

2018  
August

# MANUFACTURED HOME COMMUNITY & MOBILE HOME PARK NEWSLETTER



## Third-Party Mobile Home Park Management

There are scant third-party management companies in the mobile home park business. There are loads of third-party apartment management companies and most are looking for more properties to manage. There is a need in the mobile home park business for third-party mobile home park management, and in particular third-party management that can handle the intricacies of the park owned home inventory, such as sales, rent-to-own, home rentals, lease-with-option, and refurbishing. It's tremendously time-consuming and fraught with perils if not done right.

The question is will mobile home park owners pay for a third-party manager? If yes, how much will they pay? Obviously, a third-party management company has to make money and will need to charge 6% - 10% of the Gross Scheduled Rent (all lots if 100% rented). There will still be an onsite manager. What about park-owned vacant inventory, rental

### INSIDE THIS ISSUE

Third Party Management

Past Newsletters are on my website.  
Click newsletters on the left-hand column.

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For more information on LISTINGS OF PARKS & COMMUNITIES visit us at:

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homes, and abandoned homes? That's the whole point of hiring third-party management, isn't it? The homes are the burr under the saddle of owning and managing a park. You sort of have to sell or rent the homes to get the site rent income. It's just so time consuming and expensive. Just when you think you've got everything sold or rented, BOOM! Someone gives



notice in a POH or, charmingly, just stops paying their rent.

Alan B (not his real name) inherited a park and his siblings all conveniently live several states away. Alan is a CPA with a great, thriving practice; he also has a wife and school age children. Guess how he spent his evenings and weekends? Not only were his off-hours consumed with managing a mobile home park, but there was \$80,000 in unpaid rent, and homes and home sites were looking pretty junky.

THEN (drumroll, please)  
Alan hired a third-party

management company. Not only did the outstanding collections drop to \$1,000 within 60 days, but the residents started to clean up their junk. Here's the cool thing, though. This third-party management helped Alan buy new homes to fill the significant number of vacant sites. The third-party management sold the homes for cash or rented the homes and the homes are not sitting vacant month after month.

How did Alan find his third-party management company? It was a multiple park owner with a large park located just thirty minutes away.

Alan is happy. He is making so much more money. And he has a life. If third-party management appeals to you then look around your area. What big owner is near your park and is selling and renting a lot of homes? That could be a good solution for owners who don't wish to sell for a while. It may help your numbers be as good as they can be for when you are ready and will help you maximize your sale price.

Return Service Requested:  
100 1<sup>st</sup> Ave. NE, Ste. 116, Cedar Rapids, IA 52401

### SAVE THE DATE: Links on Our Website

|  |                          |   |
|--|--------------------------|---|
| <a href="#">2018 Intl. Networking Roundtable</a>                   | <b>Sept. 5-7, 2018</b>   | The Alexander A Dolce Hotel, Indianapolis, IN |
| Joanne and Tammy Fonk will host the Broker Panel Event on the 5th. |                          |   |
| <a href="#">MHI Annual Meeting</a>                                 | <b>Sept. 23-25, 2018</b> | Paséa Hotel & Spa, Huntington Beach, CA       |
| <a href="#">2018 NCC Fall Leadership Forum</a>                     | <b>Nov. 7-9, 2018</b>    | Westin Michigan Avenue, Chicago, IL           |

Keep current on mobile home industry events. Go to my website.

### WHAT IS YOUR PARK WORTH?

I am always happy to do a FREE, NO OBLIGATION, Real Estate Review for your park(s). You ought to know today's market value of your real estate investments.

If this is something you would like, simply give me a call at 319-378-6786, email me at [joannestevens@iowarealty.com](mailto:joannestevens@iowarealty.com), or visit <http://joannemstevens.com/>

Joanne Stevens is a specialist in listing and selling mobile home parks and manufactured housing communities throughout the U.S. With her 20 plus years of experience in developing, zoning, owning, retailing, managing, turning around and brokering parks, she can maximize your sale price.