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MANUFACTURED HOUSING REVIEW

News and educational articles to help you run your business in the manufactured home industry.

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CALENDAR OF EVENTS

Texas Community Owners (TexCO) Conference 2020	1/23 = Houston TexCo Conference - The Woodlands, TX
California = Western Manufactured Housing Communities Association - WMA	3/27--4/3 = WMA Spring Seminar 2020 - Maui, Hawaii
Manufactured Housing Institute - MHI	2/16-18 = 2020 Winter Meeting - Nashville, TN 4/6-8 = Congress and Expo - Las Vegas, NV 10/4-6 = Annual Meeting - Denver, CO
Pennsylvania = Pennsylvania Manufactured Housing Association - PMHA	3/11-12 = 2020 Industry Networking Conference - Gettysburg, PA 6/11 = PMH PAC Golf Outing - Boalsburg, PA
Tennessee = Tennessee Housing Association - TNMHA	6/7-9 = THA Annual Meeting and 65th Anniversary Celebration



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Are You a Religious Zealot? Racist? Sexist? Pervert? Hater of the Handicapped?

By Kurt D. Kelley, J.D.,
President, Mobile Insurance

Of the thousands of businessowners I work for, I don't know one who would classify themselves as one of the above. They take their business seriously, work hard, invest hard-earned savings, take risks and strive to make a good living off their business endeavors. When businessowners find an honest, hard-working, and competent employee, they are fortunate indeed. Such an employee is a true asset to the company and should be treated accordingly. On the other hand, incompetent, lazy, trouble-making or dishonest employees are a threat to the business and their co-workers. It's a business manager's job to identify them, give them clear and monitored direction and if there's no improvement, promptly remove them from the company.



When you terminate a bad employee, however, you might be shocked when they respond via a lawsuit claiming you are a religious zealot, racist, pervert, sexist and or no friend of the handicapped. Employment related lawsuits are the number one source of civil litigation in the country today. They will allege they weren't fired for showing up drunk and failing to follow company rules, it was because you are an awful person.

Wrongful termination and illegal compensation lawsuits are a lawyer's dream. These lawsuits usually involve scandalous allegations and "he said, she said" evidence which spins that \$400/hour lawyer fee clock like a top. Plaintiff lawyers know that a businessowner's cost to defend these lawsuits run \$20,000+.

Presuming you don't have time to deal with litigation, nor do you want to spend your profits paying legal bills, here's some best practices employment tips:

1. **When hiring, do background checks.** If the applicant's history reflects civil litigation against past employers, find out more prior to hiring;
2. **Make work standards clear.** Teach, monitor and correct employees, quickly, consistently and give them a "turnaround by" date. Those who continue to fail to follow company rules should be warned in writing that future violations will result in termination. A good firing is one with written warnings and an employee that knows their performance warrants termination;
3. When you do terminate an employee, **have the employee sign a Severance Agreement** which waives all future employment claims in exchange for a severance payment. They'll usually sign it in order to get an extra check;
4. **Always treat employees with respect.** Hire with respect, train with respect, correct with respect, and fire with respect. Employment form templates can be found at MobileAgency.com> Forms Tab> Employment Forms Section; and
5. **Carry Employment Practices Liability Insurance.** It was a luxury in the past. Today, it's a necessity. This coverage can sometimes be added at a nominal cost (\$200 or so) to a business' package insurance policy. When not available as an add-on, it may be bought as a separate policy beginning at \$1,000/year. Any business entity with employees should consider this coverage. It'll help you sleep at night.



Kurt Kelley, J. D., President of Mobile Insurance, an insurance agency specializing in insuring investment property business operations. Kurt@MobileAgency.com

Three Simple Landlord “Mistakes” That Could Send You To Prison

By Brandon Turner

Do you look good in orange?

How about an orange, one-piece jumpsuit?

I recently watched the entire first series of “Orange is the New Black” on Netflix, and although it was an entertaining look at life inside prison, it also made me realize how much I really don’t want to end up there. Frankly, I like my freedom and personal space just a little too much and orange looks terrible on me.

I’m going to do whatever it takes to make sure I stay out of jail. You wouldn’t think it would be that hard to avoid, right? I mean... don’t punch a postman, don’t rob a gas station, and don’t start a riot. Check, check, check.

However, I’ve got some bad news for you...

For all the great things real estate investing can do for you, it can also send you straight to jail- do not pass go, do not collect \$200. After all, in the words of Uncle Ben from Spiderman, “with great power comes great responsibility.”

However, have no fear! This post is going to throw open the doors on three of the most common ways real estate investors find themselves in prison and hopefully prepare you to avoid those simple mistakes so you can avoid the prison life.

People die everyday.

I’m sorry to put it so bluntly, but it’s true.

In fact, if you really want to get specific about it, 169,000 people will die on planet earth today, which means by the time you finish reading this three minute article, 354 people will no longer be around (but don’t worry, in those same three minutes, we’ve added 762 to our numbers! Isn’t life grand!?)

The first key to staying out of prison as a landlord is to make sure you aren’t responsible for any of those deaths. Sure, I know you aren’t about to go hire a hitman for your tenant who paid late...(right?)... but what about accidents?

In Oklahoma, criminal charges are being sought for a landlord after a fire broke out in one of his rental properties and he did not have working smoke detectors in the home.

Don’t let a \$1 battery send you to jail. Make sure each of your rental properties have working smoke detectors when the tenant moves in, and consider doing semi-annual inspections to ensure the alarms are working and present.

Additionally, make sure all your properties are as safe and up to par on all other areas. Decks and patios should be checked for rotten boards, electrical problems fixed by a professional, and maintenance concerns addressed promptly.

Accidents happen all the time and are sometimes unavoidable. However, to avoid the orange jumpsuit – make sure you’ve taken the necessary steps so you aren’t the one at fault.

2.) Discrimination: A Fast Track to a Fat Fine

The second major reason you might find yourself facing a major fine and possibly hauled off to prison for is something the government is VERY concerned about: discrimination.

As a landlord, you are able to choose the best tenant to rent your property, but you don’t have the ultimate authority to decide who *can’t* rent your property. Over the past fifty years, there have been multiple acts and laws which today make up the “fair housing laws” that govern what qualifying factors you can and can’t include in your real estate decisions. These laws have created certain “protected classes” that you, as a landlord, must not refuse to rent, sell, steer, advertise, or charge extra fees for including:

- race
- color
- national origin
- religion
- sex
- familial status
- disability

Keep in mind also that there may be other local protected classes in your area that you could face steep penalties or jail time for breaking. For example, the following states include “sexual orientation” as a protected class in regards to housing: California, Connecticut, Colorado, Delaware, District of Columbia, Hawaii, Illinois, Iowa, Maine, Maryland, Massachusetts, Minnesota, Nevada, New Jersey, New Hampshire, New Mexico, New York, Oregon, Rhode Island, Washington, Vermont, and Wisconsin. ([source: HUD](#))

Will you really end up in jail?

Possibly. Although fair housing is a “civil” matter and therefore subject primarily to civil fines, a landlord could face jail time if the problem is severe enough.

According to [Kenneth L. Baritz & Associates, P.C.](#), “*If a landlord or property owner used threats, intimidation, harassment techniques or engaged in physical confrontations or violence to prohibit an individual or family from renting a particular property a court may decide to punish them. This punishment may include the payment of a fine, jail time, or both depending upon the severity of the particular case.*”

Three Simple Landlord “Mistakes” That Could Send You To Prison Cont.

When is it okay to discriminate?

Though it might surprise you, there actually are “good” ways to discriminate. Refusing to rent to someone because they have terrible credit, horrible landlord references, too-low of income, or other qualifying factors are not only allowed, but a MUST for any successful landlording business. Strict tenant screening is one of the most important keys to your success – so be sure to check my post, [The Ultimate Guide to Tenant Screening](#) for the best tips I have on weeding out the worst tenants, legally.

Stick with the “good discrimination” and run from the bad kind – or else you may find yourself in some deep trouble. For more information on Fair Housing laws, see the [HUD website](#).

3.) Tax Fraud - A Ticket to the Slammer

I hate taxes.

I work hard for my money (and my money works hard for me) and I don't like to see that money disappear.

However, I also understand that hiding any income to evade taxes is a sure way to head off to federal prison. It seems that a week doesn't go by that I don't hear of some powerful real estate mogul being investigated for tax inconsistencies. Since the beginning of the tax system, there have been real estate investors who have tried to hide their wealth and ended up paying for it through the loss of many free years of their life

while they sit in jail.

Many of these “imprisoned investors” are the [real estate guru](#) from past years, who made a lot of money but didn't want to share their wealth with the government. Bad idea.

Don't end up in federal prison. Get a qualified CPA to do your taxes for you if you can't do them right yourself, and pay the government what the government is owed.

Conclusion

Please, don't go to jail. It doesn't shine the best light on the real estate investing community and besides – I kinda like having you around. So buy yourself some smoke detectors, follow the discrimination laws, and give to Caesar what Caesar is due.

Do you look good in orange?



Brandon Turner - I am an active real estate investor and co-host of the BiggerPockets Podcast - the most popular real estate podcast online. I began buying rental properties and flipping houses at twenty-one years old, discovering that I didn't need to work forty-

years at a corporate job to have “the good life.” I am also the author of several books including The Book on Rental Property Investing and The Ultimate Beginner's Guide to Real Estate Investing. I live and invest in Western Washington State with my wife and daughter. <https://twitter.com/BrandonAtBP>

OUR FOURTH ANNUAL HOUSTON TEXCO CONFERENCE

SAVE THE DATE

Thursday, January 23, 2020
The Woodlands Waterway - The Woodlands, Texas

Tickets available: <https://bit.ly/2knEV6P>
For sponsorship opportunities, contact julie@sunstonerea.com



Texas Deployment of MH Advantage / Homechoice Homes

By TMHA Staff

One of the first manufactured homes conforming with the requirements of the pilot programs recently launched by the Government Sponsored Entities, Freddie Mac and Fannie Mae, was placed on a lot near Canyon Lake by developer Dustin Arp, President of [Spark Homes](#).



The three bedroom-two bath, 1,168 square foot home was manufactured by [Skyline Champion Home Builders](#) out of their Burleson factory. This is one of the first homes of this kind to be placed in Texas.



Mr. Arp was kind enough to invite DJ Pendleton and Rob Ripperda to this massive unveiling where over 100 local realtors were gathered to tour his new home projects. Mr. Arp also unveiled two spectacular triple-section modular homes built by [Oak Creek Homes](#).

These three homes varied in price points and were clearly marveled by all the real estate professionals in attendance. Universally recognized by everyone as three amazing displays of home size, quality, amenities and price.



"The strides that have been made on the interior of Manufactured Homes have been well documented, but [Freddie Mac Choice](#) and [MH Advantage](#) by Fannie Mae have been the first programs to incentivize our industry to innovate exterior elevation options available to the consumer. It takes a close collaboration between the retailer and the

manufacturer to create frontal elevations palatable for a client that has been priced out of the production builder model. There will have to be new retailer market participants, whose business structure and retail strategy more closely resembles a production homebuilder, to bring these products to market at a volume sufficient to satisfy demand in the gap between where the deliverable price point of manufactured housing starts and the starting price points of entry level production homebuilders." – President of Spark Homes, Dustin Arp.



"A real opportunity for the Manufactured Housing Industry to fully participate in the country's affordable housing crisis is taking shape. [Skyline Champion](#)

Home Builders is both excited and grateful for Spark Homes taking the first step in Texas toward MH's involvement in the affordable housing solution. Dustin Arp and his team presented three MH Advantage/ HOMEchoice homes from two Texas manufactured home builders that were outstanding examples of how far manufactured homes have come." – Director Business Development – Central Region, [Skyline Champion Homes](#), Dave Busche

"The Arp family is building the kind of high-quality home packages that is Meridian Homes' cup of tea. We are excited to be part of the exceptional team that Dustin has organized and look forward to many happy homebuyers in the future!" – CEO American Homestar/[Oak Creek Homes](#), Dwayne Teeter

[Texas Manufactured Housing Association](#)

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HUD Asks Federal Trade Commission to Investigate Assistance Animal Websites

ManufacturedHomes.com



It is a situation that nearly every manufactured home community in the country has faced. A resident presents the manager with a certificate they purchased on-line declaring that an animal in their home is something more than just a beloved pet violating the community's pet policy. They declare the certificate has somehow transformed their pet into an "Assistance Animal" for which the resident is entitled a reasonable accommodation under the Fair Housing Act.

Recently, Secretary of Housing and Urban Development (HUD) Ben Carson asked the Federal Trade Commission (FTC) to investigate these web sites that pump out bogus certificates.

"These certificates are not an acceptable substitute for authentic documentation provided by medical professionals when appropriate," said Secretary Carson. "These websites that sell assistance animal certificates are often also misleading by implying that they are alienated with the federal government. Nothing could be further from the truth. Their goal is to convince individuals with disabilities that they need to spend hundreds of dollars on worthless documentation to keep their assistance animal in their homes."

HUD's General Counsel Paul Compton added, "The Fair Housing Act provides for the use of assistance animals by individuals with disabilities. Under the law, a disability is a physical or mental impairment that substantially limits at least one major life activity or bodily function. These websites are using questionable business practices that exploit consumers, prejudice the legal rights of individuals with disabilities, dupe landlords, and generally interfere with good faith efforts to comply with the requirements of the Fair Housing Act."

To learn more, check out [HUD's Press Release](#) and [Carson's letter to the FTC](#).

Which Mobile Home Repairs Give the Highest Return?

By John Fedro

As active mobile home investors, it can be wise to eliminate wasteful overspending in your investing business. We already understand that every dollar we spend to repair and hold a vacant mobile home is a dollar that we will have to collect from our buyer or renter before we receive a profit. Some repairs are *absolutely critical* to quickly and safely selling a mobile home, however certain repairs are of little consequence to most serious buyers.



When you save money, you are able to pass this along to your end-buyers.

Disclaimer: While there is value to be created in almost every market around the country, the repairs and exit strategies will vary. Remember that you are in a unique area of the country. While the advice given below does fit many areas of the country there are certainly markets, cultures, homes, populations, and situations that require additional or less repairs due to a variety of reasons. Never hesitate to comment below or reach out to us personally at the email address below.



Understanding your finances:

Before you invest in any property you should ideally understand the full procedure moving forward, time involved, and capital required to complete the deal at hand. Often times we can underestimate both the repair costs and time required to rehab a particular investment manufactured home to our liking. It may be wise to add a 10%-30% margin to your repair estimates. Take these repair costs into account while creating purchase offers for any potential investment.

Popular ways to sell a used mobile home:

1. Bank Financing: Lending is available both from well-

established nationwide manufactured home lenders and your hometown banks/credit unions. When your borrower wishes to be approved at a bank, the buyer, the home, the foundation, and possibly the mobile home park (if applicable) may all be required to pass underwriting guidelines before final approval. This makes some mobile homes unfinanceable.

2. Cash: In most areas around the country there are more mobile home sellers than there are serious buyers with \$10,000+ cash looking to buy a used mobile home. This means in many areas of the country the *mobile home market* may be described as a *buyer's market*.

However, some areas of your state or city may be labeled as "massively growing". In these areas, there are drastically more people coming into the city, then leaving. This increased demand typically pushes home prices upward; it can do the same for mobile home prices as well. In areas with very little supply [single-family home buyers] with cash are willing to pay seemingly-large-amounts for used/average/below-average mobile homes due to location. Driving outside of these "massively growing" areas may drastically change the supply and demand of the marketplace. The red areas on the map are a *rough outline* of some areas around the country experiencing a surge in population growth.



3. Owner Financing: The concept is easy enough to understand, an approved buyer pays a down-payment and monthly payments in exchange for ownership in a property. Once the property is paid-in-full there is no longer any debt owed on the home.

While the concept is fairly simple, newer laws have limited seller held financing when selling to end-buyers living in the subject property. Make certain to follow all state and federal guidelines when advertising, negotiating, and creating paperwork while selling a mobile home via seller held financing.

Pro Tip: A local mortgage loan originator may be able to help with the process of negotiating and originating your seller

Which Mobile Home Repairs Give the Highest Return? Cont.

financed notes. Ask for references at your local real estate investors association.



Budget conscious mobile home repairs:

There are certain repairs that most sellers will run away from. On the other hand, there are certain repairs that many sellers will happily perform themselves if they are able to save money to get into a *home of their own*. If money is limited and you're looking to make your mobile home attractive to the largest number of serious buyers than please consider the list below.

1. Roof & Ceiling Free of Leaks: Before you purchase any mobile home feel free to safely walk around on the roof to verify its condition. To solve a roof leak, first locate and patch the roof-hole where the water is entering the home. Next it is important to remove and replace any damaged material including insulation, paneling, and drywall inside of the mobile home.

Pro Tip: If possible, aim to walk-through the mobile home after a recent rainstorm to inspect for active leaks.

2. Sub-Floor Free of Soft-Spots & Holes: Fix a manufactured home's *sub-floor* if it is noticeably damaged, noticeably soft, or missing. New plywood should not be laid atop old/damaged sub-floor. Instead, any old or damaged sub-floor material should be removed and replaced with an equal thickness plywood.

3. Interior Walls Free of Substantial Holes: Any holes larger than 2" in diameter should ideally be corrected. Use the same material to stay consistent with this construction of the mobile home. If drywall is being used then patch the drywall or replace with new drywall. If paneling is being used then you may choose to remove the entire 8' x 4' panel and replace with a new matching 8' x 4' panel.

Pro Tip: Remember the first thing you notice about a mobile home will typically be the first thing a potential buyer notices as well.

4. Plumbing Works: Most plumbing repairs should be handled by a professional.

Pro Tip: It may be wise to turn off the water while showing a property. Make sure the hot water heater is drained and the breaker to the hot water heater is shut off. Also aim to tape

down the toilet seats to prevent potential buyers from using the restroom accidentally.



5. Electric Works: Most electrical fixes should be handled by a professional.

Pro Tip: Always disclose *any* known defects to any renters or buyers. When in doubt, disclose-disclose-disclose. Make sure your buyers know exactly what they are purchasing. Never aim to mislead anyone.

6. Appliances/AC/Heat Source Functions Properly: In many parts of the country it is customary that a mobile home for sale include a refrigerator and stove in the sale. Most end-users that are purchasing the home to move-in will not have a spare refrigerator or stove they will be bringing with them. While it may be wise to include refrigerators and stoves for your end-users, clothes washers and dryers are not typically provided.

When purchasing a used mobile home: Broken appliances in a mobile home is not a deal-breaker when you purchase, however these repairs should be taken into account when making purchase offers to the sellers. Before purchasing any real estate always make sure you know the condition of all appliances, air conditioning systems, swamp pumps, heating sources, hot water heater, etc. If you are unable to test these items due to the power being off or the temperatures being too extreme than a professional should be called in and/or power should be turned-on to verify condition. Without verifying these items are in proper working order it is wise to assume that the appliances are broken and you will have to repair them or replace them accordingly.

Pro Tip: As an active real estate investor make sure to be very conservative in your estimates. Overestimate the cost and time repairs will require.

7. Sweep & Vacuum Inside (if needed): Cleaning the inside of a mobile home can make a big impact. Allow the potential buyer to envision themselves living inside a clean and vacuumed home.

8. Remove Furniture & Junk (if needed): Hire inexpensive laborers or advertise for people to come locally to take your furniture and miscellaneous items from your property. For

Which Mobile Home Repairs Give the Highest Return? Cont.

most light rehabs a designated roll-away dumpster will not be needed.

Pro Tip: If the mobile home includes any items of mild/moderate value that you *do not want* but other people (on Craigslist, etc.) may be very interested in, it may be wise to require the person taking the valuable item(s) also remove 100% of the other junk and items in the home for you. This may require a truck and/or trailer from the picker. This allows a motivated person (the picker) to take away all/most of your junk/items/furniture for free and in exchange they get to keep all the items of value (win-win).



9. Remove Bad Smells (if needed): Try vacuuming and/or disinfecting away any smells as a first plan of action. If the odors persist then the smell may be trapped in the carpets, walls, and/or sub-floors. If the smell is trapped in the carpet, pad, and/or sub-floor - then the carpet and pad may need to be removed and a coat of primer/paint be applied liberally to the plywood/OSB sub-floor. This primer-paint helps trap the smell into the sub-floor allowing you to place new carpet or tile without the smell coming through.

10. Remove Stray Animals & Bugs (if needed): Remove animals and bugs. Hire a professional if needed.

11. Pressure Wash Exterior (if needed): If your first impression while driving up to the mobile home was, "This is a dirty mobile home!" then a pressure wash may be needed. Hiring a professional to pressure wash the roof and exterior walls will take less than a few hours of work and ideally less than \$200 for a singlewide and \$300 for a doublewide. Make sure to call around to local companies/handyman to compare rates.

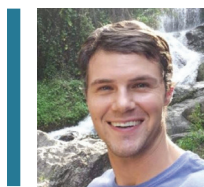
12. Carpet/Paint (if needed): Aim to salvage a mobile home's floor covering if possible. If the current carpet is usable then it may be wise to keep it for now. Re-carpeting and repainting an entire mobile home may typically cost between \$1000-

\$3000+ depending on the time and materials used. Before investing this significant amount of capital understand your exit strategy and the mindset of your buyers. (Ask for help if you have questions.) Listen to all the potential buyers walking through your property; if many of them are mentioning the carpet and/or paint then it may be time to address these issues. After helping multiple local buyers, you will naturally become more experienced with your local market and understand the mindset/wants/needs of your buyers.

Pro Tip: In areas with a *fast-growing population* it is very possible to sell mobile homes for a high-retail cash price. In these areas aim to replace/upgrade carpet and fresh paint if selling for a high-retail cash or bank financed price

In conclusion, please keep in mind that some mobile homes you look at will need none of the repairs listed above. Other mobile homes may require a great deal more to rehab before selling. As investors, we not only have to think of our sellers when we are purchasing our mobile homes, however we have to understand the mindset of our buyers and sell with our buyers in mind. After you've purchased and resold a number of mobile homes the process of buying, selling, repairs, and management will become a bit more predictable. Until then aim to invest safely and help others daily.

Love what you do daily,
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JOHN FEDRO
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John Fedro has been investing in manufactured housing since 2002. John now spends his time continuing to build his cash-flow business in multiple states while helping others enjoy the same freedom he has achieved. John may be found at <https://www.mobilehomeinvesting.net/>

Properly and Legally Paying Your Park Managers, Maintenance Staff, and Other Employees:

By Emily Weeks Press
Secretary of the U.S.
Department of Labor



New Overtime Payment Requirement Rules Issued by The Department of Labor

The U.S. Department of Labor announced a final rule to make 1.3 million American workers eligible for overtime pay under the Fair Labor Standards Act (FLSA).

"For the first time in over 15 years, America's workers will have an update to overtime regulations that will put overtime pay into the pockets of more than a million working Americans," Acting U.S. Secretary of Labor Patrick Pizzella said. "This rule brings a commonsense approach that offers consistency and certainty for employers as well as clarity and prosperity for American workers.... The Wage and Hour Division now turns to help employers comply and ensure that workers will be receiving their overtime pay."

The final rule updates the minimum earnings thresholds necessary to exempt executive, administrative, or professional employees from the FLSA's minimum wage and overtime pay requirements, and allows employers to count a portion of certain bonuses (and commissions) towards meeting the salary level. The new thresholds account for growth in employee earnings since the currently enforced thresholds were set in 2004. In the final rule, the Department is:

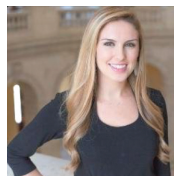
A) raising the minimum "standard salary level" for exempt employees from \$455 to \$684 per week (equivalent to \$35,568 per year for a full-year worker); and

B) allowing employers to use nondiscretionary bonuses and incentive payments (including commissions) that are paid at least annually to satisfy up to 10 percent of the standard salary level, in recognition of evolving pay practices.

The new rule will be effective on January 1, 2020.

A 2016 final rule to change the overtime thresholds was enjoined by the U.S. District Court for the Eastern District of Texas on November 22, 2016, and was subsequently invalidated by that court. As of November 6, 2017, the U.S. Court of Appeals for the Fifth Circuit has held the appeal in abeyance pending further rulemaking regarding a revised salary threshold. As the 2016 final rule was invalidated, the Department has consistently enforced the 2004 level throughout the last 15 years.

EDITOR'S NOTE FOR COMMUNITY OPERATORS: In short, this means, non-exempt salaried employees making less than \$684/week or \$35,568/year are entitled to overtime pay. Most maintenance personnel are non-exempt and should be paid hourly if their pay falls below this threshold. Whether a park manager is exempt depends on the state they are in and their work functions. Park managers paying set salaries below these thresholds should keep time sheets that evidence workers worked less than 8 hours per day and 40 hours per week.



Emily Weeks Press Secretary of the U.S. Department of Labor. You can reach Ms. Weeks at weeks.emily.c@dol.gov or (202) 693-4681

To read the full article visit <https://www.dol.gov/newsroom/releases/whd/whd20190924>

What an incredible time to be alive! We stand just five weeks from the end of a decade that saw prosperity spread far and wide. Some don't see it that way, as pouting pundits and rancorous politics skew our visions. But, if we simply step back from the day to day noise and take in the magnitude of progress around us, there is a great deal to be thankful for.

For starters, the US macroeconomy - the big picture - is in solid shape. The unemployment rate is 3.6%, just a tic above September's 3.5% reading - the lowest since 1969. What some people call the "true unemployment rate" (known to the Labor Department as the "U-6" rate), which includes discouraged workers and part-timers who say they want full-time work, currently stands at 7.0%, and recently touched lows not seen since the peak of the first internet boom nearly twenty years ago.

Average hourly earnings are up 3.0% from a year ago, compared to an increase in 1.8% in consumer prices. In fact, "real" (inflation-adjusted) earnings are likely to be up again for the year, making this the seventh consecutive year of higher real wages.

Importantly, the benefit of earnings growth has been widening out. In the past year, median usual weekly earnings for workers age 25+ with less than a high school diploma are up 9.0%. In the year before, these wages were up 6.5%. This is faster growth than for those with college and graduate school degrees. Making jobs plentiful is still the best way to raise living standards.

Meanwhile, US equities have recently hit all-time highs, pushing IRAs, 401ks, pension funds, and retirement wealth higher. Both workers and investors have good reason to be grateful.

But it's not only the big picture that looks good. The day-in, day-out lives of people the world over have improved because of the grit and determination of inventors and entrepreneurs.

A decade ago, how many of us had instantly ordered a car to pick us up via our phones (now more like pocket computers), and then watched its progress toward us in real time, not left to wonder when and if the car would ever show up? How many of us could optimize our travel routes with free apps that tell us the best time of day to take the route in question, or where to turn to cut travel time?

Think about the standardization of car and truck technology that used to be reserved for the upscale, like adaptive cruise

control or blind-spot warnings, even self-parking cars. Backup cameras now come standard!

But it's not just the day-to-day, innovation is also helping save lives in crisis situations. This includes the 3D printing of body parts...skin cells, lungs, and soon partial livers. Yes, livers! We are on the cutting edge of gene therapies that are being used to treat cancer. Cancer death rates have dropped consistently for decades, and new technology promises further improvement.

Think about the advances in energy production. The average price of a barrel of oil (West Texas Intermediate) was \$78 in November 2009, a decade ago, and that was when the jobless rate was around 10% and the global economy in the doldrums. It's now down to \$58. Natural gas was trading around \$3.70 per mmbtu, now \$2.67. Lower prices are a direct result of the combination and widespread use of horizontal drilling and fracking. As a result, Americans can heat and cool their homes and businesses and travel for much less than they used to.

Put it all together and if we're honest we have so much to be thankful for. There has quite simply never, in the history of mankind, been a better time to be alive. Our ancestors could find faults in some things in the world today, but they'd be left speechless at our abundant (and growing!) opportunity.



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This report was prepared by First Trust Advisors L.P., and reflects the current opinion of the authors. It is based upon sources and data believed to be accurate and reliable. Opinions and forward-looking statements expressed are subject to change without notice. This information does not constitute a solicitation or an offer to buy or sell any security.

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Are Your Manufactured Home Communities Managed Effectively?

EducateMHC announces Professional Community Evaluations – Nationwide.

Discover What You Don't Know: Glean powerful information from an independent 3rd party review to improve your assets' profitability, reputation with residents and/or the surrounding community and generate ideas to address inefficiencies in sales, marketing & management. In addition, follow-up training is available to address uncovered concerns.

What & How We Evaluate: Our team provides confidential analysis of phone etiquette and sales skills; unannounced on-site visit to property(s); social media & website functionality review; effective use of signage for potential prospects and P&L review to outline industry standard variances. Written reports are reviewed via conference call or video call.

"Conducting Professional Community Evaluations (PCEs) is strictly confidential", reports McCarty one of the principal owners. The delicate nature of what is uncovered during visits can prompt staff changes, cause management policies to be updated and motivate meaningful conversations around sensitive topics. Smith, McCarty and Allen provide joint feedback to clients via written reports and phone/video conferencing. Smith states, "We don't take this responsibility lightly and believe our unique skill set aligns with an unmet need in the MHIndustry."

Industry Icon, George Allen, CPM understands from experience, "no two communities are the same. Solutions which work in one community may not work in another. Owning and/or managing a MHCommunity isn't as easy as it might appear." Professional Community Evaluations (PCEs) are worth the investment to assure your asset is performing well.



Michigan Manufactured Housing Association Presents Awards to 4 Exceptional Members

Industry Members Recognized at Annual Conference in Novi

The Michigan Manufactured Housing Association (MMHA) presented its 2019 Member Awards on October 10 at the annual conference at Suburban Collection Showplace in Novi, Michigan. The awards were presented by Beth Monicatti-Blank, President of MMHA's marketing agency, All Seasons Communications.

The Best Community Event or Activity award went to Timberline Estates in Coopersville, Michigan. Timberline estates is owned by Sun Communities. Each year, the community holds a huge celebration to help show its appreciation for the community residents. The event also invites all vendors, as well as local police and fire departments. Accepting the award for Timberline Estates was Community Manager Hannah Venhuizen.

The award for Best Member Website went to Yes! Communities. Their website, www.yescommunities.com has a modern layout filled with beautiful video and community photos, and has an easy- to-navigate home and community search system.

The Best New Development or Community Expansion award was presented to Emerald Park in Milford, Michigan. Emerald Park is owned by AJR Development, and offers affordable, luxury housing as an expansion of the Ridgewood community. Its lot layouts were designed to allow for 2-car attached garages on most sites. The community has a unique looping street design, and offers privacy and natural beauty with surrounding wetlands and woods. Tony Ruggirello accepted the award on behalf of the community.

The award given to an individual was for Best Salesperson. **The 2019 winner was Angelic Ruggirello of Michigan Home Zone in Ypsilanti, Michigan.** Angelic stated in her application that she feels that "being the best sales person is not measured in your numbers that you sell, but in the lives that you touch" and is honored to have made an impact on the lives of so many families.

The MMHA Member Awards program is designed to recognize the exceptional leadership, marketing and communications efforts of its members, and to enable members to display the award as a point of pride and accomplishment. For photos and more information about these exceptional manufactured housing industry members, please visit www.michhome.org.



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