



# ***Deciding to Buy a Home***

## ***Choosing Manufactured Homes***

# ***Deciding to Buy a Home: Choosing Manufactured Homes***

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If you decide to purchase a manufactured home, you will need to choose between buying a sited home or an unsited home. A sited manufactured home has been installed at its final destination. An unsited home is still at the sales point and must be transported to the final location. In either case, you will need to prepare financially for the purchase including qualifying for a loan and obtaining insurance coverage.

For a sited home, you need to decide what kind of manufactured home you want and the best available location, negotiate the price and have it inspected by an experienced professional. The process used to buy a sited manufactured home is similar to buying an existing site-built home. You can choose to work with a real estate professional or purchase directly from the owner.

Before you shop for an unsited manufactured home, you will need to find a location for the home and have the site surveyed if a land purchase is involved. Also, choose a foundation type and shop for contractors to do site preparation and installation work. Inspect the home at the retailer's lot before the home is moved, then inspect it upon arrival at the site, and again after installation and before moving in. It is probably a good idea to hire a professional who is familiar with manufactured homes to do the inspections.

There are two basic types of manufactured homes, single-section homes and multi-section

units. Single section homes are self-contained units that generally range in size from 900 to 1,300 square feet. Multi-section homes are made of separate double and triple sections that are joined at the site. These range in size from 1,500 to 2,500 square feet. About 75 percent of new manufactured homes sold are multi-section units.

One difference between site-built homes and manufactured homes is that manufactured homes tend to be restricted by zoning or property deed to certain areas. This is especially so in cities, suburbs and towns. There may be fewer restrictions in a rural area.

There are four different locations and ownership arrangements for manufactured homes: private property, subdivision, land-lease community and cooperative.

- **Private Property.** You own the land and the home in this arrangement. Unless you own land that is already zoned for a manufactured home, you will have to do some homework. Once you have located a desirable property, check the local building codes to learn if the intended property is or can be zoned for a manufactured home. Next, determine if the necessary utilities are available at the location or can be extended to the location and at an affordable cost. If not, you will need to make alternative utility arrangements, such as using propane instead of natural gas for heating and cooking.

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Once suitable zoning and utilities access are established, you can buy the land. If you plan to locate a manufactured home on family-owned land, you must still make sure that it is properly zoned and utilities are available. After you purchase the land, it is time to shop for the manufactured home. The general home-shopping process and your ownership obligations will be very similar to those involved in buying a site-built home. The private property arrangement may or may not be part of a manufactured home subdivision.

- **Subdivision.** You own the land and the home in a manufactured home subdivision. The subdivision has been zoned for manufactured homes. The homes are usually sited and installed by the developer. There may be some choices about the size and amenities of the homes. You and the other owners are members of the homeowners association and pay a fee for upkeep of the common areas. You also will be required to comply with association covenants, conditions and restrictions.
- **Land-Lease Communities.** Land-lease communities are designed specifically for manufactured homes. You own the home but lease the land. Make sure you understand the land-lease agreements, rules, restrictions and regulations. Find out if there is a history of tenant problems with the owner and/or the community's management company. Check with the local Better Business Bureau about this history. Because manufactured homes can be difficult and expensive to move, eviction is a serious concern if you lease. The reasons for eviction should be stated clearly in the lease. If you fail to meet the rules you agreed to follow in the lease you can be evicted.
- **Manufactured Housing Cooperative.** A manufactured housing cooperative is a non-profit corporation formed by the residents who are shareholders in the corporation.

The corporation owns the land in common but you own your own home. Members of the cooperative must be residents. The cooperative's board of directors manages the operation including the mortgage and common area maintenance. You must pay the monthly fees and comply with rules and restrictions decided by membership.

*This resource is one in a series on Deciding to Buy a Home which include:*

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