

Supporting Statement
Form C-MH-9A
Survey of New Manufactured (Mobile) Home Placements

A. Justification

1. Necessity of Information Collection

The U.S. Census Bureau is requesting an extension of a currently approved collection for the Survey of New Manufactured (Mobile) Home Placement (Form C-MH-9A). Manufactured (Mobile) homes provide much of the low-cost new housing in the United States. In 2011, approximately 47,000 new units were placed for residential use, about ten percent of all new single-family housing. Given the size and importance of this component of new housing, the Department of Housing and Urban Development (HUD) has funded this survey conducted by the Census Bureau since the early 1970's. The survey provides statistics on the number, sales price, location, and selected characteristics of new manufactured homes placed for residential use. These statistics, based on data collected by telephone interview from dealers that have received sampled homes, are comparable to those available for conventionally built housing. Statistics on manufactured homes and conventional housing construction are available on the Internet at www.census.gov.

In the "National Manufactured Housing Construction and Safety Standards Act of 1974," 42 United States Code (U.S.C.) 5401 (see Attachment 1), Congress declared its interest in the safety and durability of manufactured homes. Proper attachment of a manufactured home to the ground is an important component of manufactured home safety and is addressed in Section III, questions 5 and 6 of Form C-MH-9A (see Attachment 2). HUD also uses these statistics to respond to a Congressional mandate in the "Housing and Community Development Act of 1980," Title 42 U.S.C. 5424 (see Attachment 3), which requires HUD to collect and report manufactured home sales price information for the nation, Census Regions, States, and selected metropolitan statistical areas, and to monitor whether new manufactured homes are being placed on owned rather than rented lots. Congress also indicated an interest in the form of ownership. Collection of these data is authorized by Title 13, U.S.C., Section 8(b) (see Attachment 4) and Title 12, U.S.C., Section 1701z-1 (see Attachment 5).

Furthermore, the Survey of Manufactured (Mobile) Home Placements serves as the basis for HUD's mandated indexing of loan limits. Section 2145 (b) of the Housing and Economic Recovery Act (HERA) of 2008 requires HUD to develop a method to annually adjust Title I manufactured home loan limits (see attachment 6). This index is based on manufactured housing price data collected by this survey. Section 2145 of the HERA of 2008 also amends the maximum loan limits for manufactured home loans insured under Title I. HUD implemented the

revised loan limits for all manufactured home loans for which applications are received on or after March 3, 2009 (see Attachment 7).

2. Needs and Uses

The Bureau of Economic Analysis uses the data as an input to the estimates of residential fixed investment.

The HUD's Office of Economic Affairs uses these data to monitor total new housing production and its affordability. The HUD's Office of Manufactured Housing and Construction Standards and the Office of Title I Insurance use the data to monitor and evaluate their programs as they relate to the volume, titling, placement location, quality, and prices of manufactured homes. Also, the figures are used by a variety of private trade associations and businesses for housing market analysis.

The Census Bureau also uses the data in the formulation of annual population estimates.

3. Use of Information Technology

Information received is based on data collected by telephone interview from dealers that have received sampled homes. The survey data is captured using the Standard Economic Processing System (StEPS). StEPS is the Census Bureau's generalized automated data collection/processing system developed for numerous economic surveys.

4. Efforts to Identify Duplication

Inquiries of knowledgeable industry sources, such as the Institute for Building Technology and Safety and the Manufactured Housing Institute, indicate that these data are not available elsewhere. Data are available on manufactured home shipments. The shipment series, however, does not provide the data required, such as the number, sales price, and physical characteristics of manufactured homes placed for residential use.

5. Minimizing Burden

Only a sample of the manufactured homes shipped each month is selected for the survey. To reduce the burden for small businesses, the interview is conducted by telephone, the number of questions asked is limited, and the questions asked do not require any additional record-keeping burden.

6. Consequences of Less Frequent Collection

If data were collected less frequently, decisions affecting policy and legislation would be made without current data or would be delayed until the data are available.

7. Special Circumstances

The collection of these data is consistent with the OMB guidelines with the exception of requiring respondent to report information to the agency more often than quarterly and to prepare a written response to a collection of information in fewer than 30 days after receipt. The data are published monthly. Therefore, a quick response is requested to provide timely statistics for analyzing the housing sector of the economy.

8. Consultations Outside the Agency

Consultations were conducted with the companies listed below concerning their views on the availability of data and reporting format. (See Attachment 8 for copies of the consultations.)

- a. Baird Homes
3495 Hwy. 441
Fruitland Park, FL 34731
352-787-2500
Contact: Trudy
- b. Bell Mobile Homes
P.O. Box 749
Levelland, TX 79336
806-894-7212
Contact: Carla
- c. Clayton Homes
1151 W. Knable Dr.
Georgetown, IN 47122
812-923-8887
Contact: Cindy
- d. Clayton Homes
3304 National Park Hwy.
Carlsbad, NM 88220
575-885-6146
Contact: Nancy
- e. Evangeline Homes
4401 NW Evangeline Trwy.
Carencro, LA 70520

337-896-2288
Contact: Tammy

f. George Pierce Homes
P.O. Box 80707
Billings, MT 59107
406-655-8000
Contact: Lana

g. Oregon Trail Homes
P.O. Box 970
Hermiston, OR
541-567-1900
Contact: Tammy

h. Santiago Homes
591 W. La Cadena Dr.
Riverside, CA 92501
951-779-1765
Contact: Jaime

The respondents stated that the information was readily available, and that the questions were easy to understand.

On August 31, 2012, we published a notice in the Federal Register (see Attachment 9) inviting public comments on our plans to submit this request. HUD received three comment letters during the 60-day comment period (see Attachments 10 - 12). Each letter cited the uses and importance of the data and supported the continuation of the survey.

Two of the three letters requested four questions to be added to the survey. While HUD recognized the importance of this information to MHS stakeholders, HUD concluded that the MHS would not be the appropriate instrument for these four questions. The MHS is a survey about specific manufactured housing units, administered to the dealers who sell the units. Generally speaking, the requests for additional information do not pertain to the specific unit. Rather, they are about manufacturer or dealer activities. Those types of information collections are best completed with public or private business surveys, not housing unit surveys. It should be noted that there are publically available lists of manufactured home dealers (available on the internet) that could be used for survey purposes. HUD's specific responses to the requests are below.

Request 1: Ask manufacturers to identify how many of the homes they construct and ship to dealers are ENERGY STAR-certified.

HUD response: The MHS is a unit-based survey, administered to dealers of those units. It does not gather information from the manufacturer. HUD recognizes it

would be feasible to ask a dealer if the surveyed unit is energy-star certified, and it is likely that the dealer would possess this knowledge. However, the addition of this question increases the cost and burden of the survey and would require a form re-design. This question seems best posed directly to manufactures.

Request 2: For the approximately 25% of new homes placed in manufactured home communities, ask dealers whether the community is investor-owned or a resident-owned cooperative association.

HUD response: Census Bureau survey managers have expressed doubt that the dealer would know the ownership type of the community. This is information best collected from the home buyer.

Request 3: Ask dealers if they provide financing to homebuyers directly or through a captive finance agency.

HUD response: The MHS is a unit-based survey (representative of manufactured housing units), not a dealer-based survey. Since the MHS does not attempt to be an accurate sample of dealers, it would not be the appropriate vehicle for this type of question. To be sure, the MHS could ask if the dealer financed the individual unit, but that question would only provide statistics of the number of *units* being financed by dealers, not the number of *dealers* providing financing.

Request 4: If financing is provided directly by the dealer, ask dealers to identify the percentages of homes purchased with cash, financed with personal property loans, and financed with real property loans, as well as basic loan terms such as size, amortization period, interest rate and closing costs.

HUD response: In addition to the reasons cited in response to request 3, this request greatly expands the scope of the survey and response burden. It requires more extensive record keeping and record searching by the dealer for the detailed historic financing information. HUD is not willing to expand the scope of the MHS to include dealer-specific questions regarding detailed financing characteristics.

9. Paying Respondents

The Census Bureau does not pay respondents nor provide gifts in return for complying with the survey.

10. Assurance for Confidentiality

The following statement of confidentiality is included in a letter (see Attachment 2) signed by the Director of the Census Bureau that is sent to all participants in the survey, "Your voluntary report to the Census Bureau is

confidential by law (Title 13, United States Code). It may be seen only by persons sworn to uphold the confidentiality of Census Bureau information and may be used only for statistical purposes. The law also provides that copies retained in your files are immune from legal process.”

11. Justification for Sensitive Questions

The survey report form contains no sensitive questions.

12. Estimate of Hour Burden

Survey Frequency	Annual Number of Manufactured Homes	Average Time to Complete	Annual Burden Hours
Monthly	6,000	30 mins.	3,000

The sampling unit is a manufactured home. Once a new manufactured home enters the survey, we contact the dealer or manufacturer each month until the home is placed. At the beginning of the year, we start with approximately 1,200 homes in inventory and we add about 400 new homes each month for a total of 6,000 homes a year. The average time to complete this form is based on the monitoring of the telephone interviews and consultations with survey respondents.

An individual dealer or manufacturer may be contacted several times based on the number of homes he/she has in the sample. For respondents who receive many forms, the time required per form is less than the average since they are familiar with the report form. For new respondents, the time required would be longer.

Based on information available from the Department of Labor, Bureau of Labor Statistics, National Compensation Survey, Occupational Wages in the United States: 2011, we estimated the average hourly pay for respondents to be \$20.27. Therefore, the total cost to the respondents is \$60,810.

13. Estimate of Cost Burden

We do not expect respondents to incur any costs other than that of their time to respond. The information requested is the type and scope normally carried in company records and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Further, purchasing of outside accounting or information collection services, if performed by the respondent, is part of usual

and customary business practices and not specifically required for this information collection.

14. Cost to the Federal Government

The total estimated cost of this survey in Fiscal Year 2013 is \$840,000, all borne by the Department of Housing and Urban Development.

15. Reasons for Change in Burden

The burden was increased due to the increase in the sample size. The sample selection methodology was changed from a 3 percent sample to a fixed sample due to the decline in the number of manufactured homes that are being shipped. The percent-based sample did not provide enough cases to produce quality data for regions with low activity in manufactured housing placements. The fixed sample provides sufficient cases for each region and improves the quality of the data.

16. Project Schedule

The monthly processes begin on the first or second workday of the month with the receipt of the universe file. A fixed sample of manufactured homes is drawn and the sampled homes are matched to dealers. Data collection, via telephone follow-up, begins on the fourth workday and continues thru the fifteenth workday. Throughout the processing month, computer edits are performed and edit failures are analyzed and resolved. After the final edits are resolved, the estimation, tabulation, and seasonal adjustment processes are performed. After a final data review, publication tables are prepared and verified. Data is posted to the website on the sixth workday from the end of the month.

The monthly statistics obtained from this survey show the number of new homes placed for residential use, the average sales price of these manufactured homes, and the inventory on dealers' lots at the end of the period. The website for the survey is <http://www.census.gov/construction/www/mhsindex.html>.

Annual revised data is published in May of each year. Data for the two prior calendar years is revised. In addition to the monthly-level data categories, the revised annual-level data includes new manufactured homes placed for residential use by state, average sales price by state and selected physical characteristics by region.

17. Request to not Display Expiration Date

The expiration date will be printed on the form.

18. Exceptions to the Certification

There are no exceptions.

B. Collection of Information Employing Statistical Methods

1. Universe, Respondent Selection, and Response Rates

A file of all manufactured homes shipped during the month is provided to the Census Bureau by the Institute for Building Technology and Safety (IBTS). IBTS provides the file to Census on a monthly basis under the terms of a contractual agreement. The file identifies the home by serial number and shows the name, city, and state of the dealership that received the home. This file serves as the universe for the survey. Of the roughly 5,000 homes shipped each month, a fixed sample of 405 homes is randomly selected for the survey. The form C-MH-9A imprinted with a letter signed by the Director of the Census Bureau, (see Attachment 2) explaining the survey and identifying the home, is mailed to the manufactured home dealer shown as the receiver of the sampled home. The dealer is asked to have the answers to the questions available when the interviewer telephones for the information. The current response rate is approximately 85 percent.

2. Statistical Methodology - Estimation Procedures

Each sampled home is weighted by its probability of selection. The average relative standard error of monthly 2011 estimates of placements is 6 percent for the United States and approximately 10 percent at the regional level.

3. Methods to Maximize Response

Telephone follow-ups are used to reduce nonresponse.

4. Testing of Procedures

There are no tests of procedures or methods currently planned.

5. Contacts

The Manufacturing and Construction Division staff plans and coordinates the survey. This includes the design of the reporting form, sample design and selection, collection, tabulation, analysis, and publication.

The contact person for questions relating to the statistical aspects of the survey is Ms. Bonnie Kegan. She can be reached on 301-763-7639. The contact person for questions relating to the collection and analysis of the data is Mr. Joseph Huesman. He can be reached on 301-763-4822.

Attachments:

1. 42, U.S.C. 5401, TITLE VI
2. Survey Form and Letter - C-MH-9A
3. Title 42, U.S.C. 5424 note,
4. Title 13, U.S.C., Section 8(b)
5. Title 12, U.S.C., Section 1701z-l
6. Housing and Economic Recovery Act (HERA) of 2008, Section 2145
7. U.S. Department of Housing and Urban Development: Letter TI-480
8. Comments from Consultations
9. Federal Register Notice
10. Letter from the Bureau of Economic Analysis
11. Letter from the Community and Shelter Assistance Corp. (of Oregon)
12. Letter from the Corporation for Enterprise Development