

# Manufactured Home Community and Mobile Home Park Newsletter



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## HOME RENTER NATION

Big investment companies are looking to single family residential real estate as the next real estate securitization. Companies like Waypoint Homes, Colony Homes and Starwood have done their demographic homework on housing for the next 15 to 20 years, and they are "lovin" what they see in single family homes. What are they seeing?

- ▶ More households lacking a down payment to purchase a home.
- ▶ More households not qualifying for a mortgage.
- ▶ More Americans are less enamored with owning a single family home, condo or town-home.

On their website, Waypoint Homes calls it "re-inventing renting". The premise is that once upon a time, leasing ones car was a novelty. It was confusing to the customers. Is it better to own a car or lease it? Is it cheaper to own a car or lease it? Questions like that took time for the customers to get used to thinking about their car decision. Of course, there isn't a right answer, because it depends on a number of factors. The auto makers and dealers just wanted to sell more cars; just like community owners want to rent more home sites. Does anybody know if their

friends, neighbors and colleagues own or lease their car? Does anyone care? That's the idea with the rental of single family homes. The companies that are "re-inventing renting" are betting that Americans won't have such a love affair with owning one's abode. As in MHC investment, they are buying, rehabbing and tenanting homes in multiple states. Waypoint Homes reports 95% plus occupancy! That means when a home becomes vacant that home needs to be rehabbed, marketed and re-tenanted fast!. The executives at Waypoint claim technology is helping to fast track the leasing.

YES! Communities, which owns over 40 communities in 10 states likes the home rental business. One reason is the turnover. Very few investment real estate owners think about the home site rent "leakage" of a resident moving, or at least, not enough to have a swift

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Joanne Stevens is a specialist in consulting and brokering mobile home parks and land lease communities throughout the U.S. With her 20 years of experience in developing, zoning, owning, retailing, managing, turning around and brokering parks, she can enhance your decision to sell your property.

For a FREE MARKET ANALYSIS on the value of your park or community, contact  
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action plan in place for the turnover. YES! Communities learned that with home sales, the turnover is 17%. The turnover with home rentals is 5%. That is a big swing in home site rental income!

Energy efficiency is becoming increasingly important. YES! Communities make sure that their community owned homes are caulked around windows and doors and that there are water saving devices on the faucets. Check with your local utility company. Will they do a home inspection for the resident and supply and install water saving devices on the faucets? The home occupant may need to make the call, but it is a benefit to them in savings.

**FREE REPORTS, Past Newsletters and Articles for Community Owners can be found at:**  
[www.JoanneMStevens.com](http://www.JoanneMStevens.com)

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## MANUFACTURED HOMES

### WHAT'S IN

### WHAT'S OUT

Sensible Landlord. Treating residents with respect.	Bad Landlord making disparaging comments about residents. Treating residents like the neighborhood kids they didn't like when they were kids.
Mobile / manufactured home rentals in communities.	Ignoring Dodd Frank legislation.
Local housing market expertise.	Buying the wrong homes with the price points resulting in vacant home inventory.
Consistently marketing homes / communities with print, direct mail, websites, fliers, brochures and brochure boxes.	Craigslist. Yes, it's free, but results are slim. Residents are on their own if they want to sell their manufactured home, resulting in frustration.
Knowing one's residents by name.	Not caring enough to know the names of one's residents.
Free home listing service for residents.	Homes moving out of communities when another manufactured home community own buys residents' homes.
Two to three month vacancy. Creating, through marketing, a big enough applicant pool of prospective residents / home buyers / home renters to be choosy. We want resident who pay their bills and that will stick around because they are "tickled".	Leasing homesites too fast in order to make the numbers. Too often these end up in evictions, damaged homes, and more than three months of lot rent losses.

**WEBSITES**

Is your website mobile enabled?  
Link your website to:

- ▶ Zillow
- ▶ Trulia
- ▶ Postlets
- ▶ List Hub
- ▶ Zestimate



**BUYING HOMES AND  
FIRST RIGHT OF REFUSAL**

One of the biggest manufactured home community owners in the U.S. offers a discounted rent (\$15 discount) if the tenant signs a first right of refusal for the community owner to purchase the home. It's a way to keep homes from moving out. That's a lot of lost cash flow every month, yet the reality is that lost rent on vacant sites is a black hole of lost rent that can never be made up.



When manufactured home sale contracts go bad it is often because the home needs repairs or replacement of a costly item such as a roof, furnace, windows, water heater, appliances, says Kurt Keeney of SSK Communities. The home sale contract buyer can't afford it and so they abandon the home. Which is better? Getting the home back or working something out with the tenant to fund the needed improvements?

According to a manufactured home community executive speaking at a National Communities Council event, "As home sales operators/retailers, manufactured home community operators are amateurs at taking care of service on homes."

**BENEFITS OF HOME OWNERSHIP**

What is the one thing manufactured home community owners are doing better than anyone in the housing business? HELPING residents/homebuyers build equity in their homes. Giving residents options such as converting home renters to home buyers and assigning some of the rent to equity for the home buyer resident is helping them. It is the antithesis of the housing sub-prime melt down. You owners that are doing this are doing good things for the image of mobile home parks and manufactured home communities!

**WHAT TENANTS WANT IN RENTAL HOMES**

Have you tried....

- ◆ Painting an accent wall color (painting one wall a hip color, such as Cardinal red or Nigerian blue).
- ◆ A tile backsplash in the kitchen.
- ◆ Adding a ceiling fan.
- ◆ Upgraded light fixtures in the living room and kitchen or at least one room.

This newsletter and its content are not meant as a solicitation of any property(ies) that may be listed. This is a creation of Joanne M. Stevens with NAI Iowa Realty Commercial as a resource for Mobile Home Park/Manufactured Home Community owners.

**www.JoanneMStevens.com**

**GO TO THE WEBSITE FOR THESE ARTICLES:**

- ▶ Resident Newsletters. See how we use community newsletters to promote green initiatives, get residents to call us first when they want to sell their home, solicit auto pay and more.
- ▶ New York Times article about Frank Rolf and Dave Reynolds.
- ▶ List of dog breeds that do well and do not do well in confined areas such as a manufactured home.
- ▶ Manufactured Home Community newsletter samples.
- ▶ Green Initiatives for Residents.

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**PLAN TO ATTEND:**

**Manufactured Housing Institute/NCC Conference**

October 27to October 29, 2014

Drake Hotel; Chicago, IL

**George Allen 23rd International Networking Roundtable**

September 10 to 12, 2014

Peachtree City, GA

Details Coming Soon.