

# INTERVIEW WITH DAN RINZEMA

## Datacomp Appraisal Services

### **Increasing Manufactured Home Values in Parks and Communities.**

(Editors Note: Datacomp appraises and track sales of new and used homes throughout the US. They do inspections and appraisal for lenders and insurers who need fast, accurate information in lending and insuring homes in communities. Their website is content rich. Go to [www.datacompusa.com](http://www.datacompusa.com) or call to request information at 1-800-365-1415. They are continually adding parks and communities to their database. The benefit to you is that being in their database may help get a prospective resident financed for a home in your park or community.)

Dan Rinzema is President of Datacomp and has been leading a charge on a national level to improve the “depreciation” of manufactured homes in parks and communities. Datacomp has been studying trends in sales of manufactured homes since 1989. They know what they are talking about. The accountability for the depreciation problem lies with both the home owner/resident and the community or park owner. Dan is well aware of the upside down economics of manufactured homes sited in parks and communities and not competing well at all with sites built homes. He says that the “housing landscape has changed dramatically for our industry.”

Here are Dan’s four steps to avoid “shock depreciation” of homes in parks and communities. By the way, Dan wrote an excellent article on this topic in the September-October 2004 issue of Modern Homes magazine.

1. Proper maintenance. Homeowners need to have the financial resources to maintain their home and homesite. And they need to do it.
2. Community owners. New owners of parks and communities, in particular, “take the homeowner’s equity out of the homes when new owners raise rents dramatically.” The total cost of the house payment and the rent need to be competitive with other housing options. Most MHC owners don’t know what the cost of the housing alternatives are.
3. Siting of homes in communities and parks. Homeowners and lenders make the mistake of siting a new home or buying a pre-owned home in a park/community that is deteriorating in value. This causes the value of the home to diminish. (This is how Datacomp can help lenders, owners, and residents by being on their database.) Dan says the “one-size-fits-all” formula for lending on homes no longer works because it doesn’t take into consideration the attributes of the park or community where the home is being sited.
4. Resale market. Buyers and sellers of manufactured homes must have a way to easily, efficiently, and effectively buy and sell manufactured homes. Dan says, 80% of the homes available are FSBO’s (for sale by owner). It’s difficult to sell the homes as there is no

escrow, little financing, and marketing is not the strong suit of most sellers. Until there is a solid resale marketplace for pre-owned homes, depreciation will continue to be a problem.

Datacomp has a website for buyers and sellers of manufactured homes. Go to [www.MHVillage.com](http://www.MHVillage.com). There are over 10,000 homes listed. Not only can buyers find out about the homes for sale but they can find information about the area. Park/community owners should spread the word to residents about this website. It's a useful tool in selling a home. MHI has announced that they plan to address the resale market problem.

*(Editor's Note: Resale marketplace. It's common not to allow residents to place FOR SALE yard signs on homesites. Yet any Realtor or home builder will tell you that many homebuyers for residential real estate come from sign calls. Does it make sense not to allow residents the same rights that you enjoy when you market your residence- such as placing a FOR SALE sign in your yard- when the resident is trying to sell? It's time to take a look at this policy. An active resale market will help the residents and you owners.)*