

2019
November

MANUFACTURED HOME COMMUNITY & MOBILE HOME PARK NEWSLETTER



INSIDE THIS ISSUE

Resident Relations

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NAI Iowa Realty Commercial

A Berkshire Hathaway Company



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Resident Relations

Eleanor sat down after making a presentation for adding fifty additional mobile home sites to the Whispering Maples Mobile Home Community she managed. Several people in the city council chambers stood up and applauded. As Eleanor waited for the roll call vote of the city council members, she thought back to all the city staff, county board of supervisors, state legislators, and city council members that had visited Whispering Maples recent months. The Whispering Maples residents played an important role in getting to this critical point with the city council. If the residents had not been timely in their rent and conscientious about the appearance of their mobile homes and yards... Eleanor realized that if the city council approved the 50-site addition, it will have been because of her efforts combined with the residents.

Two states away, Kimberly, a park owner, and her park manager were driving through her park, Maple Creek, and pulled over to stop and pick up a coke can. It was unusual to have to stop and do this. But that was due to the consistent actions of residents being held accountable for keeping their homesites and home exteriors clean and in good repair. It had taken over two years to get the 400 residents onboard, but now the community swelled with pride of ownership.

What do Eleanor's Whispering Maples and Kimberly's Maple Creek communities have in common? Maples! No, that's not it. One key common thread is good resident relations. Another common trait is the owners' and managers' mission of having the cleanest communities and best residents in the market. What does this have to do with profitability? The answer is pretty much everything.

How did the owners and managers get to a high level of compliance in rent collections and home appearance? Eleanor and Kimberly understood that to attract and retain the best residents, they needed to start with their websites. For prospective residents, the pictures, testimonials, and ease of

finding information made these parks stack up well against other housing options. Prospective residents want to feel good about telling friends, family and co-workers, about where they will be living. Existing tenants liked the resident section of the website where they could find answers to their questions, copies of the leases and rules, and

even a payment portal. They also like the compliments about their community they received from family and friends looking at pictures on the website.

The secret of the website was the number of prospects that came from and were directed from ads on Facebook and other social media, as well as, print media that directed prospects to the website for more information and online applications. These ads increased traffic to the website which increased the number of applicants. This increased applicant pool allowed the managers to pick the best possible tenants from the ever-increasing pool of prospects, thus making the best rental decisions possible. Making the best possible rental decisions helped fill vacant sites and vacant homes quickly, and with quality tenants. It was a win/win.

The mindset of these owners is that of abundance; there are plenty of credit worthy, conscientious, pride-of-home-appearance prospects (whether it's a home buyer or renter). It is essential, though, to increase the applicant pool. How did they do this? One tactic was lots of quality community pictures of the homes (ones actually in the park, not just stock images), the signage, landscaping, and even the residents. They realized most people are visual. More pictures, not less, especially of the homes, is key.

A tactic of Julio Jaramillo, founder and CEO of Evergreen Communities with 4,000 sites in 8 states, is for every community manager to talk to three park residents every day. Because Julio's managers are compensated for home sales and home rentals, this practice makes the residents feel acknowledged and listened to. As a result, Julio's managers sell and lease more homes. The managers are also very aware of any issues in the community and can get ahead of issues before something even becomes a problem – such as moving tenants.

Successful community owners and managers find it helpful to have a vision. Helen Keller was asked, "Can you think of anything worse than being blind?" "Yes" she said, "Being able to see but having no vision."

There probably are some community owners and managers that are just naturally happy people. They wake up in the morning and can't wait to get to the community. Statistically, this number might be as high as 20%. Like Warren Buffet, they tap dance into work each day. For most people, it takes some concentration, mental gymnastics, and a pot of coffee, to keep their eyes on the prize.

Building a Resident Relations Vision:

1. Owners and managers need to have an 'abundance' mindset. Today, because apartment rents and house prices have appreciated so much, many prospective community residents and current residents don't qualify to buy a site-built house or rent a newly built apartment. The MH Community business has plenty of people that want what your park has to offer.
2. Current residents that consistently pay late, or have to be filed on, may have to find other housing. In our communities, we offer a free listing service. It's available to all but it is meant to help the residents, who won't comply with timely rent or home & lot rules, relocate as painlessly as possible. Al, an owner of 2,000 sites, offers a cash for keys program for residents that won't comply. The last thing a tenant wants or needs is an eviction on their record.

Arty is a park manager at Green Meadows, a medium sized park. He felt exhausted and annoyed with the park residents and their homes. "And it's only 11 am on Monday" he laments. A whole week lay in front of Arty, of

grinding it out – collecting rents, confronting non-payers, “Noticing” ungovernable residents, and mowing tenants’ yards since “they wouldn’t just do it”. Arty wondered if he should quit and look for another job.

The Benefits of Resident Relations:

- Resident Relations keeps managers and owners energized, focused on achieving initiatives. Whether it’s 100% rent collections, pet policy enforcement, home compliance, 100% occupancy or park expansion, they (to quote Walt Disney) “Keep moving forward.”
- Resident Relations involves proper marketing, tenant selection, and ongoing manager training. Resident Relations should never be at the bottom of the to-do list; it NEEDS to be a daily habit of every manager and owner.
- Resident Relations is a measurable quality. It is quantifiable in terms of:
 - Profitability
 - Return on Investment (ROI)
 - Home Compliance Rate
 - Increased Applicant Pool
 - Increased Rental Rates and Home Sale Prices

You can see it. There even is a waiting list of prospective residents. There are no rundown POH’s nor abandoned homes that need to be removed. Let’s stop calling these ‘handyman specials’ and allowing them to sit there month after month. We all know that the odds are slim that an actual handyman is coming along to buy, fix up and move into one of these homes.

- Mission-oriented managers and owners are players, not victims. Properly trained owners and managers understand the vital role housing plays in the lives of their residents. They expect to be accountable to the mission and initiatives of their parks. They are players, strategizing for the best outcomes for maximizing the bottom line. “Victim” owners and managers can’t grasp why the residents don’t pay on time, and why their yards are not mowed. They blame the tenants, the city, the economy... As time goes on there are more homes out of compliance and more late payers.
- Let’s play a game... (this is a spin on the Florida man birthday Google search game) You type in affordable housing, your birthday (affordable housing, January 15th) in Google then click the news tab. How many articles did you get? Most towns and cities have weekly newspapers articles and TV news reports on the lack of affordable housing. It’s a key topic of discussion for local, state, and national elections. Mobile home parks can be an important part of the solution for affordable housing, but not if

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, 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.

2019 November

Return Service Requested:
100 1st Ave. NE, Ste. 116,
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SAVE THE DATE: Links on Our Website

2019 NCC Fall Leadership Forum

11/13-11/15/2019

Westin Michigan Ave, Chicago, IL

2020 Winter Meeting- MHI

2/16 – 2/18/2020

Hilton Nashville Downtown, Nashville, TN

Fall is Annual Meeting Season!

Support your state association and attend.

Keep current on mobile home industry events. Go to my website; you will find information on upcoming events.

Past Newsletters are on my website.

JoanneMStevens.com

Click newsletters on the left-hand column.

the political candidate or their staff drive through a park and see unsightly abandoned homes, tires stacked in yards, or weeds three feet high. Resident Relations are the face of mobile home parks.

Three Things Owners and Managers Can Start Doing to Have the Fastest Resident Relations Outcomes:

1. Review your mission, initiatives, and goals for the year. It is not too late to get going on the things that have fallen through the cracks. Your mission, initiatives and goals need to be in writing, and you need to look at them every morning.
2. Contact three residents every day. This means if you have a 200-site park, you have called each resident at least once in the past three months. (21 workdays per month, times 3= 189)
3. Every resident, prospective resident, local official, political candidate, journalist ought to be able to look at your website (your virtual front door) or drive the community and have a favorable impression. If the homes in your community are in compliance, what might the prospective tenants think when they drive through? Guaranteed, they just drove through a competing park, where the rules have not been enforced.

The good news is that mobile home parks are filling up. This is the time to be selective in renting and selling homes. Check out the tenants' budget. Can they afford to live in your community? Ideally 30% or so of their gross income is their budgeted housing cost. If the homes in your community are out of that price range, don't rent to them. Being selective with your prospects and keeping your homes in compliance is good for your park's image and for your profitability!