

Recently I was asked to write an article for the local paper here in Sussex County Delaware. After I finished it occurred to me that this same type of article probably applies to most of the nation. We all have to deal with discriminatory zoning, pre conceived notions about "trailers", and probably have some very nice developments of manufactured housing that does not deserve this attitude. See if this sounds like where you live.

Manufactured Housing In Sussex County

By George Porter

According to the Delaware State Housing Authority in 1993 there were 914 new manufactured houses titled in Sussex County or 46% of all new single family housing in the County that year. Manufactured Housing is big business in Sussex and probably always will be. Why?, because people like it. 1994 is expecting a growth of at least 25% more than last year in spite of the roadblocks placed in our path by the county government.

Did you know that in order to place a manufactured home on its own land in an AR zoned area the law requires a minimum of 5 acres!, with conventional housing you only need 1/2 acre. The manufactured home also must apply for a variance and have a hearing before the Zoning Board to determine if its' placement will adversely affect the surrounding property.

In spite of this the industry is doing quite well. We are providing affordable housing for nearly halve of the citizens and are developing new areas for our customers to place their homes. The rental community accommodates the majority our homes and Sussex county has some of the finest in the United States. The Long Neck and Rehoboth area contains communities with deep water boat slips, multiple pools, restaurants, boardwalks, fishing piers, miniature golf, shuffle board and a church. There are plans to soon build a community with an 18 hole championship golf course in the near future.

Why are these homes so popular?, because they are attractive, comfortable and affordable. They are very economical to heat and cool and provide the perfect retirement home. As you well know southern Delaware is very popular with retirees and this home fills their needs quite nicely. According to the National Board of Realtors the average new single family home in the U.S. costs around \$105,000. Here in Sussex this figure is much higher in eastern Sussex and just slightly lower in western Sussex. The median price of a new Manufactured home is \$25,000, 19% cost more than \$40,000. Locally the prices are a little more in the east and a little less in the western halve of the county.

The business is doing well all over the country. As the Wall Street Journal stated in a February 18, 1993 editorial, "manufactured housing is fully a match for traditional 'sticks and bricks' construction on-site" and that "manufactured housing can be a vital part of putting an affordable roof over peoples heads."

Putting a roof over the head of people is what this industry does best and given the chance can be a real asset to the citizens of Sussex.

For instance, we tax-payers are the ones that build public housing. If we didn't build them out of "sticks and bricks" we could house approximately 4 times more people for the same money or, we could house the same people for 1/4 the cost using manufactured housing. This is being done in many other states and it works for them, why not here?

The ladder to home ownership is missing a few rungs. In order to buy a conventional home in Sussex you need a down payment, closing costs, application and appraisal fees, legal fees, and the ability to make the payments.

In a best case scenario with 5% down plus all those other fees you will probably need at least \$10,000 in cash for settlement on an \$80,000 to \$90,000 home and payments of around \$600/month for 30 years.

If you purchased a new single section manufactured home of approximately 950 square feet you would need about \$2700 cash (10% dn. + titling) and payments of about \$250/month for 15 years. The conventional home will probably be bigger and will not have lot rent BUT many more people can qualify for the manufactured home and can move in and start building equity. You can't build equity in an apartment and you can't save the money very easily for a down payment when you are paying apartment rent. You are also not establishing the same credit rating paying apartment rent as you are when you are building equity in a manufactured home. If you do decide to purchase a conventional home the equity and your performance on the manufactured housing loan will probably be what makes the move possible. Manufactured housing could be the best friend conventional real estate ever had, it provides the missing rungs in the ladder.

On the other hand you might not want those bigger investments. Both of the adults in a young family might not have to be employed to make the house payments and maybe one of the parents could stay home and raise the children. Children that can be raised by their own parents, you would have to think that would be a major contribution to both the parents and the children. Affordable manufactured housing goes a long way toward making that possible.

The old time trailer is long gone and the manufactured home of today is on a par with anything available to the citizens of Sussex, maybe better.