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MANUFACTURED HOME & MOBILE HOME PARK NEWSLETTER

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NAI Iowa Realty Commercial

**A Berkshire Hathaway
Subsidiary**



Joanne M. Stevens
Real Estate Broker

For more information on
LISTINGS OF PARKS &
COMMUNITIES visit us at:

www.JoanneMStevens.com

joannestevens@iowarealty.com

Direct: 319.378.6786

100 1st Ave. NE, Ste. 116
Cedar Rapids, IA 52403

What Is It Like Selling a Park

During the COVID19 Pandemic?

What Is Your Park Worth During the Pandemic?

It turns out that parks are selling briskly and at all time high prices.

That means prices are as good as ever for park sellers. Why would that be when there is a lot of news about a recession or even a depression. There is reporting that the economy may shut down again as the corona virus spikes to April levels. How is it that in this economic climate, price for parks, investor demand for parks, and banks' enthusiasm for lending on parks, continues unabated despite the COVID19 pandemic?

Have you noticed that retail real estate investments are declining more during the COVID19 pandemic? Simon Properties, the largest U.S. mall owner, is looking at buying JC Penny's in order to keep the retailers in the mall. This is somewhat akin to the early 2000s when park owners began waking up to the fact that many parks, and perhaps most parks, were awash in repossessed homes.

That seems like a lifetime ago, but park owners began to reluctantly buy the repossessed homes in order to prevent the homes from leaving the parks. Even more reluctantly, park owners commenced refurbishing the homes, selling homes, and eventually, renting the homes. Voilà, the park owners became the new retailers. Now, of course, it is standard operating procedure

This newsletter and its content are not meant as a solicitation of any property or properties that may be listed. This is a creation of Joanne M. Stevens with NAI Iowa Realty Commercial, as a resource for mobile home park/manufactured home community owners.

that park owners handle all aspects of park owned homes
- abandoned homes, used homes, purchasing &
refurbishing, and new homes.

The idea here is that if you own a park, count your blessing. We have no problems compared to malls, strip centers, and office properties. The proof is in the proverbial pudding. Mobile home parks are the stable, predictable real estate investment.

Rent Collections During the COVID19 Pandemic

This is another anomaly. The unemployment numbers are devastatingly high. Yet park owners report that March, April, and May rent collections are in the low 90% to as much as 99% collected. This is another count your blessing moment. Park owners held their breath in March, April and May, and worried about what to expect. Park owners, as a group, say they won't evict anyone that has been affected by the COVID19 pandemic, be it job loss, illness, or caring for an ill family member. Many parks have a plan in place for a work-out for residents affected by the pandemic.



Civil Protests and Mobile Homes

Housing is the most basic of human needs. It plays an important role in civil protests for equality, justice, and human rights. In a time when the spotlight is on the wealth gap and on how home ownership is a core component of the wealth gap, the mobile home ought to contribute (and it is) to

the most basic of household wealth creation. Owning a mobile home may not turn a household into say, Bill Gates. Think of the residents who purchased a mobile home, built equity, sold the mobile home, and bought a house (“a real house”, as some residents say). Or the retirees that sold their empty nester home for a few hundred thousand dollars and then bought a mobile home for under



\$100,000 (with no capital gains tax to pay) and used the difference to invest, or to help their kids, or just had more money to pursue their interests. What about the long-term mobile home park residents who enjoy a degree of financial freedom because their homes are free & clear, and the cost is low for living in a park.

Home ownership, even mobile home ownership, can build wealth which can lead to emotional peace of mind and a sense of wellbeing. Consumer lenders such as 21st Mortgage, Triad, and others are making significant inroads in home ownership with their home-rental-to-home-ownership lending programs.

Many parks owners and park managers are making important contributions to home ownership by renting mobile homes and then assisting the mobile home renter in converting from a renter to a homeowner.



21st Mortgage:

Justin Ledford
21st Mortgage
1-800-955-0021 Ext. 1303
Fax: 877-661-4063
620 Market Street
Suite 100
Knoxville, TN 37902
www.21stcommunitylending.com

Triad:

Gene Dobek
563-340-0666
gdobek@triadfs.com
Triad Financial Services, Inc.
13901 Sutton Park Drive South, Suite 300
Jacksonville, FL 32224
Toll Free: (800) 522-2013
www.triadfs.com

Return Service Requested:
100 1st Ave. NE, Ste. 116,
Cedar Rapids, IA 52401

SAVE THE DATE: Links on Our Website

2020 IMHA Annual Conference (Virtual Event)
(I will be a speaker)

Fall 2020

2020 MHI Annual Meeting

10/4-6/2020

Denver, CO

2020 NCC Fall Forum

11/4-6/2020

Chicago, IL

2021 Congress & Expo

4/6-8/2021

Las Vegas, NV

Keep current on mobile home industry events
and events rescheduled due to COVID-19.

Go to my website; you will find information on
Past Newsletters, Park Sale Comparables, &
so much more



Past Newsletters, Park Sale Comparables, & so much more, are available on my website:

JoanneMStevens.com

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 & 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.