

MHC Market Snapshot

Mid-Year 2025

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Market Overview

The manufactured housing community (MHC) sector continued to show signs of stability and investor interest in Q2 2025. Transaction volume increased as the bid-ask spread narrowed, signaling improved alignment between buyers and sellers.

Despite ongoing regulatory headwinds, particularly around rent control, investors remain active, drawn by strong occupancy levels and resilient rental growth. With capital markets gradually improving and loan activity picking up, the second half of the year is expected to bring continued momentum in both sales and financing activity.

Key Trends

- **Transaction Volume Rising:** Increased deal flow as pricing expectations between buyers and sellers begin to align.
- **Regulatory Pressure:** Rent control measures remain a key headwind, influencing underwriting and investor strategy.
- **Investor Confidence:** Strong occupancy and rental growth are sustaining investor interest despite broader market uncertainty.

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Transaction Pulse

Institutional interest in MHCs remains strong, with recent activity reflecting a continued appetite for stabilized, recession-resilient assets. Recent trends highlight:

- **Large-scale portfolio trades** across multiple states, often exceeding thousands of pads, signaling confidence in long-term fundamentals.
- **New Development and Expansion** of existing communities are becoming a central focus.
- **Portfolio recapitalization** indicating capital seeking to partner with strong operators.

This momentum is supported by internal data showing active engagement across financial reporting and loan underwriting for portfolios ranging from 10 to 275+ communities, spanning all regions of the country. These figures reflect sustained institutional activity, further validating the sector's stability and growth potential.

Bid-Ask Spread

Narrowing, leading to more closed deals.

Occupancy

Remains strong, supporting stable cash flows.

Outlook

Continued growth in transaction and loan volume expected in H2 2025.



Scott Belsky
Managing Director

Scott Belsky serves as Managing Director of Partner Valuation Advisors. Mr. Belsky has over 10 years of commercial real estate appraisal experience. He has appraised commercial real estate in more than 45 states as well as Canada, with a focus on multifamily and manufactured housing community (MHC) assets and currently serves as the National Practice Lead of the Manufactured Housing Communities and RV Resorts.

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