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POLICY BRIEF

Legalizing Manufactured Housing Requires Legalizing Starter Homes: State Laws Requiring Equal Treatment for Manufactured Housing Are Just the Starting Point

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As housing affordability concerns grow, manufactured housing—housing built to the US Department of Housing and Urban Development's preemptive building code (the HUD Code)—is increasingly catching policymakers' attention. Since 2020, policymakers in 12 states have passed laws intended to make it easier to site this type of housing.[1] Manufactured housing is important in housing affordability discussions because it is meaningfully less expensive to build than site-built housing. But because manufactured housing competes on cost, the state laws requiring

US FACTORY-BUILT HOUSING TERMINOLOGY

- **Manufactured housing:** In the US context, the common term for housing built to the US Department of Housing and Urban Development's Code for Manufactured Housing. Manufactured housing is synonymous with "HUD Code housing."
- **Offsite construction:** Housing or housing components that are built in a factory and transported to a final site. The term includes manufactured housing and housing that is built to building codes other than the HUD Code.
- **Panelized construction:** A construction method that includes the building of completed wall panels. This term contrasts with volumetric modular construction, in which entire homes or rooms are assembled in a factory and shipped to the final site.
- **Modular construction:** Housing built in a factory to a state or local building code. Modular construction can be an entire housing unit, such as an accessory dwelling unit, or it can be a component of a house, such as a kitchen or bathroom module.
- **Stick-built:** A colloquial term for light-wood-framed houses that are assembled on site. The term is sometimes used to distinguish site-built housing from factory-built housing but can be confusing because manufactured housing is also framed in light wood.

equal treatment with site-built housing can pay off only where land use regulations also allow for the construction of small, basic houses on small lots. Policymakers who want to make housing more affordable need to make starter homes in general—and therefore manufactured housing in particular—a straightforward option.

Manufactured housing's cost advantage comes from a few sources. These include the HUD Code itself, which, relative to other US building codes, places a high priority on the affordability of manufactured housing. Additionally, factory construction and the scale of the industry create opportunities for cost savings, with less waste and more efficient production processes than are seen in site-built housing. Historically, a requirement that HUD Code housing sit on a permanent steel chassis—even if the unit is installed on a permanent foundation—has been a defining feature of manufactured housing. New federal legislation, however, directs HUD to update the code to eliminate that requirement.[2] That change will expand the cost advantage of manufactured housing and improve opportunities for its multistory and multiunit forms.

The cost advantages are greatest for the least expensive types of manufactured housing. Careful estimates of the cost of manufactured housing sited on a permanent foundation find that single-section manufactured housing costs 65 percent less than a site-built house of comparable size and quality after accounting for transportation and installation costs.[3] For double-section manufactured housing, the savings are 40 percent relative to comparable site-built housing. For CrossMod manufactured housing, a new type that includes site-built components such as a porch, a garage, and a steeper roof pitch, the cost savings are 27 percent. Larger and fancier additions to a basic manufactured house erode its cost advantages.

About 17 million Americans live in manufactured housing.[4] Twenty-six percent of these households live in homes that are sited on land that they rent in manufactured housing parks.[5] These parks are a crucial source of low-cost housing in the United States.[6] Owned housing on rented land creates inherent insecurity, however, because the park owner could choose to sell the park.[7] Although residents who have lost their space in a park have the option to move their home to another location, doing so is expensive and can damage the home. Today's manufactured housing is not intended to be moved from place to place, as was common for mobile homes built before the federal code that Congress enabled in 1976.[8]

The inherent instability of the lots available for manufactured housing in parks is one factor behind policymakers' interest in adding more chances for manufactured housing to be sited on individually owned lots. Manufactured housing on standard lots, where the house and the land are jointly owned as real estate, provide an opportunity to take advantage of the cost savings of manufactured housing without the downsides of divided ownership. But many localities now have land use regulations that confine this housing to parks, ban it outright, or otherwise regulate where it can be used. So, although the HUD Code preempts state and local policymakers from adjusting the building requirements for these units, the owners cannot site the units except where local regulations allow them, if at all.

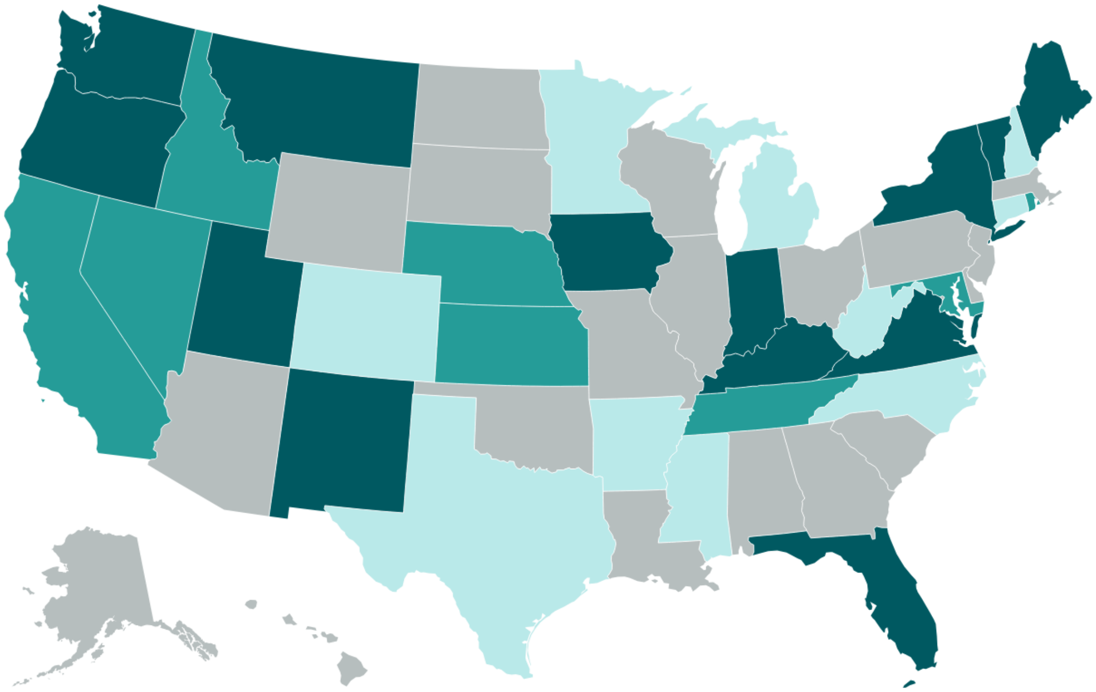
In the next section of this policy brief, I examine the landscape of state laws that address land use restrictions on manufactured housing. I also explore the relationship between these state laws and the prevalence of manufactured housing over time, finding that while equal-treatment laws allow for the use of manufactured housing where it would otherwise be banned, other exclusionary zoning rules can prevent its widespread use. In the final section, I analyze the potential to expand the places where manufactured housing might be viable through minimum lot size reform. Opening up more land to starter-home construction of all types can allow state protections for manufactured housing to reach their potential.

State Laws Protecting Manufactured Housing

Starting with Vermont in 1976, state policymakers have been passing laws intended to protect manufactured housing from local zoning exclusion. These state laws are an important step toward making it possible to reap the benefits of the low costs of manufactured housing in more places. Studies find that localities with more restrictive zoning see a lower share of manufactured housing as a portion of their total housing stocks and a lower share of manufactured housing loans.[9] In an analysis of land use regulations that block manufactured housing, legal scholar Daniel Mandelker writes, "Unequal treatment lies at the heart of zoning barriers to manufactured housing."[10] He puts forward a model for state policy that requires fully equal treatment of manufactured housing and site-built housing under land use regulations. Research exploring new manufactured housing developments identifies cases in which local zoning rules specifically bar manufactured housing, leading developers to use more expensive factory-built homes built to a state code in these developments instead.[11] These case studies demonstrate that in some places, equal-treatment laws address specific barriers to manufactured housing that make the difference between them being a viable housing option or not.

In the map in figure 1, I distinguish between three categories of protections for manufactured housing. The states with the strongest laws align with Mandelker's recommendations, both requiring localities to allow manufactured housing in any zone where site-built housing is allowed and preventing localities from adopting any design standards that apply specifically to manufactured housing. The second category includes states where laws require manufactured housing to be allowed anywhere that site-built housing is allowed but leave open the door to design standards that are specific to manufactured housing. And finally, 10 states have laws that require manufactured housing to be allowed in some residential zones outside manufactured housing parks, but not necessarily in all zones where site-built housing is allowed. Figure 1 shows that 31 states have laws protecting the right to use manufactured housing. The appendix has a table that provides more details.

FIGURE 1. State manufactured housing laws, 2026



Note: See the appendix for citations to state statutes and the year the state's initial manufactured housing protection was adopted. Some states with strong manufactured housing protections, including Indiana, Iowa, Kentucky, and New Mexico, limit these protections to multisection manufactured housing. Ohio had a strong manufactured housing law, but it was overturned by the Ohio Supreme Court in *City of Canton v. State* (2002).

Even where states have established equal treatment, exclusionary zoning that does not single out manufactured housing may make it unviable. Every zoning rule that adds to housing costs of any kind—such as minimum lot size requirements, design requirements that mandate complicated rooflines, or expensive siding requirements—stands in the way of starter home construction of all types.[12] If a community has zoned out starter homes, it has zoned out manufactured housing.

Three recent analyses examine the relationship between land use regulations and the prevalence of manufactured housing. One finds that local zoning restriction and growth containment policies reduce manufactured housing share. It includes a control for state protections for manufactured housing against local zoning exclusion as of 2006 and finds that states with more protections see slightly less concentration of manufactured housing.[13]

The second analysis develops a model for the likely prevalence of manufactured housing across states on the basis of their economic and demographic factors. It finds that states with strong zoning protections for manufactured housing are as likely to fall short of their expected share as to exceed it. The author writes, “There is almost no relationship between state equal-treatment laws and [manufactured housing] shares, after controlling for income, population density, and climate.”[14] These studies cannot be interpreted causally because equal-treatment laws may be adopted in states where exclusionary zoning is a particular problem.

The third recent analysis examines the prevalence of manufactured housing at municipal borders, finding that manufactured housing is more prevalent on unincorporated county land where the author posits that zoning is likely to be more liberal relative to cities.[15] This study provides evidence that local exclusionary zoning rules—such as lot size minimums and aesthetic mandates—in fact do shut out manufactured housing.

Data are available on inbound manufactured housing shipments by state[16] and private housing units permitted locally for the period from 1994 to 2025.[17] Using these data, I look at trends in the three states that adopted the strongest category of manufactured housing zoning protection during that time period: Utah in 1996, Washington in 2005 (law passed in 2004), and New York in 2015. Kentucky’s law passed in 2024 but wasn’t implemented until 2025, so it is not included here.

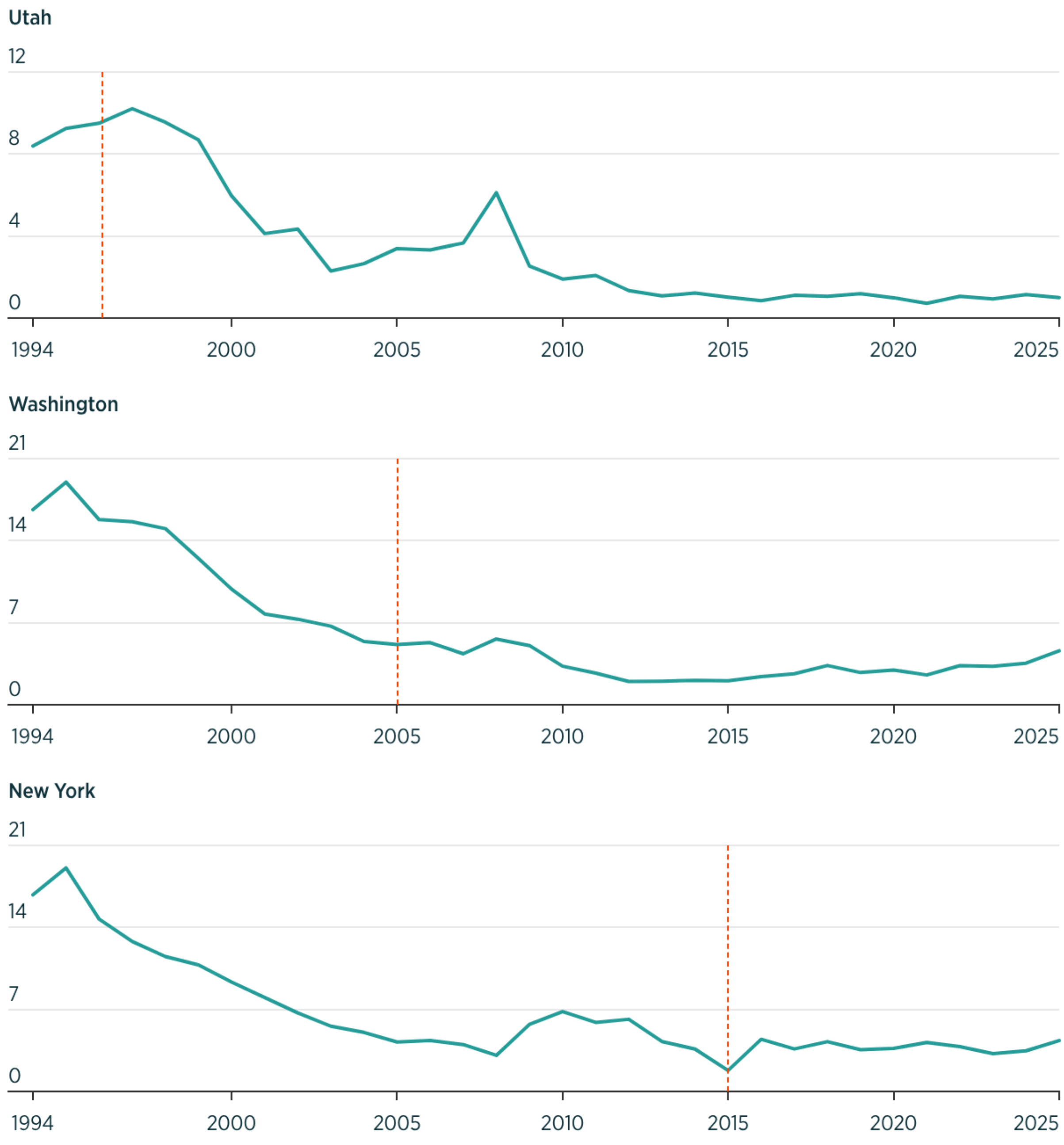
The charts in figure 2 show these states’ ratio of new manufactured housing units to privately owned housing units authorized by building permits. These time-series data do not provide visual evidence that any of these states saw a substantial increase in their manufactured housing shares after the implementation of these laws.

The charts in figure 3 show these states’ annual manufactured housing shipments relative to national manufactured housing shipments, with both series indexed to 100 in the year before the state’s implementation of its manufactured housing zoning protection. None of these states saw large or sustained shifts toward manufactured housing development following adoption of strong zoning protection. Equal zoning treatment for manufactured housing may be a necessary but insufficient policy for making it feasible to use.

Regional Case Studies: Manufactured Housing and the Cost of a Lot

Manufactured housing competes with site-built housing on cost efficiency. Every regulation that adds a flat cost to each unit of housing, whether it is a larger minimum lot size requirement or a requirement for an expensive siding material, reduces the cost advantage of manufactured housing relative to the final sale price. In places where land is more expensive, the added cost is larger in percentage terms for manufactured housing relative to more expensive site-built housing.[18]

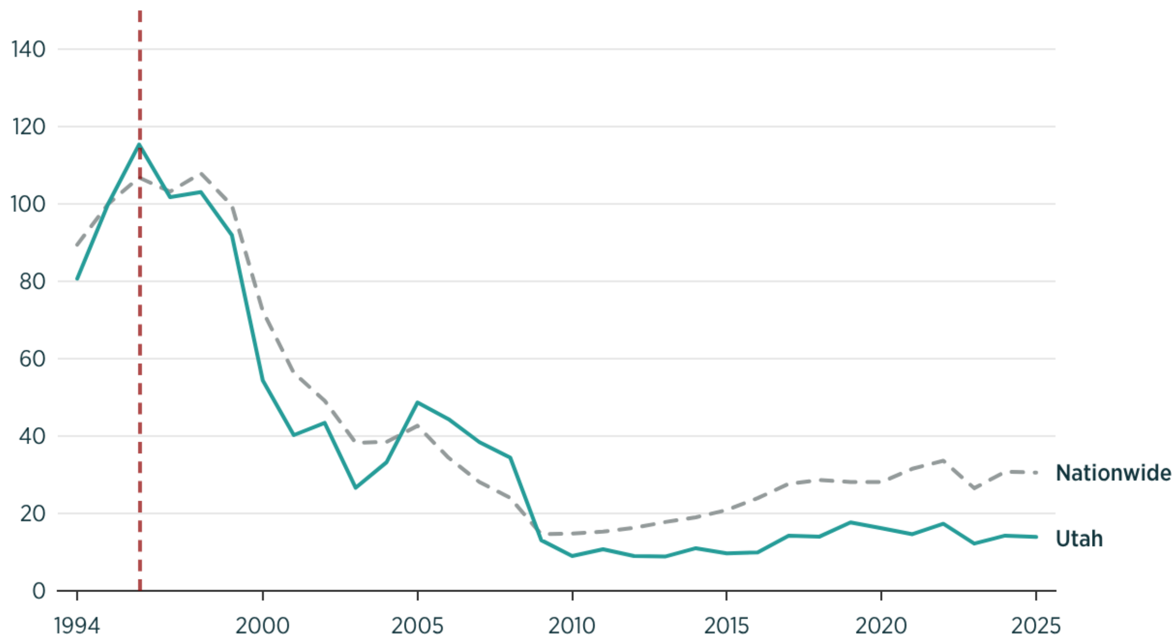
FIGURE 2. Manufactured housing trends in strong same-zone-law states (ratio of manufactured to private housing units)



Note: The dotted vertical line indicates the year that the state law took effect. See the appendix for citations to state statutes.

FIGURE 3. **Indexed manufactured housing activity in strong same-zone-law states relative to the nation (100 = year before state law's implementation)**

Utah



Washington

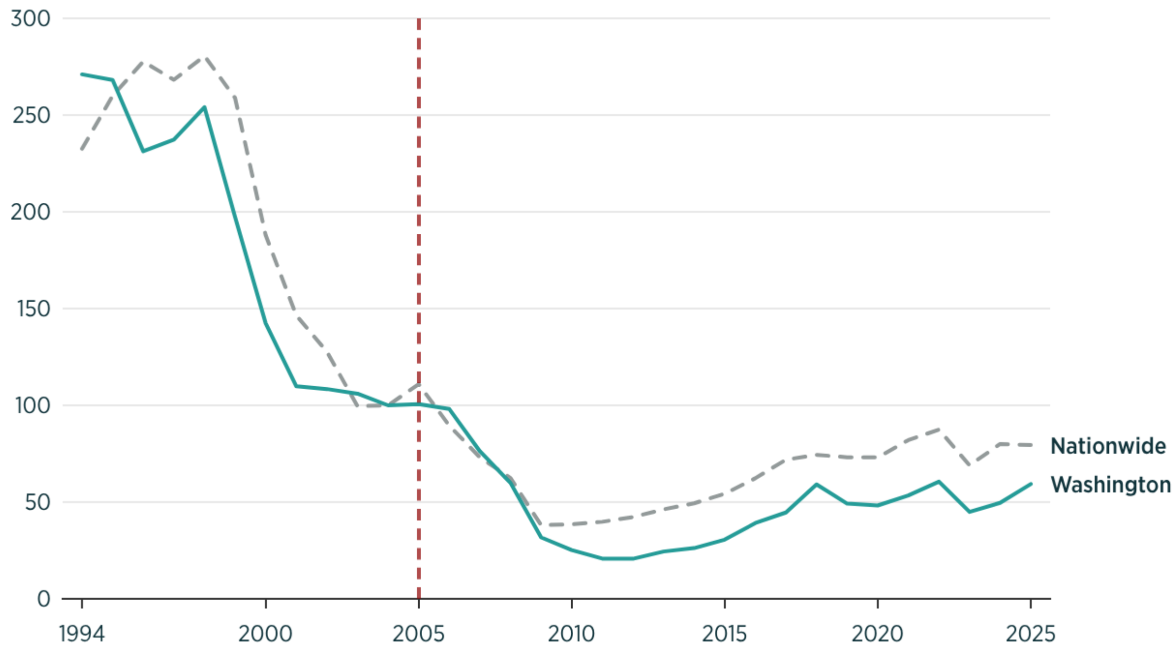
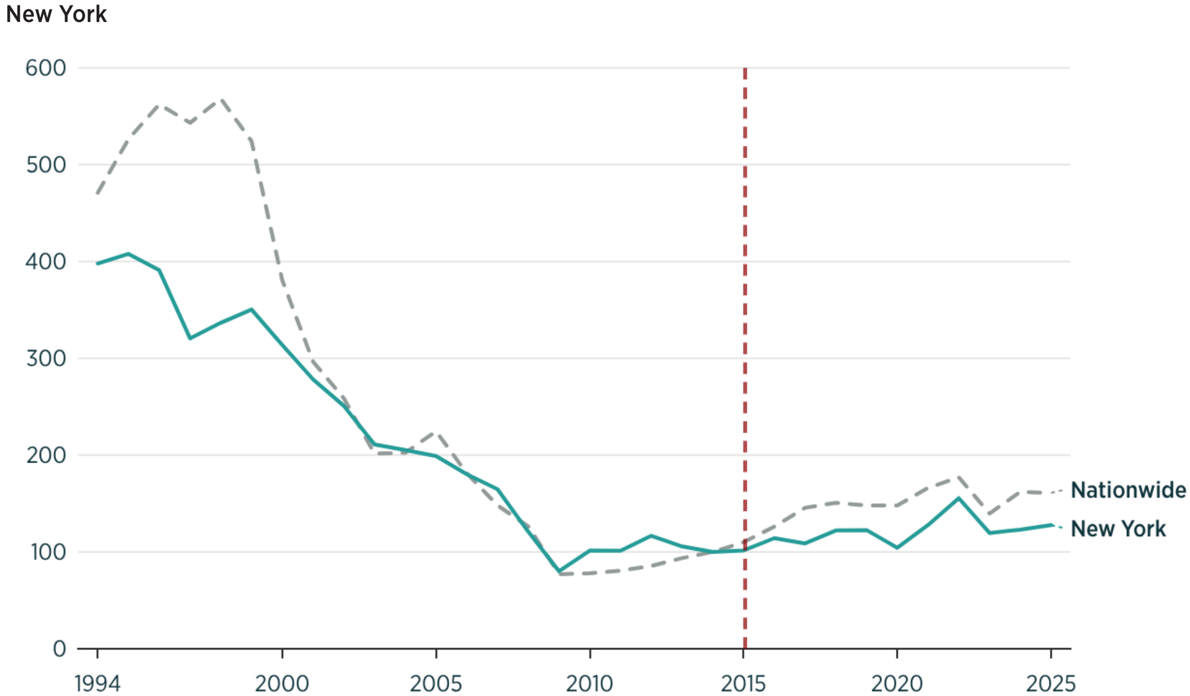


FIGURE 3. **Indexed manufactured housing activity in strong same-zone-law states relative to the nation (100 = year before state law's implementation) (CONTINUED)**



Note: The dotted vertical line indicates the year that the state law took effect. See the appendix for citations to state statutes.

In a survey of local officials on the ease of siting manufactured housing in their communities, 42.4 percent of respondents said that high land prices were a significant barrier or a factor that could completely prevent HUD Code homes in their community.[19] They indicated land prices as a barrier more frequently than any of the regulatory barriers surveyed, including zoning codes, subdivision regulations, and design standards. But local land use regulations are a key piece of the equation that determines the cost of land for a new manufactured home sited on a single-family lot—the area's per-acre land values divided by the acreage required for each unit. Although local policymakers have very limited control over their jurisdiction's per-acre land costs, they determine how much acreage is required for each house by setting the minimum lot size requirements.

In turn, minimum lot size requirements and the land costs they mandate determine the types of housing that are economically viable to build. Developers often use a rule of thumb that the cost of land with utilities should make up about one-third of the final sale price of a new-construction house.[20] Land costs indirectly dictate the size and fanciness of new houses because homebuilders build to the highest and best use that land use regulations and market conditions allow. If land use regulations allow only single-family houses but the demand for housing and land prices are very high, homebuilders will build large houses with high-end finishes.

Combining data on land values with data on local minimum lot size requirements presents an opportunity to identify where manufactured housing is currently an economically viable option—and where it could be if zoning were reformed to allow for smaller, less expensive lots. For data on land values, I use Federal Housing Finance Agency (FHFA) 2020 estimates at the ZIP Code level, which FHFA standardizes to one-quarter-acre lots to account for smaller lots typically being worth more than larger lots on a per-acre basis.[21]

To illustrate the importance of minimum lot size requirements in determining where it is feasible to site manufactured housing—or, alternatively, to develop site-built starter homes—I use data collected for the National Zoning Atlas (NZA) that I have access to for three example regions: Middle Tennessee (the Nashville region); Hampton Roads, Virginia; and Northern Virginia.[22] I adjust the FHFA's price estimates for one-quarter-acre standardized residential lots up or down depending on the minimum lot size requirement's deviance from one-quarter acre. For example, if a zone has a one-half-acre minimum lot size requirement, I double the FHFA lot price estimate. I merge the ZIP Code–level FHFA data with the zone-level NZA data, using a weighted average of ZIP Code land value when multiple ZIP Codes intersect a zone.

To identify a land price where I think manufactured housing is economically viable, I use a cost estimate of $94,000 for a new single-section manufactured home, including all costs except for land for these regions.[23] Following the general rule of thumb that land prices should make up about one-third of a house's sale price, I establish a target lot cost of $47,000 for manufactured housing. I flag places where this adjusted value is less than or equal to $47,000 as places where the costs could support manufactured housing subdivisions under current lot size requirements.

Then I adopt the assumption that single-section manufactured houses could be sited on lots as small as one-sixteenth of an acre, a little more than 2,500 square feet. Allowing houses to sit on lots this small would be a big departure from what is currently allowed on almost any of the land in the three metro areas where I have zoning data. Under current zoning, the area-weighted median minimum lot size requirement in areas with water and sewer access is 0.34 acres in Northern Virginia, 0.23 acres in Hampton Roads, and 0.57 acres in Middle Tennessee. The United States is a global outlier in terms of the land it requires for each house and the low densities that result.[24]

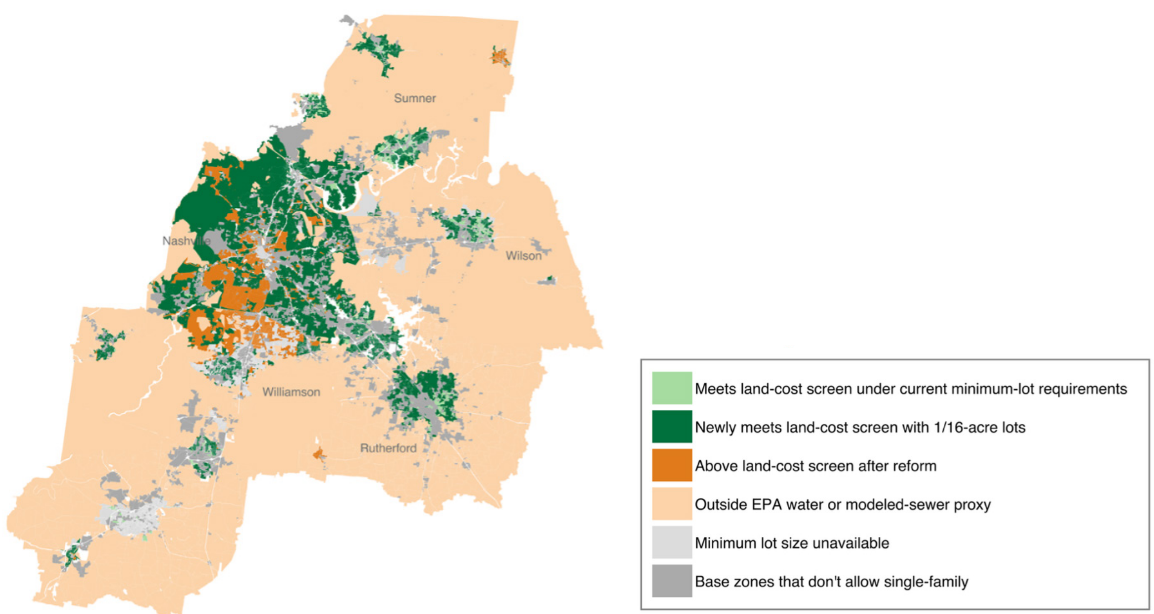
It's very reasonable for a manufactured house to sit on a lot of just 2,500 square feet.[25] We can imagine subdividing a typical 5,000-square-foot or 10,000-square-foot lot into two or four 25-feet-wide by 100-feet-deep lots. A 15-foot by 80-foot single-section home could fit on this lot with 5-foot side setbacks and 10-foot front and rear setbacks. Some cities already allow smaller lots in their mobile home parks.[26]

To adjust land prices for one-sixteenth-acre lots, I divide the land value estimates that come from the FHFA data by three, recognizing that smaller lots command a premium relative to larger lots and that some lot costs are fixed, including utilities.[27] Unlike the current-zoning estimate, this reform estimate does not incorporate the zone's existing minimum lot size.

This crude approach does not capture the wide range of real-world land values that would result from a major regionwide reduction in minimum lot size requirements. An actual reform of this nature would have disparate effects on land prices across a metro area.[28] A hypothetical upzoning of a small area in a supply-constrained region would likely raise that area's land value by increasing the option-value of that land. A much broader upzoning might lead to higher per-acre prices in areas close to jobs and amenities as redevelopment becomes a more attractive option. In the long run, the resulting new supply of housing closer to job centers may lower land values in the exurbs (where manufactured housing development is most likely to be located), as more central housing alternatives become options. My rough estimate serves to illustrate just how much minimum lot size requirements affect where low-cost housing can be viable.

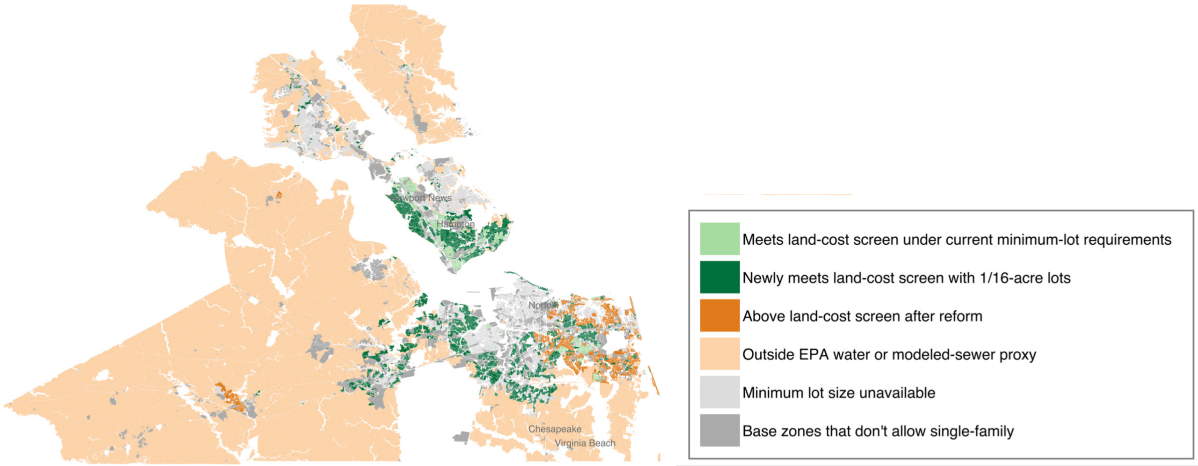
The maps in figures 4, 5, and 6 show the three regions for which I have data on land values and minimum lot size requirements. The maps show, in light green, where land is available at current values and zoned minimum lot size requirements under the $47,000 threshold; in dark green, where land would be available under the naive calculation of one-sixteenth-acre minimum lot size requirements; and in orange, where land prices would remain too high to support single-section manufactured housing under reform. I include a proxy variable for water and sewer utility

FIGURE 4. Middle Tennessee single-section manufactured housing viability



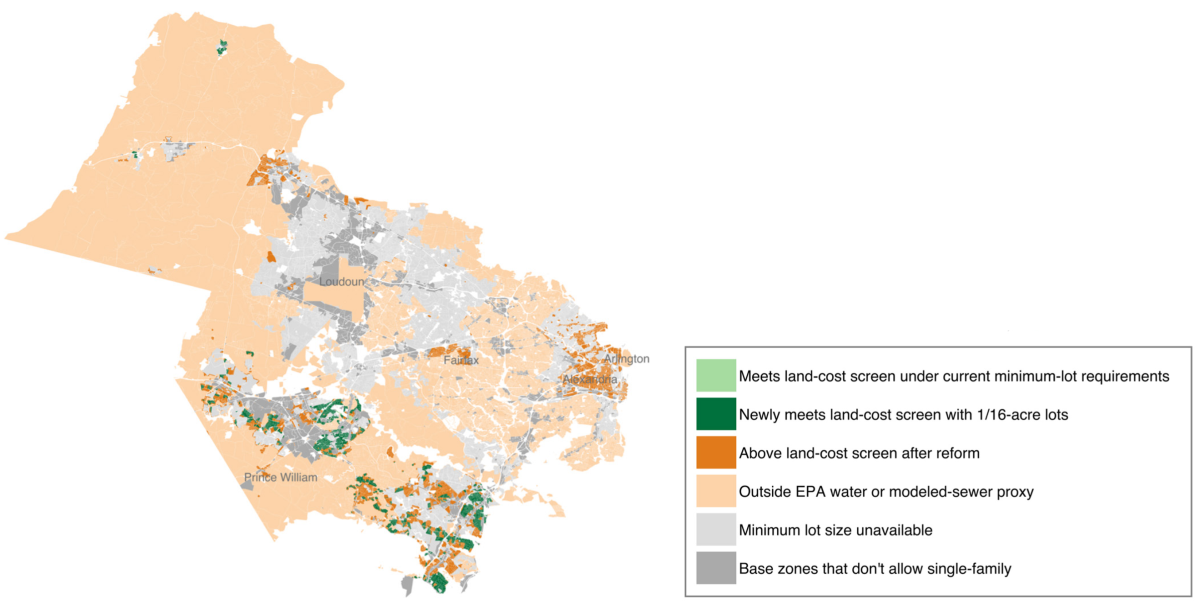
Note: Data from National Zoning Atlas (see note 22), the Federal Housing Finance Agency (see note 21), and the Environmental Protection Agency (see note 29).

FIGURE 5. Hampton Roads single-section manufactured housing viability



Note: Data from National Zoning Atlas (see note 22), the Federal Housing Finance Agency (see note 21), and the Environmental Protection Agency (see note 29).

FIGURE 6. Northern Virginia single-section manufactured housing viability



Note: Data from National Zoning Atlas (see note 22), the Federal Housing Finance Agency (see note 21), and the Environmental Protection Agency (see note 29).

availability, which would be necessary to support this small-lot development.[29] Land that is unviable for manufactured housing development because of lack of sewer and water access is shown in peach.

In some cases, a single numerical value for a zone's minimum lot size is not available because requirements vary according to whether the lot has sewer and water access, whether the lot is on a corner, or other factors. In these cases, light gray is used to indicate that it is unknown whether the areas meet the cost threshold for manufactured housing development. Land where single-family housing is not permitted is shown in dark gray.

In each region, reducing land costs through minimum lot size reform could drastically expand the land area where manufactured housing is viable on individual lots. Under my assumptions, in Middle Tennessee, the total zoned land area where land could meet the cost threshold for manufactured housing expands from 0.77 percent to 12.77 percent. In Hampton Roads, it expands from 0.89 percent to 5.26 percent. In Northern Virginia, it expands from 0.02 percent to 1.80 percent. Under a hypothetical minimum lot size reduction to one-sixteenth of an acre, only a tiny fraction of land where manufactured housing could make economic sense would actually be developed with manufactured housing subdivisions. These estimates rest on a lot of assumptions that could each be challenged in either direction, but they illustrate the extent to which local land use regulations are holding back this low-cost option and starter homes of all types.[30]

In addition to minimum lot size reform, other zoning changes could facilitate similar changes to land use economics that would make it feasible to use manufactured housing in more cases. Where zoning allows for multiple units on a single lot, the HUD Code's recent changes allow for up to four attached manufactured housing dwellings.[31] A fourplex on a 10,000-square-foot lot would have similar viability to a single-unit dwelling that's one-quarter of the size on a 2,500-square-foot lot. Additionally, HUD has a proposed rule that would allow for multistory manufactured housing units with no chassis on the upper floor unit.[32] This proposal provides an alternative path to multistory manufactured housing relative to the forthcoming general reform eliminating the chassis requirement in states that implement this option. Two-story or three-story homes would be feasible to build on more expensive lots than single-story homes.

Conclusion

Statewide laws that prevent zoning discrimination against manufactured housing are an important first step toward reducing regulatory barriers for low-cost construction. In some instances, these rules will make manufactured housing development feasible where local zoning would otherwise have blocked it. As the maps in this policy brief show, however, exclusionary zoning rules that don't target manufactured housing may nonetheless make it an unviable option. To make a big difference in opportunities to use low-cost construction, policymakers must further liberalize land use regulations. Drastically reducing minimum lot size requirements is the place to start.

Appendix: States That Enacted Laws Protecting the Right to Use Manufactured Housing

STATE	LAW TYPE	LAW YEAR	STATUTE CITATION(S)
Arkansas	Allowed outside parks	2003	Ark. Code Ann. § 14-54-1604
California	Allowed in same zones	1980	Cal. Gov't Code § 65852.3
Colorado	Allowed outside parks	1985	Colo. Rev. Stat. §§ 30-28-115(3); 31-23-301(5); see also S.B. 25-002 (2025)
Connecticut	Allowed outside parks	1991	Conn. Gen. Stat. § 8-2(d)(3)
Florida	Full equal zoning treatment	2026	Fla. Stat. § 553.385, as created by H.B. 399 (2026); see also Fla. Stat. § 320.01(2)(b)
Idaho	Allowed in same zones	1994	Idaho Code § 67-6509A
Indiana	Full equal zoning treatment	1981	Ind. Code § 36-7-4-1106
Iowa	Full equal zoning treatment	1984	Iowa Code §§ 414.28 (cities); 335.30 (counties)
Kansas	Allowed in same zones	1991	Kan. Stat. Ann. § 12-763
Kentucky	Full equal zoning treatment	2025	Ky. Rev. Stat. § 100.348, as amended by H.B. 160 (2025)
Maine	Full equal zoning treatment	1989	Me. Rev. Stat. Ann. tit. 30-A, § 4358
Maryland	Allowed in same zones	2024	Md. Code Ann., Land Use § 4-104(d); see also §§ 1-401(b)(10) and 10-103(b)(11)
Michigan	Allowed outside parks	1987	Mich. Comp. Laws § 125.2307
Minnesota	Allowed outside parks	1989	Minn. Stat. §§ 462.357; 394.25
Mississippi	Allowed outside parks	1989	Miss. Code Ann. § 17-1-39
Montana	Full equal zoning treatment	1993	Mont. Code Ann. §§ 76-2-202; 76-2-302; see also § 76-25-303
Nebraska	Allowed in same zones	1994	Neb. Rev. Stat. §§ 14-402; 15-902; 19-902; 23-114
Nevada	Allowed in same zones	1999	Nev. Rev. Stat. § 278.02095
New Hampshire	Allowed outside parks	1983	N.H. Rev. Stat. Ann. § 674:32
New Mexico	Full equal zoning treatment	1987	N.M. Stat. Ann. § 3-21A-3
New York	Full equal zoning treatment	2015	N.Y. Exec. Law § 616
North Carolina	Allowed outside parks	1987	N.C. Gen. Stat. § 160D-910; formerly §§ 160A-383.1 and 153A-341.1
Ohio	Former full equal zoning treatment (later invalidated)	1999	Ohio Rev. Code Ann. § 3781.184 (invalidated)
Oregon	Full equal zoning treatment	1993	Or. Rev. Stat. § 197A.432
Rhode Island	Allowed in same zones	2025	R.I. Gen. Laws § 45-24-37(i)
Tennessee	Allowed in same zones	1980	Tenn. Code Ann. §§ 13-24-201 to -202

STATE	LAW TYPE	LAW YEAR	STATUTE CITATION(S)
Texas	Allowed outside parks	2025	Tex. Occ. Code Ann. § 1201.008(g)-(h), added by S.B. 785 (2025)
Utah	Full equal zoning treatment	1996	Utah Code Ann. §§ 10-9a-514; 17-27a-513
Vermont	Full equal zoning treatment	1976	Vt. Stat. Ann. tit. 24, § 4412(1)(B); formerly § 4406(4)(A)
Virginia	Full equal zoning treatment	2026	Va. Code Ann. §§ 15.2-2247 and 15.2-2290, as amended by S.B. 346 (2026)
Washington	Full equal zoning treatment	2004	Wash. Rev. Code §§ 35.21.684; 35A.21.312; 36.01.225
West Virginia	Allowed outside parks	2006	W. Va. Code § 8A-11-1

About the Author

Emily Hamilton is a senior research fellow and director of the Urbanity Project at the Mercatus Center at George Mason University. Her research focuses on urban economics and land-use policy. She publishes both academic research and policy work. Her writing has appeared in outlets including *The Washington Post* and the *Los Angeles Times*, and she writes an occasional column at *Governing*. Hamilton has testified before several state legislatures as well as the US House of Representatives. Hamilton serves on the advisory boards of Up for Growth and *Cityscape*, a journal published by the Department of Housing and Urban Development. She received her PhD in economics from George Mason University and is an alumna of the Mercatus MA Fellowship.

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Notes

1. Rachel Siegel et al., "State Policy Playbook for Manufactured Homes" (Working Paper WP26RS1, Lincoln Institute of Land Policy, May 2026), appendix B.
2. 21st Century ROAD to Housing Act, Pub. L. No. 119-101 (2026).
3. Christopher Herbert et al., "Comparison of the Costs of Manufactured and Site Built Housing" (working paper, Joint Center for Housing Studies, Harvard University, July 2023), 19.
4. Seva Rodnyansky et al., "Millions of Homeowners Who Rent Land Are at Risk of Price Increases or Eviction," *Insights & Perspectives*, Pew Charitable Trusts, June 2025.
5. A small share of residents of manufactured housing parks live in parks called *resident-owned communities*. In these cases, the residents typically purchase the park from an investor who wants to sell. After purchase, they jointly own

the parkland as a cooperative or similar legal structure. See Freddie Mac, "Manufactured Housing Resident-Owned Communities," *Insight*, November 18, 2019.

6. A 2019 analysis found that both owners and renters of manufactured housing spent hundreds of dollars less per month than did owners or renters of other types of housing. Office for Older Americans, "Data Spotlight: Profiles of Older Adults Living in Mobile Homes," Consumer Financial Protection Bureau, May 10, 2022.

7. Esther Sullivan, *Manufactured Insecurity: Mobile Home Parks and Americans' Tenuous Right to Place* (University of California Press, 2018).

8. Allan D. Wallis, *Wheel Estate: The Rise and Decline of Mobile Homes* (Johns Hopkins University, 1997).

9. Casey J. Dawkins et al., *Regulatory Barriers to Manufactured Housing Placement in Urban Communities* (Office of Policy Development and Research, US Department of Housing and Urban Development, 2011); Astou Aw et al., *Identifying the Opportunities to Expand Manufactured Housing* (Freddie Mac, 2022).

10. Daniel Mandelker, "Zoning Barriers to Manufactured Housing," *The Urban Lawyer* 48, no. 2 (2016): 247.

11. Christopher Herbert and Chadwick Reed, "Overcoming the Barriers to Manufactured Housing: Promising Approaches from Five Case Studies" (working paper, Joint Center for Housing Studies, Harvard University, April 2024), 15.

12. Exclusionary zoning rules are a well-known barrier to housing construction of all types, particularly lower-cost types of housing. For a review of these regulations' effects, see Emily Hamilton, "Land Use Regulation and Housing Affordability," in *Regulation and Economic Opportunity: Blueprints for Reform*, ed. Adam Hoffer and Todd Nesbit (Center for Growth and Opportunity, Utah State University, 2021). In the case of manufactured housing, financing rules pose a separate barrier. Most states title manufactured homes as personal property by default, requiring a process that involves time, fees, and paperwork to convert the title to real property. Homes not titled as real estate are generally ineligible for mortgages. In part as a result, nearly 20 percent of manufactured home borrowers who own their land use higher-cost personal property loans rather than a mortgage. Rachel Siegel, "States Hold the Keys to Greater Mortgage Access for Manufactured Home Buyers" (Issue Brief, Pew Charitable Trusts, February 17, 2026).

13. Casey J. Dawkins, "Local Land Use Regulations and New Mobile Home Concentration," *Urban Studies* 63, no. 10 (2026): 2136–53.

14. Scott Susin, "State Receptivity to Manufactured Housing: Why Zoning Reform Has Fallen Short" (Center for Mortgage Access, May 11, 2026), 9.

15. Colin Williams, "Municipal Zoning and the Geography of Mobile Homes" (working paper, University of Virginia, July 31, 2026), 2, https://colin-williams-research.s3.amazonaws.com/manufactured-bunching/paper.pdf.

16. US Census Bureau, "Annual Shipments to States," *Manufactured Housing Survey*, state-level data for 1994–2024, accessed August 19, 2026, https://www.census.gov/programs-surveys/mhs/data/datasets.html.

17. US Census Bureau, "State Level Residential Building Permit Statistics," *Building Permits Survey*, annual data on privately owned housing units authorized by building permits, 1994–2024, accessed August 19, 2026, https://www.census.gov/construction/bps/index.html.

18. Herbert et al., "Comparison of the Costs," 20–22.

19. Dawkins et al., *Regulatory Barriers*, 20.

20. Mark Leingang, "How Does a Builder Determine the Price They Would Like to Pay?," Berkshire Hathaway HomeServices Northwest Real Estate, accessed July 23, 2026, https://markleingang.bhhsnw.com/How-does-a-builder-determine-the-price-for-your-land.

21. William Larsen et al., "Land Prices - 2024 June," in "Working Paper 19-01: The Price of Residential Land for Counties, ZIP codes, and Census Tracts in the United States," US Federal Housing Finance Agency, accessed July 23, 2026, https://www.fhfa.gov/research/papers/wp1901.

22. Mercatus Center at George Mason University, "State and Regional Zoning Atlas Datasets," accessed July 23, 2026, https://www.mercatus.org/state-and-regional-zoning-atlas-datasets.

23. Herbert et al., "Comparison of the Costs," 27–28. I use the midpoint of estimated costs available for the West Coast and nationwide. For Northern Virginia, the median value of all homes is close to the West Coast median. In Hampton Roads and Middle Tennessee, home values are lower than in Northern Virginia but above the national median. I therefore assume that manufactured housing costs in the three metros of interest lie between the West Coast and the nationwide estimates. Data on home values from Zillow Research, "Zillow Home Value Index (ZHVI): All Homes, Middle Tier, Smoothed and Seasonally Adjusted," *Housing Data*, accessed August 14, 2026, https://www.zillow.com/research/data/.

24. Sonia A. Hirt, *Zoned in the USA: The Origins and Implications of American Land-Use Regulation* (Cornell University Press, 2014), 131.

25. A citywide reform in Houston reducing minimum lot size requirements to 1,400 square feet illustrates the modern-day feasibility of even smaller lot subdivisions. Emily Hamilton, "Learning from Houston's Townhouse Reforms" (Mercatus Policy Brief, Mercatus Center at George Mason University, April 11, 2023). Mobile home parks achieve significantly higher density than either Houston small lot development or my hypothetical with small lots and narrow streets. Nolan Gray, "Reclaiming 'Redneck' Urbanism: What Urban Planners Can Learn from Trailer Parks," *Market Urbanism* (blog), April 21, 2016.

26. For example, the city of Millcreek, Utah, allows pads as small as 20 feet by 80 feet. City of Millcreek, UT, Land Use Code (Title 18) §18.40 (2025), https://millcreek.municipalcodeonline.com/book?type=planzone#name=18.33_ZONE_DISTRICTS.

27. A recent study of minimum lot size reduction in Campbelltown in Australia's Adelaide region found that parent parcels divided into smaller lots experienced an increase in value of no more than 6.6 percent. Dominic Behrens et al., "What Local Land Use Reform Does, and Doesn't, Do" (Working Paper 3, e61 Institute, July 23, 2026). The regions I am looking at are less constrained by housing supply than is Adelaide, and I am contemplating a much more sweeping reform that would presumably cause a smaller change to land values as a result. It is possible that a reduction to one-sixteenth-acre minimum lot size requirements would reduce land values in the exurbs of these regions, where land viable for manufactured housing development is most likely to be located. Michael Wiebe, "A Two-Sector Model of Land and Upzoning," *maswiebe* (blog), July 25, 2025. I think the two-thirds price reduction relative to FHFA's standardized quarter-acre values that I assume for effective lot costs is reasonable, factoring in the additional utilities costs and other fixed per lot costs that subdividing would require, but it is subject to significant uncertainty.

28. James R. White, "Large Lot Zoning and Subdivision Costs: A Test," *Journal of Urban Economics* 23, no. 3 (1988): 383.

29. As a proxy for the areas that have access to wet utilities, I use these data sources: US Environmental Protection Agency, Office of Water, "Public Water System Service Areas," version 3 dataset, last modified March 30, 2026, accessed July 23, 2026, https://www.epa.gov/ground-water-and-drinking-water/public-water-system-service-areas; and US Environmental Protection Agency, "Sewersheds," EPA National Sewershed Dataset, last modified December 18, 2025, accessed July 23, 2026, https://www.epa.gov/cwns/sewersheds. These sources are based on models created by the US Environmental Protection Agency and may not be up to date or accurate at the parcel level.

30. There are plenty of reasons others might adopt a higher or lower land price target or adopt different target prices across different regions or change other assumptions that I have used to make these estimates. The point stands that lowering minimum lot size requirements drastically expands the land area on which lower-cost construction is feasible across metro areas.

31. Manufactured Home Construction and Safety Standards, 89 Fed. Reg. 75704 (September 16, 2024) (to be codified at 24 C.F.R. pts. 3280, 3282, 3285, 3286).

32. Revising the Definition of "Manufactured Home" to Lower Housing Costs, 91 Fed. Reg. 35632 (proposed June 12, 2026) (to be codified at 24 C.F.R. pts. 201, 3280, 3285, 3286).