

# Pathways to Affordability: Leveraging Factory-Built Housing in Florida



Prepared by **Ivory Innovations**, an applied academic center based at the University of Utah, in collaboration with **Florida Housing Coalition**, Florida's leading statewide housing nonprofit



# Leveraging Factory-Built Housing in Florida

Florida is adding homes faster than almost any state in the nation. However, the cost of a starter house continues to drift out of reach, with the state ranking in the lower half of national affordability despite booming residential construction. Site-built methods simply cannot scale quickly enough to meet population growth. Factory-built housing offers a solution that is fast, affordable, and highly resilient, but due to a variety of challenges, the sector represents barely one in ten new single-family homes, and even fewer in infill contexts in existing neighborhoods, where supply is needed most. Drawing on interviews with builders, architects, city officials, and advocates, this blueprint lays out seven pragmatic steps to leverage factory-built homes to reopen the door to ownership for thousands of Florida households.

- 1 Create a unified Florida Office of Off-Site Construction
- 2 Modernize public engagement to better reach new homebuyers
- 3 Launch a factory-built housing pilot program to de-risk early adoption
- 4 Provide first-time buyer incentives for HUD-code and modular homes
- 5 Showcase the resilience of off-site construction to natural disasters
- 6 Enable and support factory-built accessory dwelling units
- 7 Create an off-site building track at Florida colleges and universities



# 1 Create a unified Florida Office of Off-Site Construction

Florida's factory-built housing oversight is split between two state agencies<sup>1</sup> and 67 local building departments. That fragmentation slows approvals, inflates soft costs, and undermines the state's "uniform treatment" mandate,<sup>2</sup> particularly for HUD-code homes, which builders report are still treated differently from site-built in some cities. A unified Office of Off-Site Construction within the Department of Business and Professional Regulation would close these gaps and give the industry one clear home.

The new office would operate a single electronic permitting portal for plan uploads and inspection scheduling, allowing approvals to flow faster. It would double as a technical assistance hub, providing support for plan reviewers and developers and issuing plain-language guides on quality, financing, and other considerations for consumers. Finally, it would enforce existing uniform treatment statutes, giving builders and homeowners an effective path to recourse when facing challenges at the local level.



Historic and current Florida State Capitol buildings, Tallahassee,

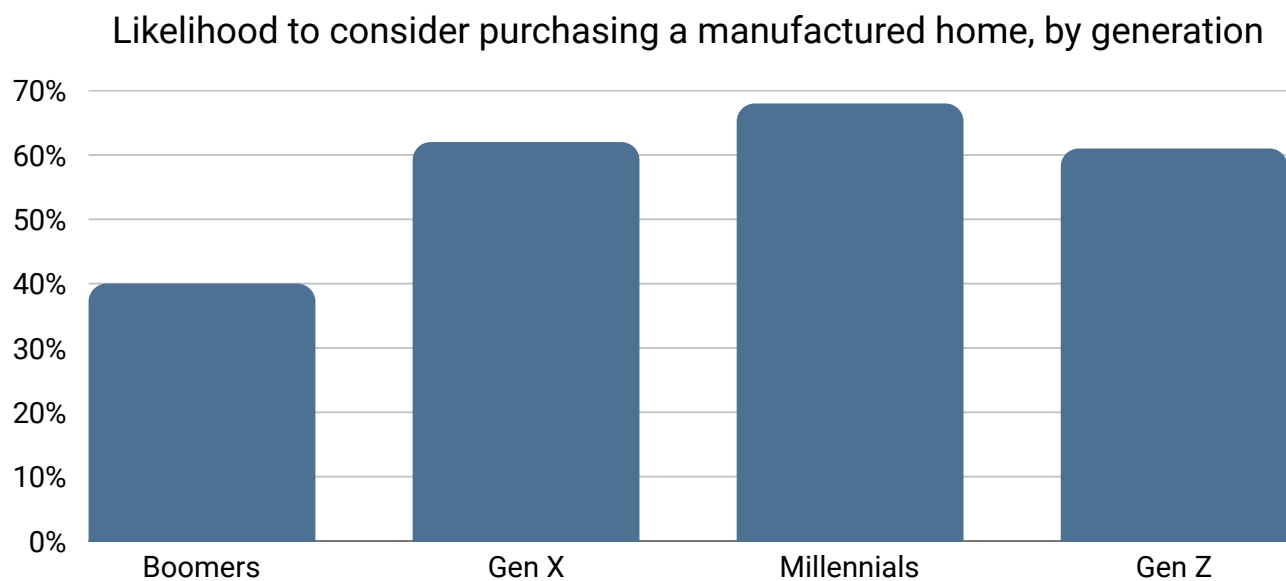
While modular and manufactured homes follow different building codes, the approval processes look nearly identical. Consolidating governance under a single roof would accelerate permitting and give builders, consumers, and local officials a place to turn for support, unlocking factory-built housing as a fast, predictable tool for advancing housing affordability in Florida.

<sup>1</sup> Modular plans are approved by the Department of Business and Professional Regulation (DBPR) while HUD-code homes are overseen by the Department of Highway Safety and Motor Vehicles.

<sup>2</sup> Florida Stat. § 320.8285(6) (2025) provides that "local land use and zoning requirements [...] must be reasonable, uniformly applied, and enforced without distinctions as to whether such housing is manufactured [...] or built in a conventional manner." Florida Stat. § 553.38 (2025) uses the same no-distinctions language for state-approved modular buildings.



## 2 Modernize public engagement to better reach new homebuyers



Source: Freddie Mac, Research Brief: "Majority of Consumers Say They Would Consider Purchasing a Manufactured Home," June 29, 2022.

Multiple HUD-code builders we spoke with shared that younger buyers represent an increasingly large share of their customer base. Freddie Mac data corroborates this observation, showing that 68 and 61 percent of Millennials and Gen Z, respectively, say they would consider purchasing a manufactured home, versus just 40 percent of Boomers. In spite of this gap, in Florida, much of the industry's marketing materials live on print flyers and billboards, rather than the internet and social media, where younger generations are more likely to take notice. And while manufactured housing is often perceived as a rural or agricultural product, the biggest near-term opportunity is infill - putting high-quality factory-built homes on small lots in existing neighborhoods, especially in urban areas where younger buyers increasingly live and want to stay.<sup>3</sup>

Builders and retailers can reach younger, more urban buyers by shifting marketing spend to the channels they trust, with content focused on showing factory-built in denser neighborhood contexts. Short, phone-shot walkthroughs edited for TikTok and Instagram; side-by-side "monthly payment" reels; and pop-up model units at college campuses and events put factory-built homes in front of receptive eyes, without waiting for prospects to drive 40 miles to a retailer lot. With product upgrades like CrossMod aesthetics, net-zero sustainability, infill-friendly footprints, and competitive financing, modern factory-built homes are primed to reach new buyers. By updating marketing tactics, the industry can fully leverage those improvements.

<sup>3</sup> National Association of REALTORS®, "Survey: Buyers May Pay More to Live in Walkable Communities," June 27, 2023. Key findings: 79% rate walkability as important; 78% would pay more for a home in a walkable community; and 90% of Gen Z and Millennial respondents would pay more.

# 3 Launch a factory-built housing pilot program to de-risk early adoption



Setting a modular home by crane on a Florida homesite. (Photo: Florida Manufactured Housing Association)

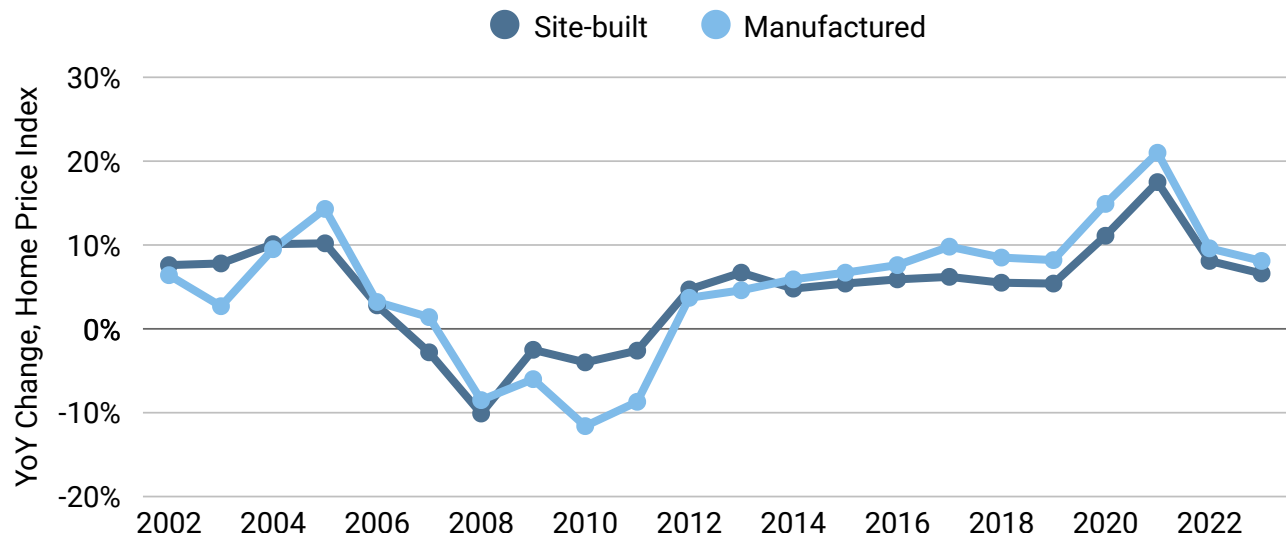
While developers we spoke to expressed interest in factory-built housing, implementation is still held back by first-mover fear. Inflated bids from contractors, extra contingency demands from lenders, and unfamiliarity on the part of local reviewers make developers apprehensive, and as a result, everyone waits for someone else to go first. A state-backed pilot program could break through these constraints, making factory-built homes a mainstream tool.

Under the pilot, the Office of Off-Site Construction (OOSC) would select a small slate of modular or real-property HUD-code projects that are the first in their region of the state. The projects would receive three forms of support: (1) a limited credit or loan-loss guarantee that lowers financing premiums; (2) a modest stipend that helps contractors cover set-up and crew training costs; and (3) a dedicated plan-review liaison who shepherds the project through state and local approvals. Where feasible, the pilot would partner with local Economic Development Agencies to convey underutilized public or tax-delinquent lots at low or no cost in exchange for price caps or buy-back provisions that support neighborhood revitalization and maintain affordability.

To support future projects, the OOSC would publish a case study complete with cost and performance data on each completed pilot. With real-world evidence of success, the need for incentives to offset risk diminishes, and factory-built becomes a proven pathway to delivering more attainable housing supply.

# 4 Provide first-time buyer incentives for HUD-code and modular homes

High prices and rising rates have put the median Florida starter home out of reach for many renters.<sup>4</sup> Factory-built houses can cut that price tag in half, with manufactured housing construction costs ranging from 35 to 73 percent of site-built equivalents per a recent study by Harvard's Joint Center for Housing Studies.<sup>5</sup> However, closing cost cash remains a hurdle, particularly for younger households who lack family equity. Florida already helps first-time buyers through programs such as Florida Assist, Hometown Heroes, and SHIP funds, but none target HUD-code or modular homes despite their lower cost. While factory-built homes may still be eligible for some existing programs, stigma and outdated stereotypes relating to quality and appreciation remain strong, making many first-time homebuyers cautious.



Source: Urban Institute tabulation of Federal Housing Finance Agency Q2 2024 Home Price Index

To address these barriers, the state could amend and clarify program guidance so modular and HUD-code homes titled as real property are clearly eligible across existing down payment assistance programs and ensure that underwriting, appraisal, and other requirements treat these homes consistently with site-built comparables. To overcome the stigma hurdle, these program amendments could be paired with targeted outreach, featuring, for example, a photo of a modern manufactured home and data from the graph above, which shows that since 2012, manufactured housing appreciation has actually outpaced site-built housing. Framed as a clear wealth-building path, these incentives would convert cautious renters into confident owners and grow a demand pipeline that drives factory-built prices even lower statewide.

<sup>4</sup> According to Realtor.com, in 2024, the typical Florida starter home was priced at \$360,540, meaning that households must earn at least \$86,353 (nearly 20 percent above the median household income of \$72,200) to afford payments.

<sup>5</sup> Christopher Herbert, Chadwick Reed, and James Shen, Comparison of the Costs of Manufactured and Site-Built Housing, Harvard Joint Center for Housing Studies, July 10 2023.



## 5

# Showcase the resilience of off-site construction to natural disasters



Hurricane-force wind and rain testing at the Insurance Institute for Business and Home Safety (IBHS) Research Center (Photo: Fortified Home)

Floridians remember the devastation of Hurricane Andrew, when the destruction of countless mobile homes cemented the perception that factory-built homes are unsafe in severe storms. However, thanks to HUD's regional wind-zone standards, which were created in 1994 in the aftermath of Andrew, modern manufactured homes in Florida must be built with stronger foundations and other requirements to improve wind resilience. Evidence shows that these new standards made a significant difference: State reviews of 152 communities after Hurricane Katrina showed that manufactured homes built after 1994 sustained no serious damage.<sup>6</sup> Modular homes, which are built to the same building code as site-built houses, fare equally well.

Florida can use that track record to mitigate barriers that hinder adoption of off-site construction. Post-1994 performance data could be embedded in building official training and installation manual standards, giving local inspectors clear, storm-tested benchmarks. State housing and emergency management offices can incorporate wind-zone and anchoring facts in first-time-buyer classes, rebuilding outreach, and insurance guidance. Finally, disaster recovery procurement guidelines can list modular and HUD-code homes as eligible options for rebuilding efforts, drawing from examples in Hawaii and California.<sup>7</sup> Together, these low-cost solutions help neutralize stigma and support statewide scale for factory-built housing.

<sup>6</sup> Bureau of Mobile Home & RV Construction, Mobile/Manufactured Home Damage Assessment from Hurricane Katrina, Florida Department of Highway Safety and Motor Vehicles, August 29, 2005.

<sup>7</sup> Rebecca Picciotto and Nicole Friedman, "The Rush to Take Modular Homes Mainstream in Disaster-Ravaged Areas," Wall Street Journal, June 2 2025.

# 6 Enable and support factory-built accessory dwelling units

Accessory dwelling units (ADUs) are a fast, low-impact way to add homes in existing neighborhoods. Modular and HUD-code homes are especially well suited for ADUs because they can be delivered quickly and at lower cost than site-built comparables. To accelerate delivery and ensure uniform treatment statewide, Florida could advance statewide ADU legislation that makes ADUs by right in all single-family zones and requires local governments to allow modular and HUD-code homes wherever ADUs are allowed,<sup>8</sup> and in parallel, publish a factory-built ADU toolkit to speed approvals and installation.



An accessory dwelling unit in Tampa, FL (Photo: Tampa.gov)

Legislation should explicitly require local governments to allow modular and HUD-code ADUs wherever ADUs are allowed and preempt common roadblocks that slow or block delivery. This means that factory-built ADUs are subject to the same setbacks, height and lot coverage requirements, impact fees, and review timelines used for site-built ADUs. To support fair financing, the statute could direct local agencies to recognize factory-built ADUs as real property improvements when installed to code and to ensure appraisal and underwriting parity with site-built ADUs.

In parallel, the state should publish a factory-built ADU toolkit through the Office of Off-Site Construction to make delivery fast and uniform: pre-approved plan sets (manufacturer-submitted modular and HUD-code models with structural/anchorage sheets sized for common lots), e-permitting templates and a standard inspection checklist focused on set/anchorage and utility connections, impact-fee and siting guidance for local staff, and a concise homeowner how-to covering contractor selection, financing paths for real-property ADUs, and available grants or assistance. Together, the statute and toolkit compress timelines, cut soft costs, and normalize high-quality factory-built ADUs as predictable, code-compliant infill.

<sup>8</sup> FHC-proposed legislation for 2026 would make ADUs by right in single-family zones, require local governments to allow factory-built ADUs wherever ADUs are allowed, and preempt common barriers such as owner-occupancy mandates and discretionary reviews.



# 7 Create an off-site building track at Florida colleges and universities



Hands-on training inside a HUD-code housing production line (Photo: Florida Manufactured Housing Association)

Florida's factory-built housing industry can scale only as fast as it can train tradespeople, set crews, and architects to understand off-site construction and installation. However, today, most construction programs only teach stick construction. Partnering with the state's 28 community colleges and seven universities with construction schools would close that skills gap, creating new career opportunities for students at the same time.

Under the model, DBPR (or the proposed Office of Off-Site Construction) and CareerSource Florida would partner on a short "Off-Site Construction 101" certification. Courses would cover construction elements specific to factory manufacturing and assembly, from crane-setting to modular MEP connections. In addition to the certification itself, graduates would leave with a paid co-op at a local factory or GC that uses off-site. The credential would be available as an add-on for degree-seeking university students in fields like architecture, construction management, and urban planning; but also as a stand-alone certificate for working professionals, from tradespeople to permitting officials.

More trained professionals, both on the jobsite and supporting from the office, means projects are more feasible and faster to deliver, further enhancing the affordability promise of off-site.

# Factory-Built Housing: A Tool for Affordable Homeownership

Florida is permitting more homes than almost any other state, yet first-time buyers still face record prices and tight supply, especially for entry-level units. The seven recommendations in this blueprint point to a faster, lower-cost way to close that gap. By treating factory-built housing as essential infrastructure - streamlining approvals, seeding a trained workforce, and pairing ADU and first-time buyer programs with modern modular and HUD-code products - Florida can unlock thousands of resilient, attainable homes.

**Ivory Innovations** is an applied research center housed in the David Eccles School of Business at the University of Utah. Since 2018, Ivory Innovations has supported innovations in housing affordability by running programs such as the Ivory Prize, Hack-A-House case competitions, and development projects that test new ideas in the market.

**The Florida Housing Coalition** (FHC) is the state's leading network of affordable housing professionals, delivering technical assistance, policy advocacy, and program support to advance housing affordability across Florida. In 2025, FHC was awarded the Ivory Prize for Policy and Regulatory Reform for its pivotal work on Florida's Live Local Act.

We are especially grateful to the Florida Manufactured Housing Association (FMHA) for their support during this research process. With their help, we were able to reach a range of experts in the factory-built housing space who helped shape these recommendations.

We also thank the individual experts who shared their time and insights with us during interviews, including Jim Ayotte, FMHA; Tom Trexler, Nobility Homes; Ken Semler, Impresa Modular; Michael Wnek, Jacobsen Homes; Dustin Ewing, Cavco; Stephen Bender, University of Florida; Kim Sweazy, Jackson County; Jeremy King, Stephanie Libby, and Michael Hagood, Clayton Homes; Jeffrey Huber, Florida Atlantic University School of Architecture and Brooks + Scarpa; and Fred Malik, Fortified.

*To learn more about our work, visit [ivoryinnovations.org](https://ivoryinnovations.org) or [flhousing.org](https://flhousing.org)*

