



Report #8004

---

Dear Investor,

*Thank you for your  
request for free report  
#8004:*

*“Sales Habits of Owners  
of Manufactured Home  
Communities and  
Mobile Home Parks”*

*Please call for a FREE,  
no obligation analysis of  
what your property is  
worth.*

*Sincerely,  
Joanne Stevens*

---

*For more information about  
marketing programs to sell  
Mobile Home Parks  
And  
Manufactured Home  
Communities  
call the Park Specialist*

*Joanne Stevens  
CCIM, ACM, PHC*

**Joanne M. Stevens  
Park & Community Specialist**

116 Third Street SE  
Cedar Rapids, IA 52401  
Office: 319.378.6818  
Direct: 319.378.6786  
Cell: 319.310.0641  
Fax: 319.365.9833  
joannestevens@iowarealty.com  
www.JoanneMStevens.com

**“Sales Habits of  
Owners  
of  
Manufactured  
Home Communities  
  
And  
  
Mobile Home  
Parks”**

*Courtesy of*

*Joanne Stevens  
CCIM, PHC, ACM*

*Mobile Home Park  
And  
Manufactured Home Community  
Specialist*

## Sales Habits of Sellers of Manufactured Home Communities and Mobile Home Parks

Dear Mobile Home Park/Community  
Owner:

Wouldn't it be nice to know before you sell your community what tips other owners — people like you — have done to achieve top dollar for their property? What recommendations might they offer? What, in hindsight, Monday morning quarter back style, would they tell you to be sure to do or not to do. Selling a community is a BIG DEAL! And selling for the highest price is your goal. What follows are lessons learned from sellers of communities and parks.

### 1. **When is the Right Time to Sell?**

Many people have no plan what-so-ever to sell. They figure that as long as the community is making a good profit that they will keep it until they are too old, too tired, or too sick to keep it going. Or they figure a buyer will come along and offer the seller a price that is so high even the seller thinks its not worth that much! You get the point. It pays big time to consider what impacts sales:

- Interest rates. Do high interest rates result in higher or lower prices?
- Market conditions. What is the supply and demand in the market for parks and communities? Is it static?

- 1031 Exchanges. What impact does exchange money (investors that need to invest and quickly) have on value? Will exchanges always be around?

Low interest rates create more demand for communities and parks of all sizes and geography. The volume of 1031 exchanges increases when interest rates are low. The demand pushes prices. Low interest rates mean less debt service, thereby pushing up value. As rates rise this changes. Do you make more money in times of low interest rates? Without a doubt.

### 2. **Know Your Capital Gain.**

Do you really know, in dollars and cents, what your capital gain is? Do you know your basis in your property? Do you know that lots of investors don't know either? Do you know that the capital gains tax rates are at an all time low? Do you know that there is a sunset provision on that tax law and that the capital gain tax rate may increase? Do you know that some investors are selling their parks and communities because they feel they can "afford" (due to appreciation) to pay the capital gains tax simply because the rate is lower. Combine that with high prices.

### 3. **Know Value and Pricing.**

Do you really know what your park/community is worth? Do you have a strategy for developing a believable price in the market place? The sellers who get the top prices for their property do. They inform themselves on what buyers are paying (cap rates, price per homesite, ROI).

They want to understand how their community fits in to the marketplace. These owners, just like you, do not want to leave any money on the table when they sell! The lucky ones have done this BEFORE an unsolicited offer lands on them. I've seen investors sell their communities/parks and be ecstatic about the price. They don't realize that they could have gotten considerably more if they had done some research. In selling a park/community, knowledge is not only power, it will actually make you money!

### 4. **Who are the Buyers that will Pay You the Most and How do You Reach Them?**

You need to think locally, regionally, nationally depending on the size and location of your park and community. Your "targets" are moving "targets." Let me explain. There was a time when a certain type of buyer (i.e., REITS) bought only 200 homesites and above. Then there were investment companies, not REITS, that bought properties of 150 homesites or larger. Then individual investors who bought a minimum of 100 sites or more and so on. Today the lines are less clear in identifying targets. REITS, and investment groups and investors are re-thinking and re-evaluating their investment strategies. They may buy in a market they previously disregarded because of, for example, shifting demographics. The point is that buyers are entering & exiting the market for different reasons.