

# AFFORDABILITY

## Key Insights on Professionally Owned Manufactured Home Communities

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### A solution to the current housing crisis

The U.S. is experiencing unprecedented challenges in affordable housing due to drastic single-family home price appreciation (averaging \$384,000 nationally), multi-family rental rates (averaging \$1,450 - \$1,800 per month), and escalating HOA fees for single-family homes and condos (approximately \$500 per month, and as high as \$1100 per month).

**The professionally managed community addresses a critical gap for a cost-effective home (averaging \$87,000), as well as a safe community with desired amenities and services.**



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### Competitive rates

Residents indicate that lease rates are competitive, and increases are at or lower than other housing alternatives. **55% of residents agree rent/lease payments are below average or competitive to similar area offerings with average rent payments around \$400-600/month.**



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### Minimal rent increases

Rent payment increases over the last five years have been minimal, approximately 1-5%, and are far below increases in apartment rent, median home prices and select home community HOAs.



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### Flexibility

Professionally managed communities offer a variety of term structures, with several options to expand lease/rent program assistance. Professionally owned community residents are provided varying payment options during times of struggle:

- 85% indicate payment plans.
- 34% state payment deferral options.
- 3% have other options including funds raised through social clubs, waivers, negotiated fees, vouchers, etc.



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### Better option than renting

Apartment rental rates have continued to rise over the last decade, reaching an average of \$1,475/month, and causing significant burdens on low-to-middle income renters. When compared year-over-year, rent prices for both one-bedroom and two-bedroom apartments have increased significantly at about 20 percent each.

**Nearly 50% of renter households spend 30-50% of their income on rent, leaving little funds for necessary living expenses.**

### About the study

The study was completed by DuckerFrontier across more than 700 respondent residents nationwide and over 1,000 professionally managed communities' operation data. The majority of respondents were in the South (~40%) and the West (~30%). Residents within manufactured home communities were 19 years and older, approximately 45% were over the age of 60. Household income ranged evenly from <\$25,000 to \$150,000 per year; the greatest percentage was between \$25,000 and \$50,000 annually.