

CHAPTER 12

MANUFACTURED HOMES

A Manufactured Home is a structure, transportable in one (1) or more sections. Manufactured homes are constructed on a permanent chassis and are designed to be drawn or pulled on the highway only to change permanent locations. A Manufactured Home is designed to be used as a dwelling, with or without a permanent foundation. They may be used as a place of residence, business, profession, trade or for any other purpose that the owner, lessee assigns. A Manufactured Home may consist of one or more units that can be attached or joined together to form a complete structure.

Valuations

The manufactured home valuation tables in this manual will be used to determine the market value of manufactured homes subject to ad valorem tax. The rate table values do not include costs for items that typically are not included in the valuation of a structure such as furniture and other items of personal property. The rate tables will be used to calculate the replacement cost new less depreciation (RCNLD) of the manufactured home.

The rate table values are based on information obtained from available market sources. The Property Tax Division of the Alabama Department of Revenue will determine the Cost Index for Manufactured Homes on an annual basis. The Cost index for Manufactured homes will be applied on the reappraisal lien date and used for the duration of the reappraisal cycle.

Calculating Market Value Using the Rate Tables

1. The first step in determining the market value of a manufactured home is to determine the classification of the home based on the construction quality of the manufactured home (see Determining Manufactured Home Class).
2. The total adjusted area (square footage of the manufactured home + the adjusted square footage of any appendages) will be used to select the appropriate rate as indicated on Table 27M. The value will be calculated by multiplying the total adjusted area times the selected rate. Any skirting present will be valued using the Manufactured Home Extra Features table.
3. Using the manufactured home cost index supplied by the Department of Revenue, the value of the manufactured home will be indexed to a current replacement cost.
4. The replacement cost of the manufactured home and the value of the extra features will be depreciated using an observed condition rating of the manufactured home. An age/condition depreciation schedule is included to serve as a guide for estimating average physical manufactured home depreciation. The result will be the value of the manufactured home structure.

Classification: Manufactured homes are classed based on the quality of construction of the manufactured home.

Class “B” represents excellent quality manufactured homes. Several features may be similar to that of traditional site built homes. The roof may feature various styles such as greater than normal pitch, reverse gables, arches, and other custom accents. It may be covered with asphalt shingles, shake shingles, or some type of tile covering. The exterior siding of the home may be similar to that of traditional site built homes. It may consist of stucco, some brick, wood boards, or other traditional exterior home materials. The entrances to the homes may be recessed with traditional solid wood doors. These types of entrances may be present on both the front and the rear of the manufactured home. Many of these homes feature one or more open porches incorporated in their design and manufacture. The windows may have traditional sashes of any type, with the window itself being double hung, and containing removable screens. The windows may have decorative features such as shutters to accentuate the appearance of the home.

Class “C” is considered to be a good quality manufactured home. The roof may be asphalt shingles with a gable pitch or it may consist of a single, heavy-duty, galvanized steel mold that fits tightly to the top of the manufactured home. The exterior siding of the home may consist of Masonite panels with concealed fasteners, or it may be constructed of pre-finished aluminum panels. The front entrances may be recessed with some type of traditional residence type door. The rear entrance will not be recessed, and may or may not have a traditional wood door. The windows may be double hung and contain removable screens. They may also have some decorative features manufactured out of imitation brick, stone or various other materials.

Class “D” is an average quality manufactured home. The roof may be a one piece galvanized steel mold with minimal pitch. The roof may have a small overhang. The exterior siding may consist of pre-finished aluminum panels with some concealed fasteners. Entrance doors may be either a sliding glass type or a metal or wood house type door with a window. The rear entrance will also have a door constructed of metal or wood with a small window. The windows may be horizontal sliding or crank awning. The windows may have removable screens, and color coordinated panels for decorative trim.

Class “E” is a fair quality manufactured home. The roof may be a one piece galvanized steel mold with a flat pitch. Some models may have roofs manufactured out of aluminum or a vinyl type material. The exterior siding most likely will consist of pre-finished aluminum panels with exposed fasteners. Entrance doors may be either a sliding glass door, or a metal door. The windows are usually minimal and may be a crank awning type window, with a fixed screen.

Fieldwork: Determine the length and width of the manufactured home.

Manufactured Home Width: The width of the home will be measured at the end of the manufactured home where the hitch used for towing was or is located.

Manufactured Home Length: When determining the length of the manufactured home, the appraiser must not include the hitch used for towing the manufactured home in the measurement. On average, the hitch will occupy approximately 3 feet of length.

Determining the Condition and Effective Age of the Manufactured Home

The appraiser must, upon physical observation of the manufactured home, make a judgement of the physical condition of the manufactured home. The appraiser will use the following suggested guidelines in making this determination.

1. Excellent condition manufactured homes are extremely attractive, desirable, new or like new, manufactured homes.

2. Good condition manufactured homes are well-maintained, attractive, desirable homes, with the normal wear visible on the manufactured home.

3. Average condition manufactured homes are attractive, maintained homes with physical deterioration becoming apparent.

4. Fair condition manufactured homes will, although still useful, be less attractive due to no maintenance and noticeable physical deterioration.

5. Poor condition manufactured homes will be undesirable, have little use, and have major structural deterioration.

The effective age of the manufactured home will either be the on-site observed age estimated by the appraiser, or the actual age of the manufactured home based on the actual year of manufacture of the manufactured home. The rate tables supplied represent a composite factor (effective age factor multiplied against the condition rating) percent good of the manufactured home. This percent good factor will be multiplied against the replacement cost of the manufactured home to calculate the value of the manufactured home.

Note: As manufactured homes age, the observed effective age and condition classifications made by the appraiser is the preferred method for determining the percent good of the manufactured home.

Manufactured Home Extra Features and Appendages

Some manufactured homes may have extra features and appendages, such as skirting, porches, decks, etc . . . that will add to the indicated value of the manufactured home. To compute the value of the skirting, first determine the linear feet of skirting present and multiply this figure times the rate on the appendage and extra feature table for the appropriate type of skirting. This will result in a base cost for the skirting.

Any appendages present (porches, decks, etc. . . .) will be valued using the appropriate decimal for the adjusted area of the appendage. This adjusted area will be added to the area of the manufactured home to determine the total adjusted area.

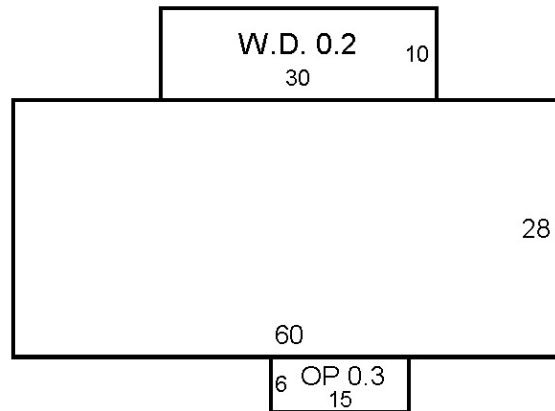
Manufactured Home Sample Calculation

When computing the value of a manufactured home, the following formula is used:

$$\text{Total Adjusted Area} \times \text{Rate} = \text{Subtotal} + \text{Extra Features} = \text{Base Cost} \times \text{Manufactured Home Index} = \text{Replacement Cost} \times \text{Percent Good} = \text{Value}$$

Example:

Assume that the following manufactured home is being valued.



Manufactured Home	28 X 60 =	1,680
Porch (O.P. 0.3)	6 X 15 X 0.3 =	27
Wood Deck (W.D. 0.2)	10 X 30 X 0.2 =	60
	Total Adjusted Area:	1,767

This manufactured home is a class “D”, and has a total adjusted area of 1,767 square feet. Using the total adjusted area, the home has a rate of \$17.76 (from Table 27M). This home also contains 176 linear feet of vinyl skirting, at a rate of \$5.50 on page 12-8. The home was estimated to be in 98 percent condition.

$$\text{Imp. Code, Description, Size} \times \text{Base Rate} = \text{Subtotal} \times \text{Index} = \text{Repl. Cost} \times \text{Condition} = \text{Value}$$

27, Manuf. Home;	1,767 X 17.76 =	31,382
	X 1 =	31,382
	X 0.98 =	30,750
Vinyl Skirting,	176 X 5.50 =	968
	X 1 =	968
	X 0.98 =	950
	Total Improvement Value	\$31,700

Total Improvement Value (Rounded) \$31,700

**Table 27M Manufactured Homes
(Miscellaneous Improvements)**

Class Sq Ft	E	D	C	B
200 & below	15.95	19.94	23.13	30.31
300	15.91	19.89	23.06	30.24
400	15.79	19.74	22.90	30.01
500	15.68	19.61	22.75	29.81
600	15.51	19.38	22.48	29.47
700	15.42	19.27	22.35	29.30
800	15.27	19.09	22.13	29.01
900	15.17	18.97	21.99	28.83
1000	15.11	18.90	21.92	28.73
1100	14.89	18.62	21.60	28.32
1200	14.81	18.51	21.47	28.14
1300	14.73	18.41	21.36	27.99
1400	14.65	18.32	21.25	27.86
1500	14.55	18.18	21.10	27.65
1600	14.29	17.88	20.73	27.17
1700	14.25	17.81	20.66	27.07
1800	14.20	17.76	20.60	26.99
1900	14.10	17.62	20.45	26.79
2000	14.06	17.57	20.38	26.71
2100	14.02	17.52	20.32	26.63
2200	13.98	17.47	20.27	26.56
2300	13.97	17.46	20.26	26.54
2400	13.93	17.42	20.20	26.47
2500	13.85	17.31	20.08	26.32
2600	13.77	17.22	19.97	26.16
2700	13.70	17.12	19.86	26.02
2800	13.63	17.04	19.75	25.89
2900	13.55	16.95	19.66	25.75
3000 & up	13.48	16.84	19.55	25.61

Table 28M Manufactured Home Appendages		
	Symbol	Decimal
Open Porches		
Stoop, floor, roof, no posts	O.P.	0.1
Floor, roof, and posts	O.P.	0.2
Floor, roof, posts, and railing	O.P.	0.3
Screened Porches		
Roof, floor, posts, walls screened to floor.	S.P.	0.4
Roof, floor, posts, walls screened to rail	S.P.	0.5
Same with Tile floor	S.P.	0.6
Closed Porches		
Roof, floor, walls, unfinished interior	C.P.	0.6
Roof, floor, walls, low-cost interior finish	C.P.	0.7
Roof, floor, walls, normal interior finish	C.P.	0.8
Carports		
Roof, posts, dirt floor	P.C.	0.1
Roof, concrete floor, posts	P.C.	0.2
Roof, concrete floor, posts, and ceiling	P.C.	0.3
Cabanas		
Low cost	C.B.	0.6
Average	C.B.	0.7
Good	C.B.	0.8
Utility Rooms		
At rear of carport, unfinished	U.	0.4
Attached to residence, unfinished	U.	0.5
Finished interior, not attached to base area	U.	0.6
Attached Garages		
Unfinished interior, floor, no door	G.	0.3
Unfinished interior, floor, door	G.	0.4
Finished interior, floor, no door	G.	0.5
Finished interior, floor, door	G.	0.6
Wood Decks		
Open Wood	W.D.	0.1
Open Wood, with rail	W.D.	0.2

Manufactured Home Extra Features

Item	Lin Ft Cost
Perimeter Skirting	
Metal or Vinyl	\$5.50
Masonite	\$14.20
Simulated Stone (Fiberglass)	\$14.00
Concrete Block	\$8.80
Brick	\$11.50

Manufactured Home Depreciation Schedule--(Percent Remaining Good)

Eff. Age In Yrs.	Overall Condition Rating				
	Excellent	Good	Average	Fair	Poor
0	100	100	100	80	69
1	100	100	97	77	67
2	99	96	93	74	64
3	95	93	89	71	61
4	92	89	86	69	*
5	88	86	83	66	*
6	85	83	79	64	*
7	82	80	77	61	*
8	78	76	73	*	*
9	74	72	69	*	*
10	70	68	66	*	*
11	67	65	62	*	*
12	63	61	*	*	*

THIS SCHEDULE IS TO BE USED AS A GUIDE ONLY.

Note: Percent good values in this schedule are for average depreciation. Manual overrides should be provided for observed condition and effective age estimates.

***Observed condition is the preferred method for estimating depreciation. Diligent care must be used after this point.**