

Tiny Homes: An Affordable Housing Solution, or a Regulatory Nightmare?



Tiny homes have been romanticized by television networks like [HGTV®](#). For many, tiny homes are alluring because most require little to no mortgage payment, offering occupants a level of financial freedom. Yet, what none of these hit TV shows talk about are the legal headaches that many tiny homeowners experience. Zoning laws can make it nearly impossible to build and occupy a tiny home, even if you own the land. The central issue is that most zoning and ordinance laws do not address tiny homes, so many tiny homeowners end up confused as to where and what they are allowed to build.

TYPES OF TINY HOMES AND CORRESPONDING LEGAL ISSUES

Tiny homes can either be built on a foundation, like a normal-size house, or on wheels, like an RV or trailer. Houses built on wheels, also known as movables, are technically classified as RVs, meaning the [only legal place they can park](#) for an extended period of time is in an RV park; but even those have a stay limit. Of course, you could attempt to park in a friend or family member's driveway or on their land, but then you run the risk of neighbors complaining of the eyesore, or eventually wearing out your welcome and getting kicked off the property. For most, relying on the generosity of others does not lend itself to peace of mind.

Believe it or not, tiny homes on foundations are even more complicated. Many municipalities have ordinances that include a minimum square footage rule for homes. These rules are typically put in place with good intentions: to maintain quality of life for residents and avoid crisis living situations like the [shoebox economy](#) of working class Hong Kong. But the minimum square footage rule is one of the main obstacles for tiny homeowners. Some, tired of battling legal issues and ordinance restrictions, have even been [forced to abandon](#) their tiny homes built on their own property—even after attempting to clear it with governing bodies before building.

These tiny homes built on foundations are technically categorized as [accessory dwelling units](#). Since zoning and building laws across the U.S. prevent people from simply buying land and building a tiny home on it, in order to be considered legal, tiny homes must be built on the property of a single-family lot with a normal-size home already present, and [classified](#) as a secondary dwelling unit—also known as a carriage house, in-law suite, etc. Many communities require the tiny home dweller to serve as a caregiver to whoever lives in the main house; however, some are doing away with this rule, such as the [city of Fresno, California](#).

A WAY FORWARD

The good news is that things may turn around in the coming years. For public officials, tiny homes are appealing because they have huge potential to address affordable housing needs. The [average cost to build one is only \\$23,000](#), with the cost of buying one closer to \$60,000—still astronomically more affordable than a typical American home.

In January of 2018, a [change](#) was made to the [International Residential Code \(IRC\)](#) to establish specific guidelines for tiny homes. This is significant because states use the Code as a model to establish their own codes. There are now a [handful](#) of communities across the country that call themselves tiny-house friendly. For example, this spring, a [tiny home community](#) built in the mountains of Durango, Colorado, will open. Detroit recently opened a [starter home community](#) of tiny homes to help impoverished residents get back on their feet. But by and large, the struggle to find somewhere to place a tiny home is the main hurdle aspiring owners face. The new IRC guidelines may encourage states to start adapting new codes that will allow more tiny home communities to pop up across the country, providing a simpler and more affordable way of life for residents.



This article is presented by LexisNexis on behalf of the author. The opinions may not represent the opinions of LexisNexis. This document is for educational purposes only.

About LexisNexis® Legal & Professional

[LexisNexis Legal & Professional](#) is a leading global provider of content and technology solutions that enable professionals in legal, corporate, tax, government, academic and non-profit organizations to make informed decisions and achieve better business outcomes. As a digital pioneer, the company was the first to bring legal and business information online with its Lexis® and Nexis® services. Today, LexisNexis Legal & Professional harnesses leading-edge technology and world-class content to help professionals work in faster, easier and more effective ways. Through close collaboration with its customers, the company ensures organizations can leverage its solutions to reduce risk, improve productivity, increase profitability and grow their business. LexisNexis Legal & Professional, which serves customers in more than 175 countries with 10,000 employees worldwide, is part of RELX, a world-leading provider of information and analytics for professional and business customers across industries.