Call Joe

# NO B.S. REAL ESTATE

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# WIN WITH MANUFACTURED HOMES

## BUILD YOUR OWN PARK

Marketing to land leased communities, I discovered many buyers but very few owners willing to sell. It seems their return on investment is the best kept secret in town. Why sell, when you are getting a great return on investment!

For example, A 5 Star Land Leased Community in California with a thousand leased spaces rented at $750 a month generates a monthly cash flow of $750,000. Consider the fact that their renters own their homes. There is no park maintenance on the home and no investment in supplying the homes.

Depreciation helps the park owner keep more of the profits. When the park owner decides to sell, a 1031 exchange will defer taxes on any equity build up. A 1031 Exchange into an office building would generate income flow without the problems of management.

Buying land and building your own manufactured home park makes a lot of sense. Sub-dividing the park in the future and selling the land to your homeowners is an option. Selling parks today does not seem to be a problem.

*My take:* The secret to success is to minimize maintenance and operating costs, maintain park appeal & treat your tenants fairly.

## MAKES SENSE TO ME

Anyone can become wealthy. Financial success can be achieved through preparation, courage, and tenacity. Most important is to do things today that will result in an income stream for years into the future. I believe that manufactured housing can be a wealth builder and deserves a close look.

The manufactured home is the most efficient, practical, safe, and affordable housing ever created. While it may not be everyone's first choice, more than 16 million Americans have chosen to live in manufactured homes. Many people are finding that a manufactured home is the only home that they can afford.

While most builders increasingly rely on factory construction for some of their construction processes the most complete forms of factory constructed housing are manufactured and modular homes. These home are completed in sections which are transported to a home site and installed on a foundation.

Increased reliance on factory construction has resulted in major changes in the efficiency of housing construction. Developers have better control of building and financing costs as well as quality, performance, and inventory. Homes are sited sooner and material waste and vandalism are reduced.

Check out the new models at your local factory or home show. Manufactured homes have come a long way. . . .

## TWO ON ONE

A Manufactured Home on a lot sited on a permanent foundation is considered a Single Family Home in California. In cities throughout California there are thousands of lots zoned residential that are either vacant or occupied by substandard housing.

These lots have several things in common: they are located where affordable housing is needed, they are not producing sufficient tax revenue, they are usually not contiguous, sometimes long and narrow. Site builders won't or can't economically build on them, many are owned by the city or county, and they are perfect for manufactured homes. Some lots may be zoned for multiple housing.

Silvercrest builds a home that can easily be converted to a duplex. There are many two story models to choose from, and two or more homes on the same lot can be a sure winner for the investor.

Speed to project completion is the key to success. A lower initial home cost helps your bottom line. Many times there are sources of government subsidy for affordable housing that are available.

There are many advantages to using manufactured housing. One of my favorites is that you do not have to hire a lot of contractors. New homes are energy efficient. There is nothing like a home you own!