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from Greatest Generation
Community Owners

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Publisher's Letter

By Kurt D. Kelley, J.D.
Publisher

It wasn't long ago that Spencer Roane and his maverick friends were the odd ducks. They were buying new manufactured homes and selling them in their parks. This bucked years of settled thought among community owners that only used manufactured homes should be bought to fill their properties. The new trend and decision is based on facts.

Though the cost of new homes has risen, the cost of used homes rose faster. The cost gap between the two shrunk. The value gap between new and used homes shrunk even more due to the warranties that come along with new homes and their lower maintenance burden. Also, loan performance has been found to be better with new homes versus used ones. This may be due to home appearance, warranties, or simply pride in ownership, but whatever the reason, facts are facts. Tim Williams and his team at 21st are big on facts and they noticed it too. Not only did they expand their community home financing programs, but other financiers took notice and did so too.

The result has been positive for the industry in many respects. Communities are getting a facelift. Community owners have found a new way to significantly increase their equity. Banks are making more money off more loans. And my friends in

manufacturing who had trouble finding a dance partner five years ago are now the most popular kids at school. This trend was clearly evident at the MHI Annual Congress in Las Vegas in April. The attendance was the highest in about 15 years and as usual, the attendees included a ton of financially successive business operators who are both humble and pleasant to be around.

Thank you again for all your positive comments about the content of the **Manufactured Housing Review**. Again, this month, you'll find a number of articles specifically designed to educate MH centric business operators about the key issues they face.



Thank You!

Kurt D. Kelley, J.D.
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The Top Three Things I've Learned from Greatest Generation Community Owners

By Dave Reynolds

I've been working with members of the Greatest Generation for my entire career. These are the people that literally built this nation and it's been a great advantage to spend so much time talking and learning from these legends. Here are three of the most important lessons I've learned from these mentors.

An unbelievable work ethic

I have never seen as much energy as many community owners can produce in their 70s and 80s. While others look at retirement as a time to take it easy, many community owners have no interest in such ambitions. I have been to properties where the community owner – although well past retirement age – is still mowing the entire property, fixing any water or sewer issues themselves, and still finding time to collect the rent and make repairs to community-owned homes. They literally work from dawn until dark seven days a week. I've learned never to complain about my own workload, as I can't hold a candle to some of these owners and their desire to get the job done regardless of personal sacrifice. Every time I'm working on buying a deal or reading a lengthy report in the middle of the night, I think about what those Greatest Generation guys would say, and I know it would be "quit complaining – I'd be doing this and mowing the property at the same time, you big baby".

A focus on cost containment

Greatest generation community owners are fantastic at keeping costs down. They examine every project and try to find ways to shave each line item. While younger owners may be fast and loose with spending, the Greatest Generation realizes that "a penny saved is a penny earned". For example, let's assume that you need to paint the laundry building. A younger owner would just go down to Lowes and buy some green paint. Total cost \$100. The Greatest Generation owner would take ten minutes to call three stores and see who's got the best paint prices, and that one ten-minute delay might save \$40 – which comes out to \$240 per hour. On top of that, the Greatest Generation owner would point out that that \$40 savings is after tax, and you'd have to earn \$60 to net that much. If you talk to the original builders of these communities, they typically did much of the "grunt" work themselves to save considerable funds, such as digging the trenches for the plumber and cutting down trees. This thrift is an important lesson that has saved me a fortune over time. Every time I spend money, I think "what would those Greatest Generation owners do?" and then I pick up the phone and start calling around to shop for the best deals.

Honesty and integrity

This is one of the biggest takeaways from a career of working with Greatest Generation owners. It's their unwavering adherence to the fundamental laws of honor. Their word

is truly their bond. If a Greatest Generation owner tells you something – and a better deal comes along shortly thereafter – they're still going to honor their commitment with you. And they're also going to go out of their way to help others, even if there's no financial gain involved. This is a lesson that is lost on a lot of younger community owners. Years ago, I sold a community in Oklahoma, but the funding was not until the next day. Overnight, the community was destroyed by a tornado. In the morning, I could have collected my money and saddled the new owner with an extremely difficult situation, but instead I chose to give them their money back – even though it made no financial sense – and to go out and fix the disaster myself. I think that what influenced me to take this extraordinary step was my lesson learned from these Greatest Generation owners that there's more to life than money, and that being a good person is as valuable as any financial gain.

Conclusion

One of the biggest losses we will all have over the years ahead is the loss of the Greatest Generation of community owners. It will be hard to even explain the lessons learned from them to the younger generation, as they will not believe such people actually existed. I'm glad that I've been able to learn so much from them.



Dave Reynolds has been a manufactured home community owner for almost two decades, and currently ranks as part of the 5th largest community owner in the United States, with more than 23,000 lots in 28 states in the Great Plains and Midwest. His books and courses on community acquisitions and management are the top-selling ones in the industry. He is also the founder of the largest listing site for manufactured home communities, MobileHomeParkStore.com. To learn more about Dave's views on the manufactured home community industry visit www.MobileHomeUniversity.com.



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A Duke Economist Confirms that Manufactured Home Community Lot Rents are Too Low. So How Do We Increase Them Without Straining Our Residents?

By Frank Rolfe

Charles Becker is a Professor of Economics at Duke University. He's also the first economist to study the manufactured home community industry. We have been working with him for years now, providing data and insight as he worked on various industry topics. His latest paper is sure to grab enormous attention. He presented it on an MHU Lecture Series Event a few days ago: <https://www.mobilehomeuniversity.com/emails-and-events/interviews/charles-becker/recording.php>. The problem is not with the findings (which we all know are true) but with the manner in which we all take action on them.

Becker has found that manufactured home community lot rents are at least 30% to 40% under-market

Through exhaustive research, Becker has determined that manufactured home community lot rents are roughly 30% to 40% beneath the levels that they should be at. Essentially, when compared to single-family and apartment rent levels, mobile home park lot rent levels are significantly lower than what makes sense from a strictly economic standpoint. Of course, we've been saying that for years. Why, for example, are lot rents in Austin \$1,000 per month less than apartment rents? The culprit, of course, has been the "quantitative easing" of rents by mom and pop owners, who derive their return on investment by not only financial levels but also the affection of their residents. This has kept manufactured home community lot rents from being priced by market forces and has disrupted the natural state of things.

Educating residents on the necessity - and benefits - of higher rents

There are three basic problems with keeping lot rents artificially low. The first is that it does not allow owners to make necessary capital expenditures. Things like road re-surfacing and tree shaping and removal cost significant capital, and low rents leave no room for these improvements. That's one reason that there are so many communities with low rents and low quality of physical structures. The second problem is that low rents equate to low management salaries, which leads to often poor management. But the biggest problem with low rents is that it frequently coincides with community re-development, as there are many other uses for land than a manufactured home community. It's worthy of note that probably 90% of all manufactured home communities that get re-developed are turned into apartment complexes (which have a national average rent of around \$1,200 per month per unit).

Finding ways to lower other costs to offset rent hikes

So if higher rents are a necessity, how do we approach this situation with residents? One way is to find methods to lower the cost of other parts of our residents' budgets, so that higher

lot rent does not add to their overall monthly expenses. For example, we have been aggressively educating our residents on the benefits of buying their homes as opposed to renting, which typically saves them \$100 per month. We also recently completed a bundled phone and internet deal that saves our residents over \$100 per month. We've also been working on initiatives to lower utility costs by making homes more energy efficient. We all need to think through each line item of our residents' budgets and brainstorm ways to lower them.

Providing a better value for residents

We have found that most manufactured home community residents are more concerned about "value" than simply "price". They are not seeking the lowest rent they can find, they're looking for the best deal. That means that they are willing to pay more for a community that's safe, clean and attractive. To accomplish this, we all need to continually upgrade our property's environment and bring it to a higher standard. When the New York Times writer lived in our Illinois community in 2014 and wrote his article, he found that not one resident was anything less than thrilled by the value of their housing choice. What he didn't know is that we had raised the lot rent by around 50% over the prior half-a-decade, while at the same time re-paving the roads and cleaning up the property. It really is all about the value.

Conclusion

Higher lot rents, going forward, are a given. They are rooted in simple economics and make complete sense. They are in the best interests of the residents, as they ensure good management, capital expenditures and the longevity of the land use. Although this is an unpopular topic with our residents and the media, the fact is that we can all take steps to lessen the blow and create a terrific value that is reflected in more than just price.



Frank Rolfe has been a manufactured home community owner for almost two decades, and currently ranks as part of the 5th largest community owner in the United States, with more than 23,000 lots in 28 states in the Great Plains and Midwest. His books and courses on community acquisitions and management are the top-selling ones in the industry. To learn more about Frank's views on the manufactured home community industry visit www.MobileHomeUniversity.com.



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Community Owners' Selling Manufactured Homes: What You Need to Know About Liability

By Kurt D. Kelley, J.D.

Community owners are selling more manufactured homes than ever. They are also finding out what full time manufactured home retailers already know - selling homes comes with significant liability. Federal law demands that all products be reasonably fit for the purpose for which they are designed. In addition, most states have stringent consumer and deceptive trade practices laws that assess two or three times damages plus legal fees when they are violated.

Liabilities associated with selling homes include bodily injury and property damage associated with transporting and installing homes. They also include product liability and warranty issues. What could possibly go wrong when moving a 40,000 plus pound overly large object down a roadway, digging trenches near utility lines, connecting to gas and electricity, jacking up a 20 ton home and blocking it, while simultaneously trying to please an emotional home buyer who may live in the home for many years?

To reduce your risk associated with selling homes, adopt these ten proven best practices:

1. **Don't oversell or over promise.** Give your home buying client an accurate prediction on what to expect. Sales person training is critical, as general liability insurance does not cover allegations of fraud and misrepresentation;
2. **Buy from manufacturers that will support you** when there are problems with service or the home itself. Ask a manufacturer what their policies are regarding home warranty and product liability issues before you buy homes from them;
3. **Only use insured, licensed transportation and installation companies.** Make sure they provide you with a **Certificate of Insurance** that shows they have General Liability and Workers Compensation insurance (and Commercial Auto and Cargo insurance, if transporters). This Certificate of Insurance must name you as an "additional insured." Also, mandate that all Subcontractors sign a "**Performance Agreement for Subcontractors**" or "**Transporter Installer Agreement.**" These forms clearly set forth each party's responsibilities and obligations should problems arise. You'll find these forms cleverly placed under the "Forms" tab at www.MobileAgency.com;
4. Use the **closing forms provided by your state Manufactured Housing Association** or lender as they tend to be state specific. If you're not a member, you should join for these forms alone. Have home closings done by your most experienced personnel. All closing documents must be signed properly;
5. When selling used homes in particular, consider **packaging the home with a warranty.** Their wholesale cost may be as little as \$300 and you can refer all warranty repair requests directly to the warranty company;
6. **Advise your general liability insurance company that you are selling homes,** otherwise you run the risk that they may deny a claim originating from home sales activity because you added significant new risk and didn't let them know;
7. Make sure your **General Liability insurance policy includes "Products and Completed Operations" coverage and doesn't exclude liability for home sales that closed prior to the policy inception period.** Community owners and retailers are sadly finding out there are offerings in the market today with both of these fatal coverage omissions;
8. If you have a home buyer that you can't reasonably please, then **call the state and request a third-party inspection.** They'll clearly outline your duties and responsibilities. In the process, they'll set a record that can knock the wind out of the lawsuit of an unreasonable home buyer;
9. If your home sales are more than a few a year, **set up a separate LLC or S-Corporation to be your home sales entity.** There's no reason to attach your equity rich property to a high liability activity such as home sales; and
10. **Purchase Home Inventory Insurance.** This coverage should not be location specific, in case your homes move, and should include collision coverage if the homes are damaged during transportation.

Selling manufactured homes is a significant additional risk for any community owner. If you'll follow these recommendations, you'll reduce your risk substantially and be more likely to avoid a game ending mistake for your business. Also, the seven-minute video titled, "Manufactured Home Retailer's Best Business and Risk Management Practices" found at www.MobileAgency.com/index.php/video/ is a great training tool for your home selling employees. All employees involved in your home sales activities should be required to watch it.



Kurt is President of Mobile Insurance and Expert Climate Control, a lawyer, and an insurance agent licensed in 46 states. You can contact Kurt at kurt@mobileagency.com

While most *Manufactured Housing Review* readers have significant investments in private businesses, building and maintaining a well-designed portfolio of publicly traded investments helps you diversify your private holdings and meet your long-term financial objectives. Such a portfolio can also come in handy with lenders as these investments are easy to value and can provide liquidity in a time of need. In the public markets, we have been enjoying the second longest bull market in history and a slow and steady economic recovery since 2008. However, there is also unprecedented political turmoil and anxiety, and now volatility has returned to the capital markets.

Policy risks are incredibly high right now.

There is a lot going on in Washington - very little of it has to do with the people's business. But depending upon how various investigations unfold, this could have an impact on the capital markets. Geopolitical risks are present as well: potential trade wars, North Korea, Syria, and Russia.

In the background, fundamental economic performance remains strong. This is giving the Federal Reserve an opportunity to tighten monetary policy. *The Fed is raising short-term interest rates. It is also starting to sell the trillions of dollars in assets purchased after the financial crises in 2008-2009.* The 10-year Treasury bond yield hit 3% for the first time in four years.

Political anxiety makes investors and the capital markets fearful and nervous.

The S&P 500 went down 10% between January 26 and February 8. This rattled investors, who had grown complacent with low volatility and steady growth over the past couple of years.

We are in the late stages of the second longest bull market in modern history.

It may be over as I write - how long it can last is not clear. *Most respected economists predict our next recession will begin in the next 24 months.* Are you ready? Here are some considerations.

Your stock portfolio should be well diversified.

It should be exposed to many different sectors with companies of different market caps. Resist the temptation to keep focusing on your favorite sector. *Consider making an index the core of your stock portfolio.* If you want to hold some specific sectors, hold smaller positions that surround the core. And don't forget about international and emerging market stocks.

While indexing strategies work well for core stock exposure, bonds benefit from more active management.

With the Fed raising interest rates right now, it is safer to hold

shorter-duration, higher quality bonds. All things being equal, these bonds are less sensitive to changes in interest rates. Diversification is also very important. Bond mutual funds and ETFs can make bond investing easier.

Determining a good asset allocation to achieve your long-term financial objectives is the single most important decision you make as an investor.

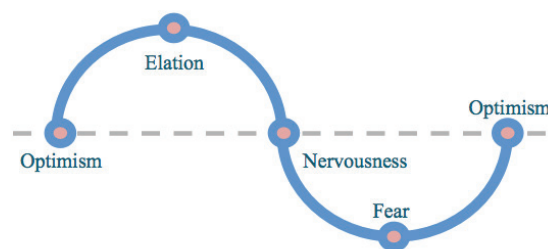
Yet very few investors give this issue serious thought. Instead, they are collectors of investments: a five-star fund here, a recommendation from a friend there. After a few years, their portfolio is really a hodgepodge of investments that are not designed to work well together.

Understand your own risk tolerance and how stable it is over time.

For some investors, their risk tolerance is entirely situational. When markets are tranquil, they feel confident and secure. When volatility strikes, they change their minds. Ideally, you want to find a portfolio that you can live with in all market conditions.

Forget about market timing.

In my experience, during periods of market stress, many investors try to time the market. Their long-term returns almost always suffer, and it's easy to see why. When volatility strikes, investors tend to soldier on for a while, but as losses accumulate, fear takes over and investors go to cash. Initially, they feel some relief, but shortly afterward the markets start going up and the fear of missing out emerges. These investors are tentative and worried about a double or triple dip. They wait. When the coast is clear, they feel elated and they get back in the market.



If you sell when you are fearful and buy when you are elated, you can see what happens. You are selling low and buying high - exactly the opposite of what you wanted to do.

Investor Update - High Anxiety cont.

It sounds boring, but buying and holding while rebalancing produces better long-term returns.

Timing the market is impossible. It's easier to just rebalance as the market moves. It's easier to execute, and your long-term results will be better.

Focus on what you can control.

Pay off short-term debt. Keep a cash emergency fund of 3-6 months of living expenses – one fund for you and another for your business. Keep investing in your professional network in case your company runs into trouble.

As an experienced business owner, you are able to anticipate what might happen during the next recession.

Which of your competitors may struggle? Who are the strong and weak players? How strong is your balance sheet? Are some of your assets relatively "hard" and easy to value and possibly liquidate if you got into a tough spot? What kind of a relationship do you have with your bank? Banks seem to be eager to do business when times are good, but the opposite occurs when volatility hits. Lines of credit may be frozen or cancelled. New loans are difficult to obtain. How could this impact your business?

Changing economic conditions produce challenges, but they also produce important opportunities. When conditions return to normal, the strong players always seem to get stronger



Austin is both a Certified Financial Planner and a lawyer, as well as having a graduate degree in Business Management. He's the principal owner of Lewis Wealth Management, LLC located in Greenwood Village, Colorado and can be reached at Austin@LewisWM.com or via his website at www.LewisWM.com. This is an educational newsletter expressing opinions only. This newsletter should not be relied upon until your individual situation is

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Finding a Quality Mobile Home Park in 45 Days- Part #1

By Jerome Kucera

By failing to prepare, you are preparing to fail.

- Benjamin Franklin

Late last year a former colleague (Matt) and I reconnected over a gourmet lunch at his tech employer. As we enjoyed our organic salads, we caught up on our separate real estate endeavors. We were discussing our different real estate strategies and focus areas when Matt shared that he was exploring a new investment area- mobile home parks. I looked at him like he was crazy as stereotype media images flashed through my mind.

Matt and I wrapped up our lunch, said our goodbyes and agreed to stay in touch. In the following days, I found myself thinking increasingly about our conversation. I kept coming back to how mobile home parks fill a strong societal need for affordable housing while producing strong operator returns. I shared with my thoughts with my wife who thought I was half crazy, but encouraged me to explore further. After confirming that Matt was still planning on moving ahead with purchasing a mobile home park, I asked if he wanted to join forces and buy our first park together. Fortunately, Matt said yes. However, he added that there was a catch. Matt had just sold another real estate investment so he only had 45 days to identify his next investment in order to meet 1031 criteria. I had funds already allocated for my next real investment so the timing aligned well. Now, how to proceed?

Creating a Partnership

Matt is an experienced multi-family owner and operator whereas I have focused on single family real estate investing. We were friends but we had never invested together nor did we know anything about mobile home parks. Given that we were both new to mobile home park investing, we felt that joining forces would help to mitigate risk. We discussed how a partnership could work, what our roles would look like and how we would divide and conquer. We found that our skills complement each other. Matt is very analytical and I am more of the people person. After we carved out our partnership structure, we met with an attorney friend who helped develop a partnership agreement. We were now off and running.

Masters in Mobile Home Parks- Get Educated (Quickly)

Given that we only had 45 days to meet Matt's 1031 criteria (identify up to three properties to purchase), we knew we didn't have any time to waste. Fortunately we live in an age where there is a wealth of available knowledge about most anything- you just need to find it. To scale our efforts, we looked to tap industry leaders and stand on the shoulders of giants. We read industry REIT annual reports and listened to their earnings

calls to better understand industry economics. We listened to mobile home park podcasts by the likes of Kevin Bupp, Park Street Partners, and Frank & Dave (life hacking 150+ episodes at 2X speed). Lastly we attended the MHU bootcamp which really accelerated our hands on operator knowledge. The more content we consumed, the more confident and excited we became that this was a promising idea!

Deal Criteria

Once we had our partnership fleshed out and had educated ourselves, we needed to define our purchase criteria. This was a trial and error process as we knew we were looking for a park with upside however we didn't want to take on a turn-around deal for our first park. We determined our budget and started with smaller purchase prices. We quickly found that if we increased our budget, metro and park quality went up considerably while our risk went down. We focused on opportunities where we could maximize cash flows with healthy enough metros to support bank underwriting. Once we had our partnership and park criteria, it was a matter of increasing our deal flow.

Deal Flow

As we improved our industry knowledge, it quickly became apparent that we needed to accelerate our deal flow considerably in order to meet our 45 day window. We started our mobile home park search looking at third party listing sites, Craigslist and even auction sites. Knowing that you make your real money when you purchase real estate (vs. when you sell), we focused on deals where there was upside while not taking on too much risk. We quickly realized that our situation (a 1031 buyer) was attractive for prospective sellers as we had a definitive timeline and proven funds for a purchase. Given our 45-day window, we refocused our efforts on courting assignors and brokers. We quickly connected with over 100 brokers and deal flow rapidly picked up- meeting industry legend Frank Rolfe's advice, "your goal is to source enough deals where you're close to losing track."

Stay tuned where I pick back up with part #2- vetting deals to land a park.

Jerome Kucera is an active real estate investor of 15+ years. He is excited to share his journey of becoming a mobile home park investor and operator. He loves to connect with others who are passionate about the mobile home industry and can be reached at jkucera@gmail.com.

Braustin Mobile Homes Receives \$10,000 to Springboard Mobile App

By Rachel Johnson

Technology has revolutionized not just the way society makes a phone call, checks email, and shares pictures, but the entire face of consumerism. The millennial generation has been raised in the high-speed, text message, two-day shipping era and is entirely comfortable purchasing items online after reading reviews, scrolling pictures, and visiting the FAQ page.

Braustin Mobile Homes, founded by brothers Alberto and Jason Piña, started their company with this understanding of millennials in mind, stating in an interview with Rivard Report, their goal was “to start our own business where we could develop an approach more in line with the modern practices of e-commerce.”

Since their opening in January 2017, Braustin has operated in the office spaces of Geekdom San Antonio—a collaborative workspace for startups founded in 2010 by Nick Longo and Graham Weston, also the founder and CEO of Rackspace—offering home tours through virtual reality goggles and online video, while marketing through the mega-platforms of Facebook and Instagram. Braustin sold and delivered 35 homes in their first year utilizing this method of business.

After launching their new app one year after opening, Braustin received \$10,000 of “pre-seed-money” as part of The Community Fund, Geekdom’s new investment program designed specifically to help spring-board promising startups in the Geekdom community.

The app, dubbed Braustin Docs, is something new in terms of mobile home buying. It features in app communication between homebuyers and the seller, text notifications, a document scanner for loan paperwork, and a home buying progress bar (similar to the Domino’s Pizza Tracker).

The need for this technology in the mobile home industry is apparent when the current sales process is compared to companies such as CarMax, Stamps.com, or even Esurance. These are million to billion dollar businesses utilizing the digital era to capitalize on wealth, providing the internet generation with their preferred way of doing business—through digital forms, app messaging, and as little face to face communication as possible.

In an interview with CIO from IDG, Shamim Mohammad, CIO of CarMax, discusses their own app, which replaced the clipboard and pen method of appraising cars with a digital one,

allowing CarMax employees to complete the appraisal without having to leave the car or customer.

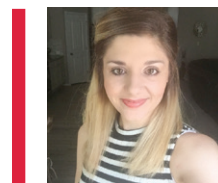
Mohammad says, “Customers are measuring their experience with us against their experience with companies like Starbucks, not against other used-car companies... Our digital strategy is all about giving the customer options.”

But it isn’t only customers who benefit from leveraging technology to streamline productivity—it’s the employees as well. Mobile Apps have the innate ability to consolidate different software into one place, or at least link data to it. Gone are the days where multiple data keeping sites need to be updated separately, and then, if there’s time, the customer themselves.

As LinkedIn points out in this article on the real estate industry falling behind in their use of mobile technology, “Use of Mobile apps over traditional web portals will benefit the businesses, such as providing accurate data and capability to handle all requests at a faster rate. Most of the work can be automated with the help of mobile apps as well. Therefore, it is the high time for the businesses to explore these benefits...”

Mobile apps, when used properly, provide something everybody craves—convenience. One example is scanning. Scanning documents no longer has to be a five step event, requiring a page to be first scanned, then saved, then found, then attached, and finally emailed (if the attachment is remembered at all). It can now be the simple matter of taking a picture.

If banks, the most traditional of any U.S. institution, can get on board with mobile technology—offering digital check deposits, in app credit card applications, and even mobile, real-time money transfers—what has been stalling the mobile home industry? History makes it clear, companies must adapt to innovation or risk being overtaken by those who do.



“Rachel Johnson worked for three years in operations and service communications for one of the top manufactured home retailers in South Texas. Currently a freelance writer, she lives in San Antonio with her husband and two young boys.”

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MHI Announces Largest 50 Manufactured Home Community Owner/Operators

The Manufactured Housing Institute's (MHI) National Communities Council (NCC) released its list of the 50 largest manufactured home community owners and operators in the United States. Sun Communities of Southfield, Michigan, took the top spot with 83,294 home sites under management, followed by Equity LifeStyle Properties of Chicago with 73,700 home sites, RHP Properties of Farmington Hills, Michigan, with 60,163 sites, YES! Communities of Denver with 47,278 sites and MHP Funds of Cedaredge, Colorado, with 31,652 sites.

These 50 organizations have a total of more than 693,000 home sites with portfolios ranging in size from more than 80,000 sites to just under 3,000. Thirty-two of the 50 companies are MHI members and most of the owner/operators have communities in more than one state.

"With the tens of thousands of communities, we are trying to responsibly identify with this list who the up and coming operators are as we see signs of continued consolidation as the industry evolves into a more mature phase," said Jenny Hodge, Vice President of Research and Market Analysis for MHI.

Hodge added, "We are seeing more interest in manufactured housing from large institutional investors and smaller independent developers as well as individuals who want to live in high-quality affordable housing."

In its fourth year, this list is a highlight of the NCC Spring Forum, an educational seminar focusing on manufactured home community owners and operators. This event is in conjunction with MHI's annual Congress and Expo for Manufactured and Modular Housing held in Las Vegas.

The list was compiled using propriety MHI member information, data provided by companies on the list, and other public data. This list may be adjusted during the year.

There are about 38,000 manufactured home communities in the U.S. and about 4.2 million homes sites in these communities across the country.

View the Largest 50 Community Owners and Operators lists for 2018, 2017, 2016 and 2015.

MHI is the only national trade organization representing all segments of the factory-built housing industry. MHI members include home builders, lenders, home retailers, community owners and managers, suppliers and affiliated state organizations. Visit MHI on Twitter @MHIUpdate and on Facebook.



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MHI Names National Industry Award Recipients for Manufactured and Modular Home Designs, Retailers and Communities

The Manufactured Housing Institute (MHI) presented members of the manufactured and modular housing industries with awards for outstanding achievements on April 24 and 25 during its National Communities Council Spring Forum and National Congress and Expo for Manufactured and Modular Housing in Las Vegas.

The annual awards recognize the country's best manufactured home communities, retail sales centers, lenders, suppliers and industry leaders in new manufactured and modular home designs.

"The award recipients exemplify some of the best the industry offers," said MHI President & CEO Richard Jennison. "Manufacturers, suppliers, lenders, community owners and retailers work together to create innovative products using the latest technology to help the industry grow, all the while helping people to have a quality, affordable home."

Jennison added, "Every year the bar is raised to build beautiful, affordable homes with the features homebuyers want and to make manufactured home communities even more desirable places to live."

The 2018 award-winning accomplishments include:

Replacing older manufactured homes in a community with energy-efficient, solar-ready manufactured homes.

Providing a full range of lending programs for retailers and manufacturers, especially to help them rebuild inventories after the devastating storms last year. Innovative home designs to meet homebuyer wants and needs. Retail sales centers that go the extra mile for a smooth home-buying experience and give back to the community.

Company of the Year Awards

Every year industry leaders vote for the Companies of the Year that are considered the best in their industry sector. The recipients have shown leadership and commitment to the industry during the last year and were chosen by their peers to be honored with the prestigious awards.

- Community Operator of the Year (a tie): YES! Communities & UMH Properties
- Manufacturer of the Year (3 plants or more): Clayton Home Building Group
- Manufacturer of the Year (2 plants or less): Adventure Homes
- Supplier of the Year: Style Crest, Inc.

- National Lender of the Year: 21st Mortgage Corporation
- Regional Lender of the Year: Cascade Financial Services
- Floorplan Lender of the Year: 21st Mortgage Corporation
- Manufactured Home Community Lender of the Year (a tie): Yale Realty & Capital Advisors and Wells Fargo Bank
- Manufactured Home Community Broker or Supplier of the Year: ARA Newmark Manufactured Housing Community Group

Land-Lease Community of the Year Awards

The Land-Lease Community of the Year entries were judged based on a written statement supplied by the entrant, community aesthetics, marketing materials, site plan of the community, community and industry involvement, and the lease and covenants.

- Land-Lease Community of the Year for the South: Woodlake in Greensboro, N.C., YES! Communities
- Land-Lease Community of the Year for the Midwest: Woods Edge in West Lafayette, IN., UMH Properties
- Land-Lease Community of the Year for the West: Rosewood Estates in El Mirage, AZ, YES! Communities
- Land-Lease Community of the Year for the Northeast / Mid-Atlantic: Brook Ridge in Hooksett, N.H., JENSEN Communities

Retail Sales Center of the Year Awards

The Retail Sales Center of the Year award entries are judged based on an entry statement, management philosophy, retail center aesthetics, marketing materials and community and industry involvement.

- Retail Sales Center of the Year for the South: Greenfield Housing Center, Garner, N.C.
- Retail Sales Center of the Year for the Midwest (a tie): Three Stone Homes of Rogersville, MO., and Clayton Homes of Frazesburg, OH
- Retail Sales Center of the Year for the West: Advantage Homes, San Jose, CA
- Retail Sales Center of the Year for the Northeast/Mid-Atlantic: Oakwood Homes of Farmville, VA

Design Awards

The design awards recognize excellence and encourage innovation in manufactured and modular home design and production.

MHI Names National Industry Award Recipients for Manufactured and Modular Home Designs, Retailers and Communities cont.

Manufactured Home Design

- New Manufactured Home Design - Small home under 600 square feet: The Heron by Champion Home Builders
- New Manufactured Home Design - 1,800 square feet or less: Silvercrest Kingsbrook Series, Model 34 by Champion Home Builders
- New Manufactured Home Design - Over 1,800 square feet: The White House by Adventure Homes
- New Single-Section Manufactured Home Design: The Hudson by Adventure Homes

Modular Home Design

- New Modular Home Design - 1,800 square feet or less: The Brooklyn by Champion Home Builders
- New Modular Home Design - Over 1,800 square feet: The Lakeport by Champion Home Builders
- New Modular Multi-Family or Duplex Design: Bresee Project by Palm Harbor Homes

Interior Design/Home Merchandising

The following interior design/home merchandising awards recognize excellence in functionality of space/problem solving, visual impact/color and balance for a unified look.

- Manufactured or Modular Model Home Interior Design: The Pecos, Clayton Homes of Mabank, TX
- Land Lease Community Clubhouse Interior Design: Sleepy Hollow in Fort Worth, TX, YES! Communities with Lifestylist Brands

Energy Efficiency

A new category this year is energy efficiency.

- National Energy Efficiency Leader of the Year Award: The Village in San Luis Obispo, CA, Newport Pacific Capital

Details about each winner and a selection of photos are on MHI's website.

MHI is the only national trade organization representing all segments of the factory-built housing industry. MHI members include home builders, lenders, home retailers, community owners and managers, suppliers and affiliated state organizations. Visit MHI on Twitter @MHIUpdate and on Facebook.

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Michigan Manufactured Housing Association (MMHA) Develops Media Campaign Highlighting the Benefits of Manufactured Homes

With a surge in the economy and a growing interest in manufactured homes, the Michigan Manufactured Housing Association (MMHA) created a television and coordinating online media campaign highlighting the multiple benefits of manufactured home ownership.

In 2016, 2,379 single-section homes and 1,487 multi-section homes were shipped to Michigan. The MMHA wants to continue the industry's momentum and educate potential home buyers on manufactured housing quality, style, lifestyle and affordability.

"We are targeting those who are looking for alternatives to traditional built homes," said Bill Sheffer, executive director of MMHA. "These are people who expect quality and style for their home but don't want the wait or costs associated with stick-built homes."

In early March, the MMHA launched a digital online ad and remarketing campaign to encourage potential home buyers to visit the MMHA website to learn more about the industry and find home sellers and communities in Michigan, at michhome.org. In the first 30 days of the online campaign, the ads delivered 840,000 impressions and nearly 1,800 clicks to the website.

In addition, the MMHA created a state-wide TV campaign airing on the Comcast cable network. Two, 15-second commercials were developed and displayed as "bookends." The campaign will run thru April 22.

The "Discover the Potential" campaign features photos of trend-setting home features and beautiful communities while acknowledging there are more than 300 manufactured home communities and sellers in Michigan.

The Michigan Manufactured Housing Association is dedicated to educating the public about the benefits of manufactured and modular home living and connecting people interested in finding a community or home with its members. MMHA is one of Michigan's oldest trade associations, founded in 1941. MMHA is a nonprofit association representing the manufactured and modular home industry in Michigan. MMHA works to improve the image of manufactured and modular housing by educating consumers, media and government about the quality, affordability, design and beauty of the homes. For more information, visit the Michigan Manufactured Housing Association at www.michhome.org or contact MMHA, 2222 Association Drive, Okemos, MI 48864-5978; 517.349.3300.



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Homebuying Boomers Invest in Affordable Manufactured Home Trends

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Retiring generation finds downsized housing solution with long term value.

Clayton, one of America's largest home builders, is creating opportunities for homebuyers of the Baby Boomer generation seeking modern, energy efficient housing without sacrificing affordability.

In January 2018, according to the U.S. Census Bureau, the average price of a new single-family, site-built home with land in America was \$382,700 – up 6.5 percent from January 2017. As the cost of housing rises year over year, families all over the country face a limited supply of affordable options.

"We looked at site-built homes, but for the value and the money and the quality, we were going to have to do without a lot of things," said new homeowner Diane Wood. "That's what did it for us. We got a lot of quality and value for our money."



Diane and Harold



High-end features

Find the home of your dreams with @ClaytonHomes affordable manufactured home trends!

With an average price of around \$68,100 without land – according to the U.S. Census Bureau -- as of October 2017, manufactured homes offer a promising solution to the affordable housing crisis – and people are starting to take notice. Clayton Built™ manufactured and modular homes are beautifully designed with quality, brand-name materials at an affordable price.



A room with a view

After their retirement, Diane and Harold Wood were looking to build a 'forever home' on their beautiful farm property owned by their family for generations. According to the Home Buyer and Seller Generational Report 2017, "buyers 62 to 70 are often moving due to retirement, desire to be closer to friends and family and desire for a smaller home." Manufactured and modular homes are offered with custom floorplans and upgradeable amenities, including stainless steel appliances and granite countertops.

Initially the Woods were considering a traditional, site-built home for their family property, but found the cost of construction limited their options. That's when they visited a Clayton Homes store and discovered The Cameron, a 1,512 sq. ft. Clayton Built® home with 3 bedrooms and 2 bathrooms. The Woods' home includes a one-story open floorplan, with a beautiful kitchen, center island and recessed ceiling that is perfect for large meals and entertaining. They even chose to upgrade to the Clayton Energy Smart option, which includes high-efficiency insulation, low-emissive windows, a programmable thermostat and several other features that will help reduce utility costs in the years to come.

Homebuying Boomers Invest in Affordable Manufactured Home Trends cont.

The home was delivered by truck to their property, and affixed to a permanent foundation. The Wood family added a garage to the house and a front porch where they sit together every evening. The Woods invited Clayton to visit their new home and talk about the home buying journey. Clayton has released a video documenting their story.

"This is where we're happy," says Diane. "We're porch people, and we just love looking out at the beautiful mountains and the view."



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