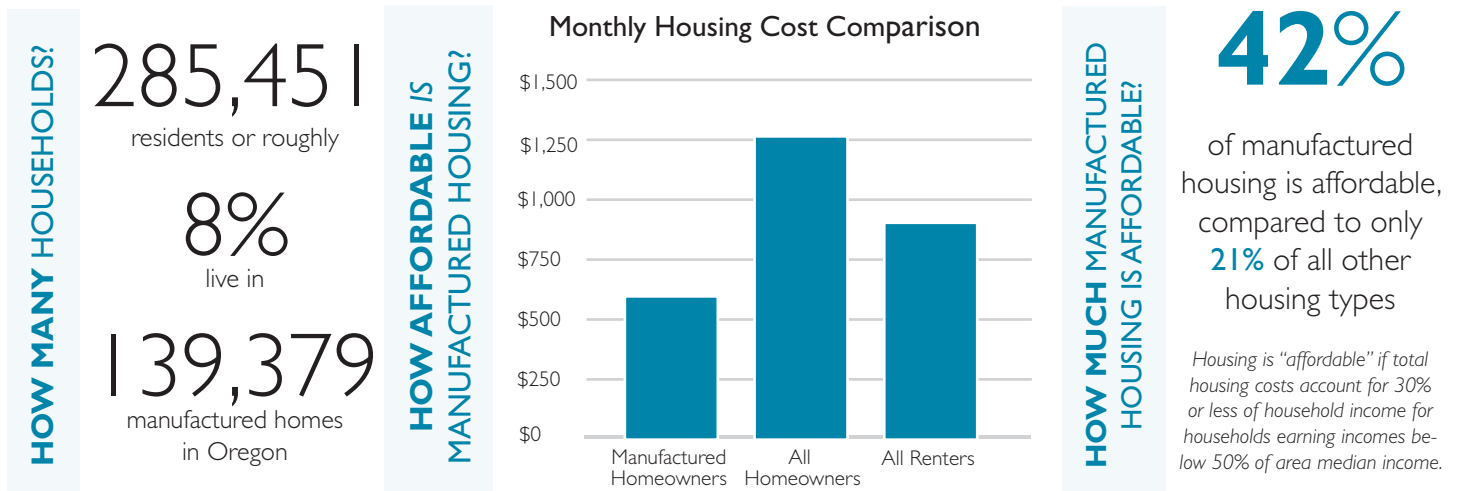
However, not all of Oregon's manufactured housing stock is high quality. The state's 10 Year Plan recognizes that access to safe, decent and affordable housing is critical to achieving its vision for healthier Oregonians. The plan notes that "too many Oregonians live in substandard housing where they are more likely to be exposed to dangerous mold or lead paint in their environments."² In fact, more than 55% of manufactured homes in Oregon were built before 1980; HUD began regulating the construction of these homes in 1976, but uniform adherence to the new code took time to reach all parts of the industry. Therefore, these older units are likely in need of repair or replacement. Additionally, Oregon's wet and humid climate only serves to accelerate the deterioration of these older homes. While the plan aims to address these problems through replacing substandard, unhealthy housing and incentivizing healthy affordable homes, it does not mention manufactured housing specifically. Similarly, the 2011-2015 Oregon Consolidated Plan does not include steps to address the substandard manufactured housing stock or even mention the need for it. Oregon should implement a more proactive strategy to replace and repair the state's manufactured housing stock.

Manufactured home communities have also been touted as "naturally occurring retirement communities," or NORCS: neighborhoods that are not originally designed for older adults, but certain community characteristics exist that promote independence, convenience and physical security. More than 35% of manufactured home heads of household are over the age of 65, compared to 29% of all homeowners and 14% of renters. As a critical source of unsubsidized affordable housing, preservation of manufactured home parks should be a priority to help stably house seniors, many of whom are likely on fixed-incomes.



A **manufactured home** is a type of prefabricated housing that is constructed in a factory and then transported to a site for installation. These homes are built to a federal code administered by HUD that went into effect in 1976. Factory-built homes constructed before 1976 are called mobile homes. Modular homes are also prefabricated in a factory, but differ from manufactured homes because they are built to a local building code.

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 Oregon. Sources: 2009-2013 American Community Survey 5-Year Estimates, Oregon Housing and Community Services.

¹ State of Oregon, *Manufactured Dwelling Park Directory*, December 2015, <http://o.hcs.state.or.us/MDPCRParcs/parkdirpdfreport>
² State of Oregon, *Oregon's 10-Year Plan* (Salem: State of Oregon, 2014), 20.

WHO LIVES IN MANUFACTURED HOMES?

Residents of manufactured homes differ in some key ways from their neighbors in other types of housing. For a number of reasons including titling statutes and land tenure, owners of manufactured homes are less likely to have access to mortgage financing and commonly pay for their homes with personal property loans instead. Consequently, these owners are often burdened with a loan product that features higher fees, shorter terms and fewer consumer protections. Compared to all homeowners in Oregon, owners of manufactured homes are more likely to receive SNAP benefits, be Hispanic, be over the age of 65, work in low-wage jobs and be single parents. Manufactured homeowners have lower levels of educational attainment compared to all homeowners: 16% of owners of manufactured homes have Associate's degrees or higher, compared to 42% of all homeowners and 30% of renters.

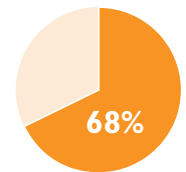
HOMEOWNERSHIP

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



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.



All Other Homeowners with a Mortgage

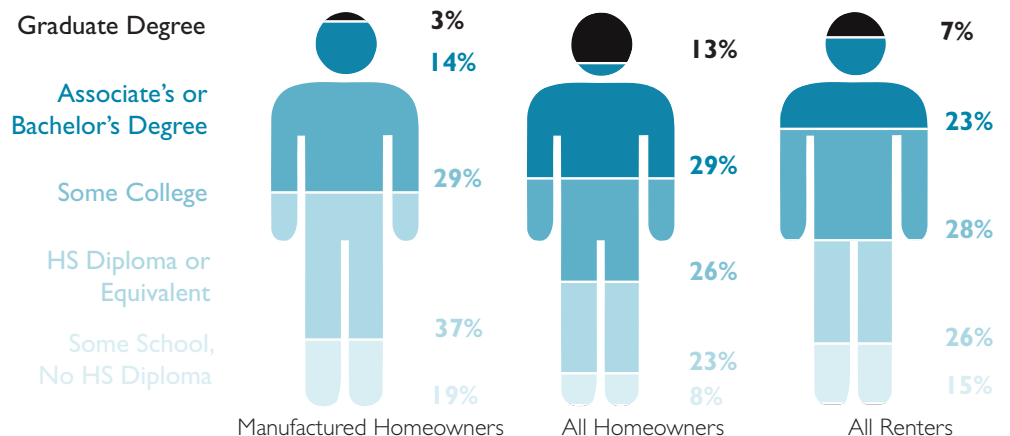
Note: We expect that the American Community Survey (ACS) data at our disposal most likely misrepresents the share of manufactured homes with mortgages. Because the ACS defines mortgages as "all forms of debt where the property is pledged as security for repayment of the debt," owners of manufactured homes who are asked whether they have a mortgage may respond affirmatively knowing that they are repaying a loan of some sort, even if that may be a personal property loan. As a result we expect that the ACS estimate for the share of manufactured home owners with a mortgage is inaccurate, so it has been omitted here.

MEDIAN HOUSEHOLD INCOME



EDUCATION

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



JOBS

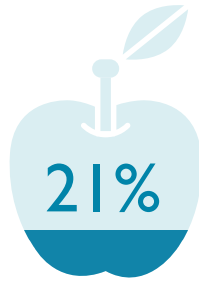
Owners of manufactured homes often work in lower-wage occupations compared to all homeowners.



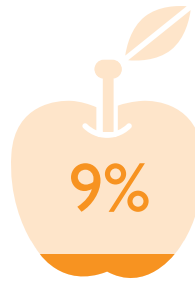
SNAP BENEFITS

More than one in five owners of manufactured homes receives SNAP benefits, and are more than twice as likely to receive them compared to all homeowners. But compared to renters, owners of manufactured homes are much less likely to receive SNAP benefits.

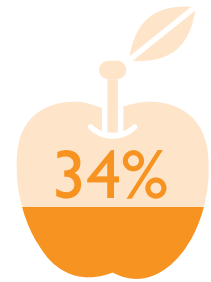
OWNERS OF MANUFACTURED HOMES



ALL HOMEOWNERS

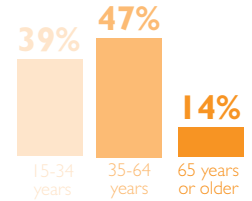
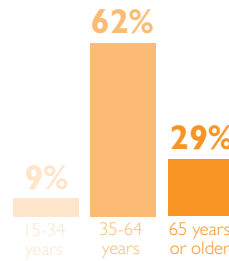
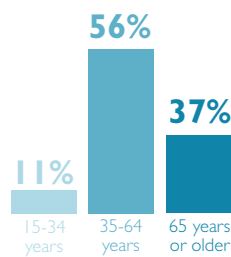


ALL RENTERS



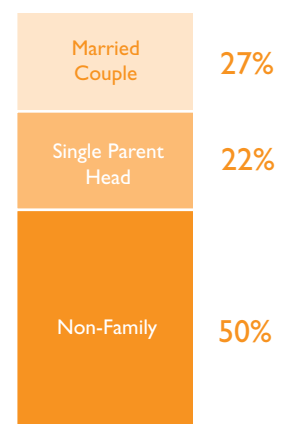
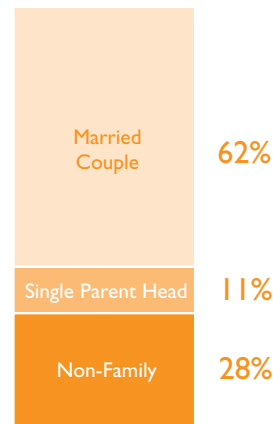
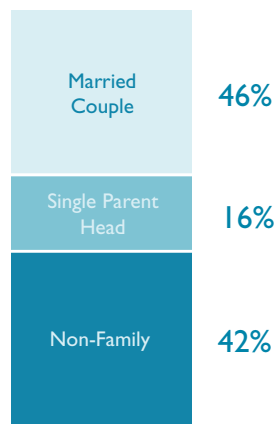
AGE

More than one-third of owners of manufactured homes are over the age of 65.



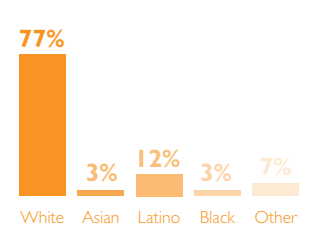
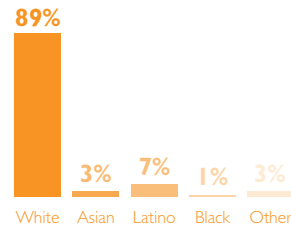
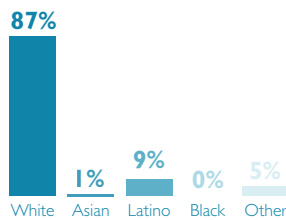
HOUSEHOLD COMPOSITION

Compared to renters, owners of manufactured homes are more likely to be headed by married couples and less likely to be comprised of non-families. However, owners of manufactured homes—like renters—are more likely than all homeowners to be headed by single parents.



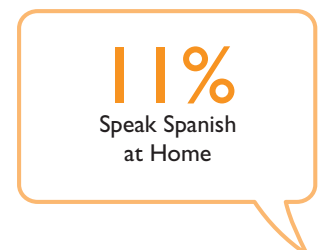
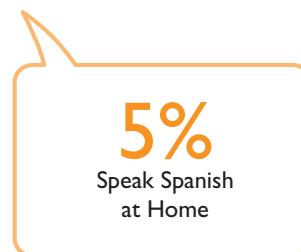
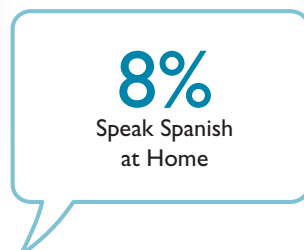
RACE/ETHNICITY

While the state of Oregon is predominantly white, owners of manufactured homes are slightly more likely to represent communities of color than homeowners as a whole.



LANGUAGE

Owners of manufactured homes in Oregon are more likely to speak Spanish at home than all homeowners.



WHERE ARE MOST MANUFACTURED HOMES LOCATED?

62,504

of the manufactured homes
in Oregon or

45%

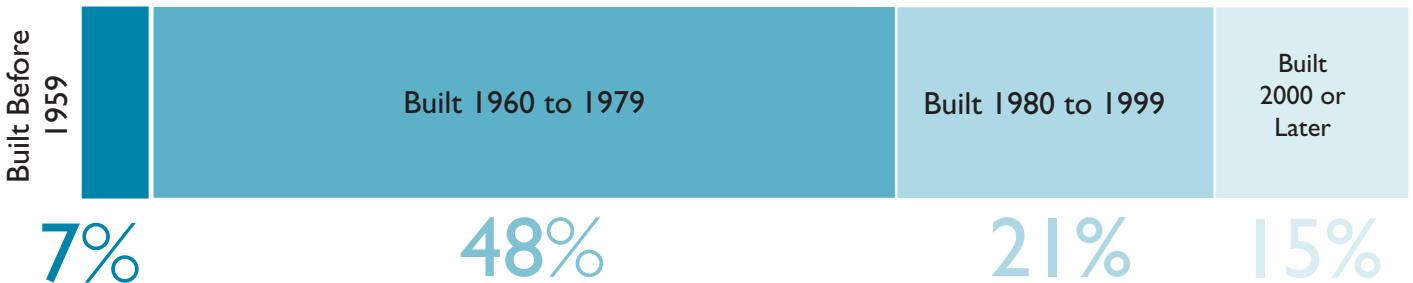
are located in

1,082

manufactured home
communities

IN WHAT CONDITION ARE MOST MANUFACTURED HOMES?

More than 55% of manufactured homes in the Oregon 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.



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.