

## Commercial and Investment Real Estate Newsletter



### INSIDE THIS ISSUE:

Housing Trends	1-2
Have You Tried...?	2
Rising Apartment Rents	2
High 5!: People Are Talking About	3
SOLD!	4



Joanne M. Stevens  
Real Estate Broker

For more information on  
**LISTINGS OF PARKS &  
COMMUNITIES**

Visit us at  
www.JoanneMStevens.com

Office: 319.378.6818  
Direct: 319.378.6786  
Fax: 319.365.9833  
joannestevens@iowarealty.com

NAI Iowa Realty Commercial  
A Berkshire Hathaway Company

## HOUSING TRENDS THAT WILL AFFECT THE MANUFACTURED HOME COMMUNITY BUSINESS

The "Baby Boomers" are changing the face of retirement. Instead of retiring many will keep working. Some out of necessity caused by the recession and their 401Ks (now called 201Ks) being diminished and some out of desire. Baby Boomers start turning 65 in 2012. Some will work part time, or in a lower level position, and some as consultants. Affordable living costs and proximity to quality healthcare trump warm climates and golf courses for where they wish to live.

### Housing Trend—Homebuyers and Commute Time to Work

According to the National Association of Realtors, convenience to work is the second most important factor homebuyers cite in their home buying decision. It's right after the overall neighborhood quality, but even more important than good schools.

**Housing Trend:** A site-built housing trend that might have a big impact on manufactured home communities is the Gen Y Generation (those born between 1981 and 1999) of 83 to 85 million people, the largest demographic the U.S. has ever seen. Unemployment is 30% for this group and the average post-college debt is \$23,000. Many Gen Y'ers are living at home with their parents, who aren't able to help their children with down payments for a house.

Joanne Stevens is a commercial investment/real estate professional consulting with people 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. She has been involved in sales of parks, multi-family and investment real estate.

For a FREE PROPOSAL on your consulting needs or a FREE MARKET ANALYSIS on the value of your park or community, contact Joanne Stevens at:

319-378-6786 (office)  
319-365-9833 (fax)

joannestevens@iowarealty.com

Continued from Page 1...

The parents are struggling with their own diminished savings and worried about retirement funds. The economy will recover, but this emblem of hard times may have a long-lasting effect on Gen Y-ers. Just as the Great Depression created a lifelong bias for frugality on the Greatest Generation, Gen Y'ers might not be quick to buy a site-built home once they are employed and feeling more financially secure. This could be an opportunity for manufactured home communities to appeal to the affordability mindset.

### **RISING APARTMENT RENTS**

Many manufactured home community owners were cautious about raising lot rent in 2011. They are being sensitive to how the economy has impacted their residents. Yet apartment owners didn't seem to have similar qualms about raising rent. REIS, Inc., a real estate data service reports that in 82 major US markets rents have risen 2.3% on average or almost \$20 per month. The exception is Las Vegas where rents declined. But even Detroit had solid rent increases and almost all 82 US major markets have unemployment as a major issue. REIS, Inc. predicts that 2012 will see as strong or stronger increases than 2011. If apartment rent increases continue, that could be good for the manufactured home business. There are always apartment dwellers who prefer to move to a manufactured home community when their lease is up for more quiet, privacy, security and a yard. A manufactured home community owner in Minnesota gets a consistent and robust supply of homebuyers for his community with a bi-monthly postcard campaign to apartment complexes. The postcard message is always the same: "FOR ABOUT WHAT YOU ARE PAYING FOR RENT YOU COULD OWN YOUR OWN HOME".

Their postcard shows a manufactured home, a picture of the community signage, the manufactured home community website and community phone number.

### **WHAT THE HOUSING TRENDS MEAN IF YOU OWN A MOBILE HOME PARK OR APARTMENTS**

Demand is coming back. Investors are becoming very active in buying. Lenders are becoming enthusiastic about making loans. Interest rates are low, causing investors to want to take advantage of the low rates while they can. Investors see the home rental trend in parks and communities as both a short term and a long term trend. A home no longer necessarily means a site built house. If you have been thinking about selling, now would be an excellent time to have me evaluate your property(ies) so that you understand the value of your real estate assets. 2012 is an opportunity to sell at a good price. Financing drives a lot of the value in real estate. Let the interest rates and investor demand work in your favor.

*Have you  
tried...*

### **Do You Have Water Leaks?**

Try calling your local water dept. and asking who they use for water leak detection.

Often they outsource this and can recommend a reasonably priced local contractor.

---

### **Do You Need Homes?**

Looking for good used manufactured/mobile homes?

Try contacting farm real estate brokers in your area. Often the farm brokers also manage farms and may know which farms have manufactured homes the farmer would like to sell. Recently, I bought two homes this way.

**People are Talking About...**

**Manufactured Home Rentals and Section 8**

Will local Section 8 rental housing subsidies end? In my market (Cedar Rapids, IA) the city has stopped taking applications for the Section 8 program. The city has 3,500 families on a wait list and the demand exceeds the funding.



**HIGH 5'S!**



**To Nick**, a Mobile Home Park owner in Houston, TX who rents manufactured homes in his park to disabled veterans returning from Afghanistan and Iraq.

Nick says there is a huge need by veterans for rental housing. A local non-profit housing agency refers these young men and women to Nick's property. There may be a non-profit housing agency in your market that could refer veterans to you if you do rentals.

**To Dick Bessire and Ken Casenhiser**, for their resident relations programs. A few examples:

- ◆ Repairing and maintaining residents homes and allowing the residents to pay them back at no interest. In addition, they sell parts to residents at cost.
- ◆ Honor roll recognition to their community's students by awarding the students gift certificates to McDonald's.
- ◆ Scholarship programs (California Manufactured Home Communities only). Thirty two \$1,000 scholarships were awarded in 2010.
- ◆ English classes for Spanish speaking residents. Dick and Ken team up with local schools and use the clubhouse as a classroom.

**Helping Homeless Vets**

Kirk Ferentz, the University of Iowa head football coach started The Homeless Veteran Project several years ago. To learn more about it, go to my website [www.JoanneMStevens.com](http://www.JoanneMStevens.com) and click on articles or to [www.homelessvetsproject.org](http://www.homelessvetsproject.org). The homepage states, "We do not leave wounded soldiers to die on battlefields alone. We don't leave them to die under bridges, either."

**CONGRATULATIONS!**

**To my son Aaron Stevens, MBA, on his commencement from the Columbia Executive MBA program in September 2011.**

**"AN ERA OF LESS"**

**by Stephen Blank, Urban Land Institute, Senior Fellow**

To read about commercial real estate and the new realities go to my website

[www.JoanneMStevens.com](http://www.JoanneMStevens.com)

and click on articles. Mr. Blank says, "The problems are obvious, but the solutions oblique."

***For Your Resident Newsletter...***

Parents, the Family Research Project at Harvard University says: "Reading to children daily, getting each child ready for school every morning and staying on top of their school assignments, especially in middle school and high school, increases children's chances of attending college or getting a good job."

## Serious Mobile Home Park Seller

I have a listing with a mobile home park seller who is interested in selling because he started a new business. Fortunately, the new business is doing well. This owner finds that he and his wife have little time to devote to their mobile home park. For details, go to [www.JoanneMStevens.com](http://www.JoanneMStevens.com) and click on Wapello MHP. This is a profitable mobile home park that is also well-priced.



### FREE REPORT!

#8002

**"7 Mistakes to Avoid  
When You Sell a Park or  
Community"**

Call:

**1-877-360-2730**

The message is pre-recorded, so no one will talk to you when you call.

### Ideas for your community newsletter...

Go to my website

[www.JoanneMStevens.com](http://www.JoanneMStevens.com),

Click on articles and check out  
"Real Hipsters do Housework"

**SOLD!**

Shadowood Apartments  
84 Units

\$2.6 million

\$30,952 per unit

*Happy Holidays to all  
and Best Wishes for  
Success in 2012!!*

**Parks/Communities  
for sale can  
be found at  
[JoanneMStevens.com](http://JoanneMStevens.com)**

# FOR SALE



ADDRESS	LIST PRICE	# OF UNITS	\$ PER UNIT
530 Frank St. Ottumwa, IA	\$1,890,000	54 units	\$35,000 per unit
1718 & 1804 N. Dolores Knoxville, IA	\$874,900	24 units	\$36,454 per unit
217 E. 10th St. Davenport, IA	\$699,000	24 units	\$29,125 per unit
4811 Chicago St. Omaha, NE	\$1,349,000	20 units	\$67,450 per unit



Joanne M. Stevens, CCIM  
 Commercial Investment / Real Estate Professional  
 NAI Iowa Realty Commercial  
 116 3rd St. SE, Cedar Rapids, IA 52401  
 319-378-6786  
 joannestevens@iowarealty.com  
 www.JoanneMStevens.com



# FOR SALE



ADDRESS	LIST PRICE	# OF UNITS	\$ PER UNIT
1130 Delmar Papillion NE	\$1,475,000	36 units	\$40,972 per unit
2002 & 2026 NW Hickory Ankeny, IA	\$1,100,000	20 units	\$55,000 per unit
3870 Harney St. Omaha, NE	\$859,000	20 units	\$42,950 per unit
37 Bluff St. Council Bluffs, IA	\$669,000	26 units	\$25,731 per unit

Joanne M. Stevens, CCIM  
 Commercial Investment / Real Estate Professional  
 NAI Iowa Realty Commercial  
 116 3rd St. SE, Cedar Rapids, IA 52401  
 319-378-6786  
 joannestevens@iowarealty.com  
 www.JoanneMStevens.com

