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CONTACT: Brian Matt

804-652-8341

Brian.Matt@VirginiaHousing.com

Danville Pilots Next Generation Manufactured Housing Program

- Benefits Include High Quality Features and Affordability -

DANVILLE, Va. – A new type of manufactured housing offering upgraded options at an affordable price may be on the horizon for Virginia homebuyers. Known as next generation manufactured homes, they must meet upgraded building specifications that are usually found on stick-built homes. Currently, a pilot program is being tested in Danville, VA.

"People love these homes," said Kim Walker, Director of Housing Education for the Danville Redevelopment and Housing Authority. "The options that come with these homes, including carports and garages, are very popular because they usually aren't found on manufactured homes."

The pilot program includes a model home that has been completed and four other homes that will be finished soon. All of the homes have been sold and are being financed by Virginia Housing.

Benefits of next generation manufactured homes

According to industry experts, next generation manufactured homes blend site-built and factory-built construction at an attainable price range. The homes are designed to be permanently placed on land and can qualify for conventional financing.

"Features that come with next generation manufactured homes include a higher pitched roof, a permanent foundation, finished drywall, real wood cabinets, a covered front porch and increased energy efficiency," said Randy Grumbine, Executive Director of the Virginia Manufactured and Modular Housing Association.

"These homes are often a lower-cost option than buying a stick built home, making homeownership easier to achieve for first-time homebuyers," he added. "In addition, with their quality construction and curb appeal, they hold their market value with surrounding homes."

Virginia Housing Support

To support this pilot program, Virginia Housing provided a \$65,000 Community Impact grant for surveying lots, marketing, site preparation, and staging the model home. In addition, Virginia Housing staff members worked with their partners, VMMHA and the housing nonprofit Next Step Network Inc., to get rezoning approved.

"Zoning is the biggest issue because it restricts a lot of manufactured housing in localities across Virginia," said Chris Thompson, Director of Strategic Housing at Virginia Housing. "We worked very closely with Danville's planning staff and city manager on this initiative, and city council members had the foresight to change the zoning and allow this pilot to move forward. As a result, all five homes in the program have quickly sold and will help address affordable housing in the area."

Next generation manufactured homes also offer competitive financing to homebuyers. Financing options include a down payment as low as 3% and lower interest rates, making them affordable for most buyers. Another big advantage is that manufactured homes are built indoors and shipped to the site, thereby reducing construction time and improving quality.

"Danville was selected for this pilot because they had an inventory of land, an open mind about affordable housing and a willing initiative to take on a project like this," said Thompson. "This project has been a great success and we look forward to working with other communities willing to look at next generation manufactured homes as an affordable housing option."

About Virginia Housing

When homes are affordable and accessible to jobs, good schools and transportation, everyone benefits. Individual lives are improved and communities as a whole grow stronger. Virginia Housing was created in 1972 by the General Assembly to help Virginians attain quality, affordable housing. We carry out this mission by working in public-private partnerships with local governments, community service organizations, lenders, Realtors, developers and many others. We provide mortgages for first-time homebuyers, as well as financing for apartment communities and neighborhood revitalization efforts. We offer free homebuyer classes, support housing counseling, and help people with disabilities and the elderly make their homes more livable. We also administer the federal Housing Choice Voucher and Housing Credit programs in Virginia. Virginia Housing is self-supporting and receives no state taxpayer dollars to fund our programs. Instead, we raise money in the capital markets, and we contribute a significant portion of our net revenues each year to help meet Virginia's most difficult housing needs. www.virginiahousing.com