

British Columbians ignore the affordability of manufactured homes

"People don't want to say they live in a trailer park," says a Vancouver mortgage manager, who believes classism is to blame for the low percentage of manufactured home sales

By
[Frank O'Brien](#) Western Investor
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Manufactured homes in Metro Vancouver can be bought for less than \$50,000 but are virtually ignored by young buyers. - Lighthouse Realty

How would you like to buy a two-bedroom detached house in Surrey for \$22,900? How about a nice detached home in Langley, with two bedrooms in an open plan with vaulted ceilings, close to schools, for \$34,900?

It sounds like fantasy real estate, but it is true, even as the average detached house price in the Fraser Valley nudges \$900,000 and the typical condominium apartment sells for \$248,000.

Bargain-priced homes for less than \$100,000, even less than \$50,000, are available in a dwindling number of Lower Mainland manufactured home parks.

A typical used manufactured home in B.C. sells for around \$80,000 and the chattel mortgages are easy to arrange, since they can be insured through Canada Mortgage and Housing Corp. Add it up and, even with pad rentals, and it is by far the least expensive housing option in the province.

But an historical stigma means manufactured homes are mostly ignored by young buyers and discouraged by municipalities.

"Vancouver has developed a class society based on housing prices," noted a Vancouver mortgage manager, who said less than 10 per cent of his clients are buying a manufactured home. "People don't want to say they live in a trailer park."

That bristles Al Kemp, executive director of the Manufactured Home Park Owners Alliance of BC (MHPOA). "Our industry provides an affordable home for about 60,000 households in 1,000 communities across B.C.," he said.

Kemp believes it is consumer hubris and tax-hungry politicians that are stunting a wider take up of manufactured homes. Kemp partly blames a popular TV show.

"I hate the *Trailer Park Boys*," he said, claiming the hit Canadian comedy presented a disparaging view of what are actually safe, comfortable and affordable residential subdivisions.

"Today's manufactured homes are solid wood-frame construction; designed to remain in place; they are certainly not trailers," Kemp said.

But municipal development fees and regulations, and rising land costs, means no more manufactured home parks will be built in the Lower Mainland, suggests Bill Summers, a real estate agent specializing in the market. And, he notes, developers have bought up many of the existing home parks to redevelop the land for much more profitable strata projects.

Kemp said it would take groundswell of demand from millennials to change the situation. He finds it odd that a young family would prefer to spend half a million dollars for a 600 square-foot condo apartment with no parking rather than 10 per cent of that on a detached home twice the size and with its own yard.

Eugen Klein, a manufactured home park specialist with Royal LePage Sussex Klein Group, said there are ways that manufactured home parks could attract young buyers. He said car-sharing programs, community games rooms and better home design could all be used to amp the cool factor.

Summers is not so sure.

The Lighthouse Realty Ltd. agent said when you break down the costs, young buyers are more likely to opt for a condo. First, the pad rentals in the Lower Mainland average about \$600 a month, compared to \$250 in condo strata fees, he noted. Also, the lowest priced manufactured homes, such as the ones mentioned at the top of this article, are often "end of life" units that need major repairs. As well, he adds that modern manufactured homes, while well designed and finished, can cost up to \$150,000.

The kicker, though, is that the average condominium price across Metro Vancouver has increased 39 per cent in the past year, while the price of manufactured home has barely budged, Summer said.



[Frank O'Brien](#)

Frank O'Brien is the editor of Western Canada's biggest commercial real estate newspaper, *Western Investor*, as well as a contributing editor at *West Coast Condominium*, real estate contributor to *Business in Vancouver* and a regular media commentator on real estate investment.

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