

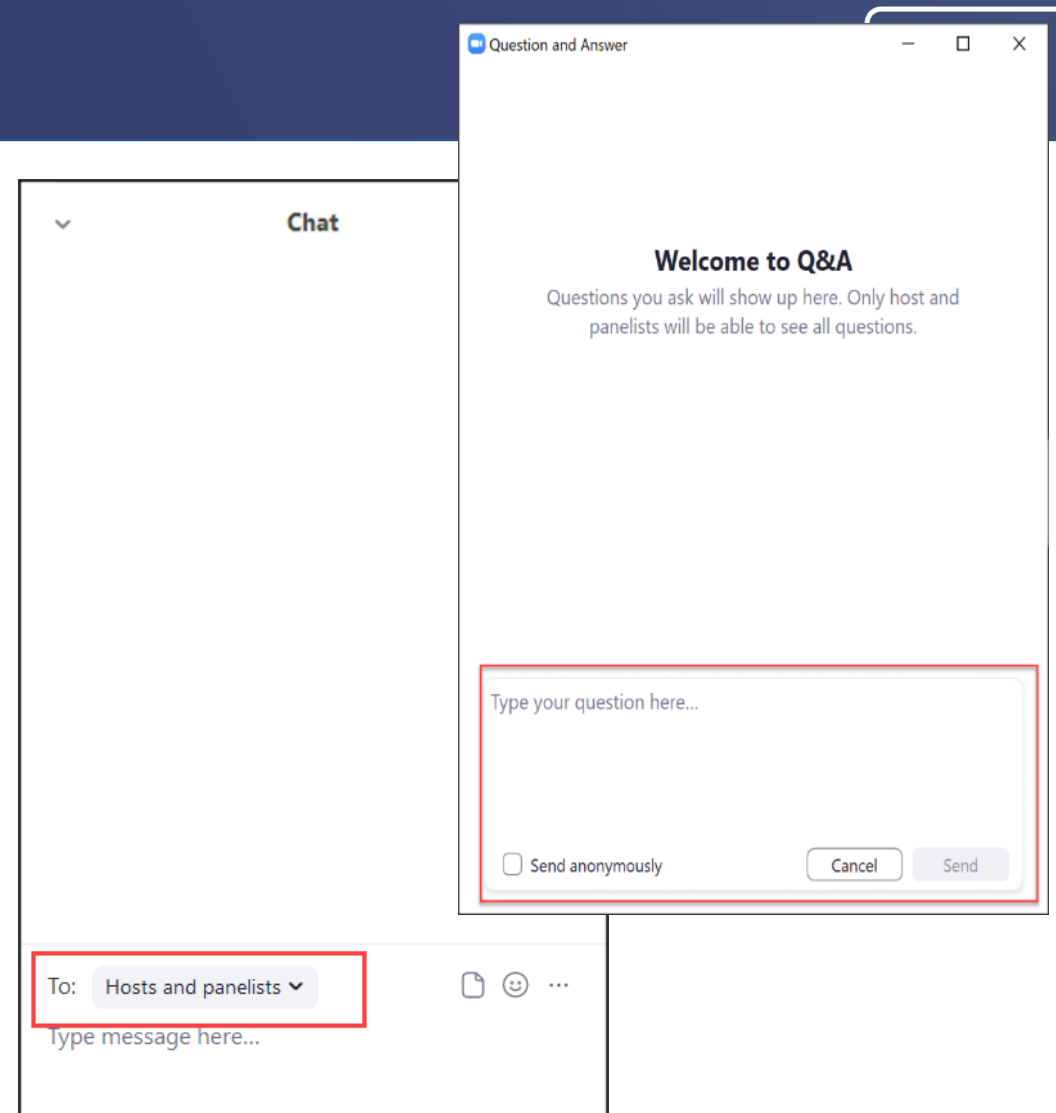
# Unlocking Affordability: Counseling on Manufactured Housing

Tuesday, September 12th | 2:30-3:30 PM EDT



# Questions?

- Participants are in listen only mode
- Chat
  - Submit any technical issues via the Chat box
    - Send the message to the Host
- Q&A
  - Submit any content related questions via the Q&A box
    - Send to Host, Presenter and Panelists



# Speakers

- Scott Ledford, Senior Director, ICF
- Demetress Ross, Chief Contracting Officer Representative (COR) Advocate, HUD's Office of Manufactured Housing Programs
- Mary O'Hara, Executive Vice President, Resident Owned Communities USA (ROC USA)
- Katherine Peoples, Executive Director, HPP Cares
- Linda Marin, Director of Homeownership, come dream. come build. (cdcb)
- Claudia Kowalski, Senior Housing Counselor, come dream. come build. (cdcb)

# Agenda

- Remarks from HUD's Office of Manufactured Housing Programs
- Manufactured Housing Foundations
- Program Spotlights:
  - Resident Owned Communities USA (ROC USA)
  - HPP Cares
  - come dream. come build. (cdcb)
- Tools and Resources
- Q&A



# Demetress Ross

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Chief Contracting Officer Representative  
Advocate

HUD's Office of Manufactured Housing Programs



# Manufactured Housing Foundations

## Manufactured Housing

- The term “manufactured housing” (MH) refers to a home that is built in a *factory* to the *HUD Code*
- May be titled as:
  - Personal property: Owner does NOT own the land; home may be on permanent or temporary foundation
  - Real property: Owner owns the land and home is permanently affixed

## Other Factory Built Housing

- Modular and other types of housing may also be built in factories
- Such homes are built to *state or local* building code rather than the *HUD Code*

# Related Training and Resources



## Trainings:

- [Nuts and Bolts of Manufactured Housing: Access, Affordability, and Opportunity](#)
- [Providing Counseling on Manufactured Housing Options](#)



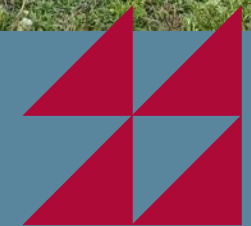
## Handouts:

- [Manufactured Housing Quick Tips](#)
- [Guide to Manufactured and Other Housing Types for Housing Counselors](#)
- [Financing a Manufactured Home Purchase](#)

ROC USA®



Mary O'Hara  
EVP, ROC Movement





# ABOUT US

ROC USA® supports homeowners in manufactured home communities to achieve affordable and environmentally sustainable self-governing cooperatives.

We use an integrated financing and technical assistance model to help homeowners form limited equity cooperatives to purchase their communities, creating secure, stable neighborhoods that become more affordable every year.

With our network of nonprofit affiliates, we provide ongoing organizational coaching, training and education, leadership development and more to the democratically run cooperatives across the country.





# Cooperative MHCs

There are an estimated 43,000 manufactured home communities across the country with various land ownership models including private/corporate owners, nonprofit owners, cooperative owners and more.

Homeowners in a cooperative, or Resident Owned Community (ROC), enjoy many advantages over investor-owned MHCs:

- Site fees are stable, with average increases of 0.9% in ROCs vs 5.9% in other MHCs
- Co-op Members vote on the budget, community rules, and community leadership
- There is no risk of community sale, redevelopment, or unfair eviction
- Co-op Members decide when to invest in capital improvements, new amenities, and energy efficiency/generation enhancements



**312**  
Resident Owned  
Communities (ROCs)

**21,916**  
Homes Preserved  
in ROCs

**21**  
States  
with ROCs

**53**  
ROCs officially  
designated as 55+

**82%**  
Homeowners at  
80% AMI or below

**0.9%**  
Average rent  
increase  
in ROCs





# INNOVATIONS IN HOUSING

HOUZD TO ADU DESIGN FINANCE CONSTRUCT LEASE PROTECT

# INTRODUCTION

- 501(C)(3) IRS-Recognized Nonprofit, HUD Approved HCA
- Certified Counseling Staff, team members Licensed In Real Estate & Construction
- Funded by: Donations, Grants
- Services: Pre & Post Purchase, Financial Capabilities, Credit Debt Management, Foreclosure & Eviction Prevention, Education, Coaching



# CRISIS MODE

# WHAT IS AN ADU?

Requires a DIFFERENT *infusion* of  
DIFFERENT *solutions* for housing.



**ADUs** are also called granny flats, converted garages, or basement apartments. No matter the type, they are a flexible space that grows with one's family. Whether used as a space to rent out, house a family member, or work from home, an ADU is a great investment that can provide a homeowner with many options.

# ADU BENEFITS FOR HOMEOWNERS

## **Offer homeowners choice**

Neighborhood-scale homes offer choice and inclusion that can help homeowners afford to stay in a neighborhood they love by sharing their property.

## **Extra income**

Additional income generated from renting an ADU can help supplement family budgets, pay the mortgage, or retire with more security

## **Give families flexibility**

ADUs are a great option for families looking to help seniors age, shelter family members in need, or live intergenerationally.

## **Build and preserve community**

By creating and renting ADUs, homeowners can house essential community members that might otherwise be priced out of a neighborhood.

## **Build wealth**

ADUs make it easier to afford to own property, and property ownership builds intergenerational wealth.

## **Naturally affordable**

ADUs - and some other forms of neighborhood-scale housing - are less expensive to build and rent compared with other options in the market.

# TYPES OF ADUs



## Detached

Free-standing structure, such as a backyard cottage



## Attached

Shares at least one wall with the primary home



## Interior Conversion

Built from existing converted space (e.g., an attic or a basement)



## Garage Conversion

Attached garage converted to living space



## Above Garage

Unit built above garage

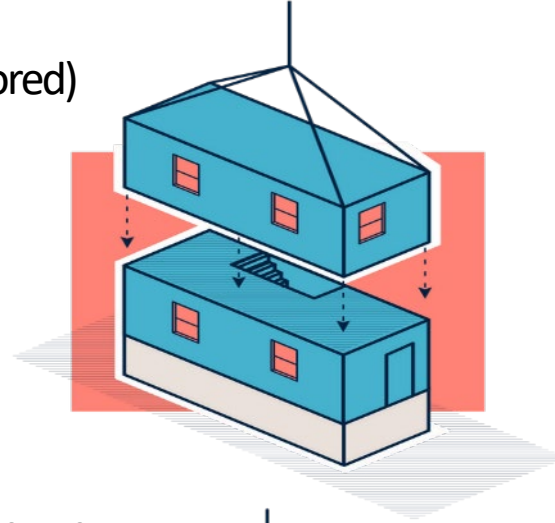


# BUILDING OPTIONS

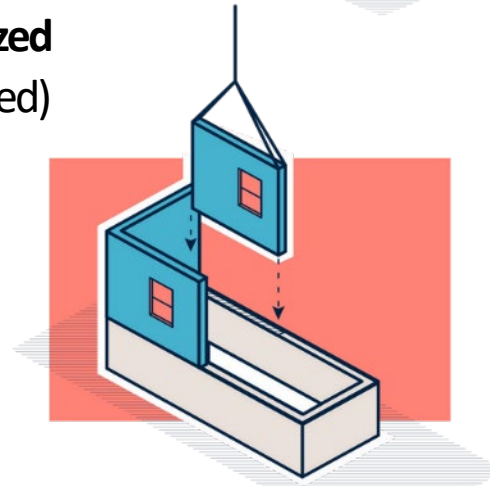
**Site Built**  
(Local Building Code)



**Modular**  
(State Monitored)



**PreFab/Panelized**  
(State Monitored)



**Manufactured**  
(HUD Code)



# COMPARISON OF ADU BUILD TYPES | COST

	Manufactured Home	Modular	PreFab/Panelized	Stick Built
<b>Structure</b>	<ul style="list-style-type: none"> <li>Permanent or temporary foundation</li> <li>Built off site to HUD Code</li> </ul>	<ul style="list-style-type: none"> <li>Permanent foundation (raised or basement/crawlspace)</li> <li>Modular units built off site and combined on site, to state/local code</li> </ul>	<ul style="list-style-type: none"> <li>Permanent foundation</li> <li>Panels built off site and combined on site, to state/local code</li> </ul>	<ul style="list-style-type: none"> <li>Permanent foundation</li> <li>Built on site to state/local code</li> </ul>
<b>Construction Timeframe (for CA)</b>	12-14 weeks	12-14 weeks	14-16 weeks	24+ weeks
<b>Cost of Vertical Build (for CA)</b>	\$275/sq ft	\$300/sq ft	\$300-400/sq ft	\$300-450+/sq ft
<b>Pros</b>	<ul style="list-style-type: none"> <li>Cost savings over stick built</li> <li>Less time for on site work</li> <li><i>Permanent foundation:</i> incl. in property appraisal</li> </ul>	<ul style="list-style-type: none"> <li>Cost savings over stick built</li> <li>Less time for on site work</li> <li>Incl. in property appraisal</li> </ul>	<ul style="list-style-type: none"> <li>Semi-custom plans and design options available</li> <li>Incl. in property appraisal</li> </ul>	<ul style="list-style-type: none"> <li>Eligible for construction financing</li> <li>Full customization possible</li> </ul>
<b>Cons</b>	<ul style="list-style-type: none"> <li>May face local zoning restrictions</li> <li><i>Temporary foundation:</i> not incl. in property appraisal</li> <li>May appraise lower than stick built</li> </ul>	<ul style="list-style-type: none"> <li>May appraise lower than stick built</li> <li>Less customizable than stick built</li> </ul>	<ul style="list-style-type: none"> <li>May appraise lower than stick built</li> <li>Slightly longer timeframe to build than modular</li> </ul>	<ul style="list-style-type: none"> <li>Lengthy build time</li> <li>More expensive</li> </ul>

# COMMON FINANCING OPTIONS

## High Home Equity

- Cash-out Refinance
- Home Equity Line of Credit (HELOC) or Home Equity Loan
- Second mortgage
- Reverse mortgage

## Low Home Equity

- Construction Loan
- Renovation Loan
- Existing Cash or Assets
- Borrow from Family/Friends


- Options depend on the amount of equity in the primary dwelling and the income and assets of the homeowner
- Like any home purchase, counselors can help homeowners assess the upfront cost, monthly expense, long-term maintenance, and rental income of an ADU

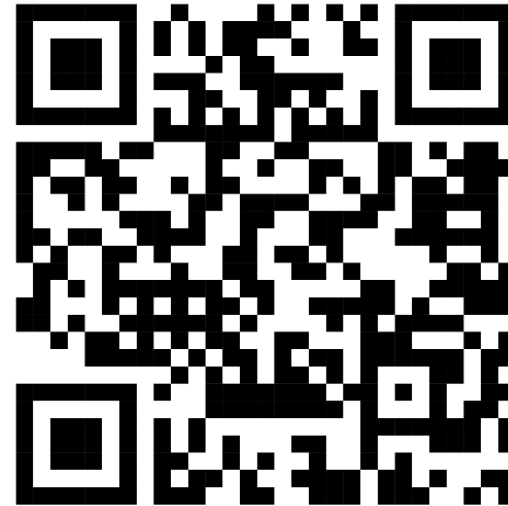
# CONTACT US

## HPP CARES HOUZD TO ADU Design Finance Construct Lease Protect

*Katherine Peoples*

 [Katherine@hppcares.org](mailto:Katherine@hppcares.org)

 562.281.8801





**come dream.  
come build.**



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Linda Marin, Director of Homeownership  
Claudia Kowalski, Senior Housing Counselor



# Housing Affordability Breakthrough Challenge: MiCASiTA Video



<https://www.youtube.com/watch?v=9RmGUMJdSdc>

# Tools and Resources

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# Tools and Resources

- Trainings:

- [Housing Counseling: Nuts and Bolts of Manufactured Housing: Access, Affordability, and Opportunity](#)
- [Housing Counseling Webinar: Providing Counseling on Manufactured Housing Options](#)

- Written Resources:

- [Housing Counseling: Guide to Manufactured and Other Housing Types for Housing Counselors](#)
- [Housing Counseling: Manufactured Housing Quick Tips](#)
- [Housing Counseling: Financing a Manufactured Home Purchase](#)
- [Resources - Next Step \(nextstepus.org\)](#)
- [Comparison of the Costs of Manufactured and Site-Built Housing | Joint Center for Housing Studies \(harvard.edu\)](#)
- [ADU Construction Financing - berkeley.edu](#)
- [Affordable ADUs: How It's Being Done — Shelterforce](#)



# Tools and Resources (contd)

- Featured Programs:

- [ROC USA<sup>®</sup>](#)
- [HPP Cares ADU](#)
- [Cdcb Come Dream. Come Build.](#)
  - [Housing Affordability Breakthrough Challenge: MiCASiTA - YouTube](#)

**HUD Office of Housing Counseling  
2023 Community Conference**

# Q&A

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# Day 1 Schedule



Session Time	Session Name	
12:00-12:30 PM EDT	OHC Conference Kick Off and Annual OHC Updates	
1:00-2:00 PM EDT	Data is Power – Understanding the State of the Marketplace	
2:30-3:30 PM EDT	<b>Equipping Counselors with Education</b>	
	Aging with Equity: Housing Stability and Generational Wealth for Senior Homeowners	<b>Unlocking Affordability: Innovations in Accessory Dwelling Units (ADUs), Manufactured and Modular Homes</b>
4:30-5:30 PM EDT	National Industry Standards Update	

# Stay Connected!



- Visit the [2023 Conference Webpage](#)
- Find us on the [HUD Exchange Housing Counseling Page](#)
- Email us at: [Housing.counseling@hud.gov](mailto:Housing.counseling@hud.gov)
- Subscribe to [Housing Counseling Today Blog](#)

# Thanks for Attending!

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