

Prefab homes are an excellent choice for homeowners and buyers seeking affordable and quick construction.

The prices for prefab home kits in Minnesota can range from \$40 to \$85 per square foot, although the total turnkey cost may be higher based on factors like site conditions, permitting, utility hook-ups, and labor. This cost-effectiveness, combined with the flexibility in design options, makes prefab homes a practical solution for many living in the Star of the North.

The variety of styles available means that whether you're looking for a cozy cabin or a traditional family home, there's a prefab option to match your preferences.

Understanding Prefabricated Homes



Prefabricated homes, or [prefab homes](#), are built in sections in a factory, shipped to your build site, and then assembled on-site. They come in different types and offer various benefits but also have certain limitations.

Types of Prefabricated Homes

Modular homes are built in sections, or modules, in a factory setting. Each module is constructed according to the [International Residential Code](#) (IRC) and local building regulations. They are then transported to the site and assembled.

Manufactured homes are built on a permanent chassis, making them portable. Unlike modular homes, they adhere to national standards set by the [Department of Housing and Urban Development \(HUD\)](#).

Panelized homes (aka kit homes) are constructed using flat panels, such as walls and roof sections, and assembled on-site. This method allows for quicker construction but often requires more work after assembly.

Prefabricated tiny homes are smaller structures designed to maximize space efficiency that can be built on trailers or stationary foundations. These homes are cost-effective and often fully built off-site before being transported to the location.



Advantages and Disadvantages

Advantages:

- **Energy Efficiency:** The tight seams and robust windows of prefab homes often lead to [higher energy efficiency and lower energy bills](#).
 - **Cost:** Prefab homes can be more affordable than traditional homes. Costs range from [\\$80 to \\$160 per square foot](#), depending on the custom features.
 - **Construction Speed:** Building in a factory reduces delays from weather and other site-based issues, speeding up construction time.
 - **Customization:** Many prefab homes offer various floor plans and design options, providing flexibility in style and size.
- **Backyard builds:** Many prefab homes are designed for smaller spaces and [can function as a backyard ADU or office](#).

Disadvantages:

- **Land Costs:** The price of the land is not included in the cost of the prefab home. Buyers must purchase and prepare the land separately.
- **Resale Value:** Prefab homes can have a lower resale value compared to traditionally built homes, depending on the type of building you use.
- **Site Restrictions:** Some areas have zoning laws that restrict the placement of prefab homes, or require stricter permitting.
- **Financing:** Obtaining a mortgage for prefab homes can sometimes be more complicated than for conventional homes, since you're not always able to use a mortgage.

The Buying Process in Minnesota



The process of buying a prefabricated home in Minnesota involves several steps, from choosing a manufacturer to understanding zoning laws. Consider financing, land, preparation, and regulations to ensure a smooth experience.

Choosing a Manufacturer

Selecting a reliable manufacturer is crucial. Buyers should research and compare different builders and models available in Minnesota. Factors like reputation, customer reviews, and the range of designs offered can help in making an informed decision.

Visiting model homes or manufacturers' showrooms can provide insights into build quality and design options. Additionally, inquire about the delivery timeline and warranty services.

Financing Your Prefab Home

Financing a prefabricated home might differ from traditional home loans. If your

prefabricated home isn't a manufactured home, you may qualify for a mortgage. Your options could include:

- Conventional loans
- FHA loans
- VA loans
- Construction loans

If you're building a prefab, tiny, or manufactured home as an ADU to an existing property, you may qualify for a HELOC loan. HELOC loans allow you to access a line of credit using the equity in your existing home to finance renovations or additions (including ADUs).

Land Purchase and Preparation

Before purchasing a prefab home, securing and preparing the land is a key step. You'll need to make sure the land has access to utilities like water, electricity, and sewage systems.

Site preparation might include clearing debris, leveling the ground, and possibly constructing a foundation. Consulting with a local land surveyor or contractor can provide a clear understanding of the costs and tasks involved.

Understanding Zoning Laws

Zoning laws in Minnesota can influence where and how prefab homes can be sited. These laws vary by municipality. For example, [in Saint Paul](#), ADUs are allowed citywide, but they have the following requirements:

- The property owner must live in the principal dwelling unit or the ADU
- Limit the number of ADU units to two per lot
- Limit the maximum size to 800 sq ft
- Limit the maximum height to 25'

Check the local laws in your municipality before getting too far into the home buying process.

Installation and Assembly

Buying a prefabricated home in Minnesota involves careful planning of the installation and assembly process. The process of installing and assembling a prefab home is a carefully

orchestrated sequence of events, blending modern construction techniques with traditional craftsmanship.

Site preparation: Site preparation is arguably the most critical phase in the entire process. Choosing the right location is paramount; it should be a flat, stable area with good drainage to prevent future issues.

Foundation: Once your site is ready, you'll need to prepare the foundation. Depending on the home's design and the site's characteristics, this could be a slab, crawl space, or basement. The foundation must be prepared with precision, as it will bear the weight of the home and determine its longevity.

Assembly: Once the manufacturer has delivered the building components, the modules are carefully placed onto the foundation and joined together. This step often requires professional assistance, as the modules must be aligned perfectly. Note: Certain tiny homes on wheels are built entirely in the factory, so no assembly is required.

Utility hookups: Following assembly, the utilities hookup phase begins. The home's electrical system is connected to the local grid, ensuring that it meets all safety standards. Plumbing is then hooked up to the local water supply and sewage system, providing the home with essential services. The installation of heating, ventilation, and air conditioning systems completes this phase, making the home comfortable and livable.

Obtaining your occupancy permit: Once everything is assembled and your utilities are hooked up, you'll want to secure a [certificate of occupancy](#) from your municipality. The building inspector will need to walk through and confirm that everything is safe and ready for use.

With the hard work out of the way, now you're free to customize your prefab home with whatever finishing touches make your new house a true home.