

2017 Tunica Manufactured Housing Show

Attracting new, quality buyers

Understanding the Market

Best Practices

**credit
human**

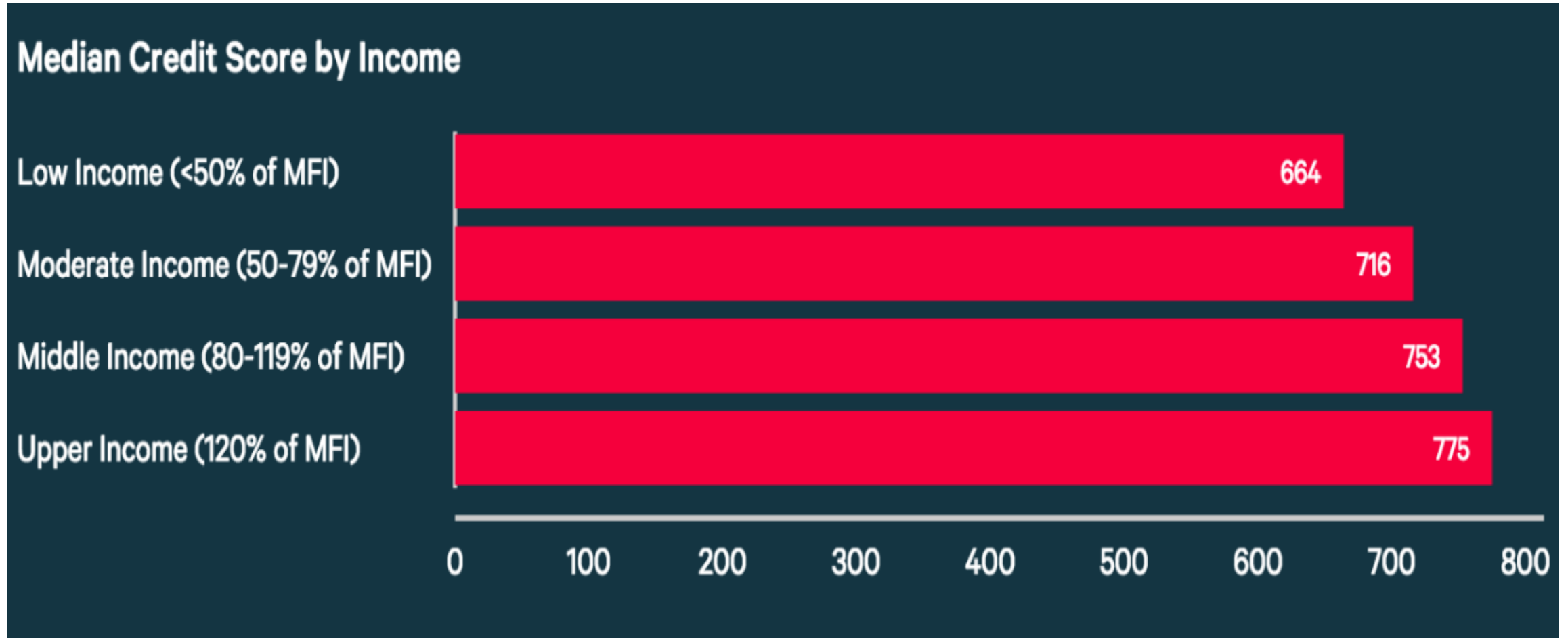
Understanding the Market - Credit



Credit Score Category

CATEGORY	RANGE
Excellent	750 & Above
Good	700 - 749
Fair	650 - 699
Poor	550 - 649
Bad	Below 550

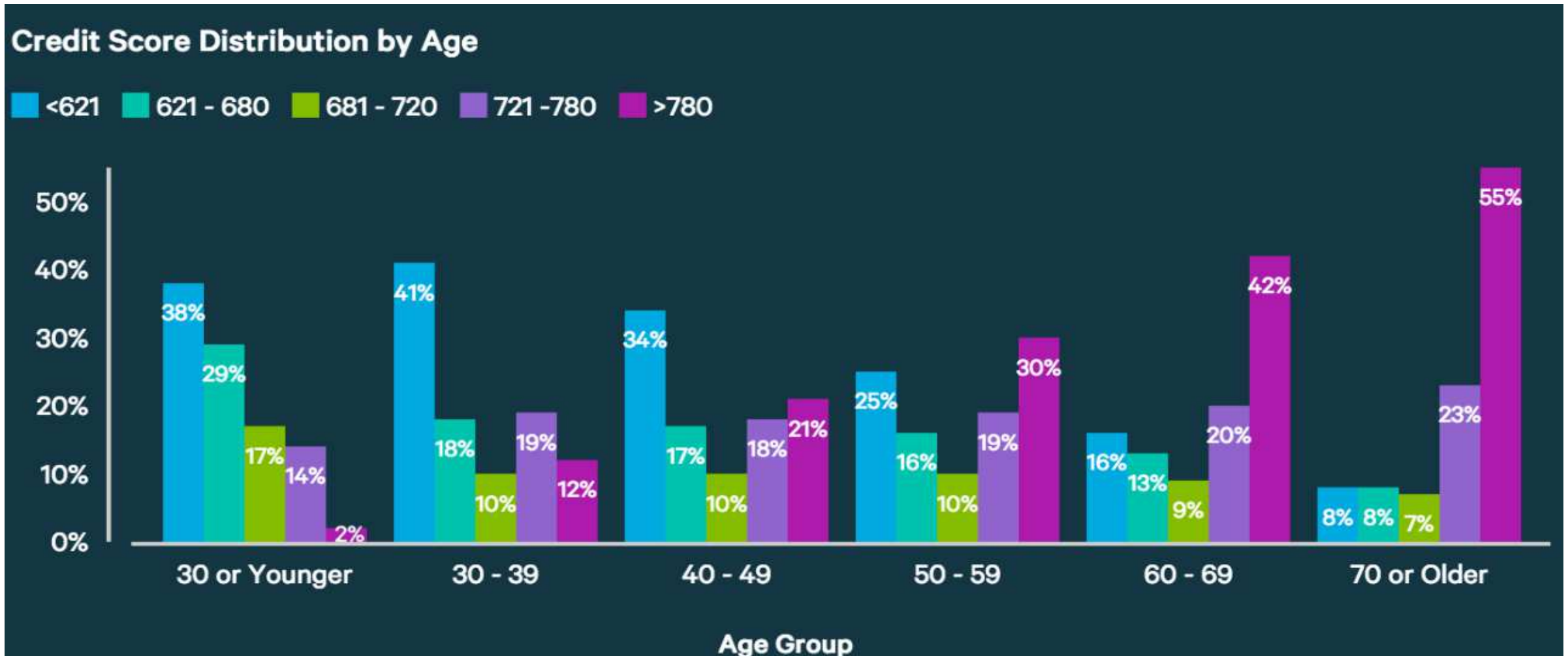
Understanding the Market - Credit



MFI = Medium Family Income

2015 MFI is \$55,775 of which 72% are Moderate, Middle and Upper Income according the US Census Bureau

Understanding the Market - Credit



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Average FICO score - **695**

Average FICO of a Manufactured Housing Loan - **673**

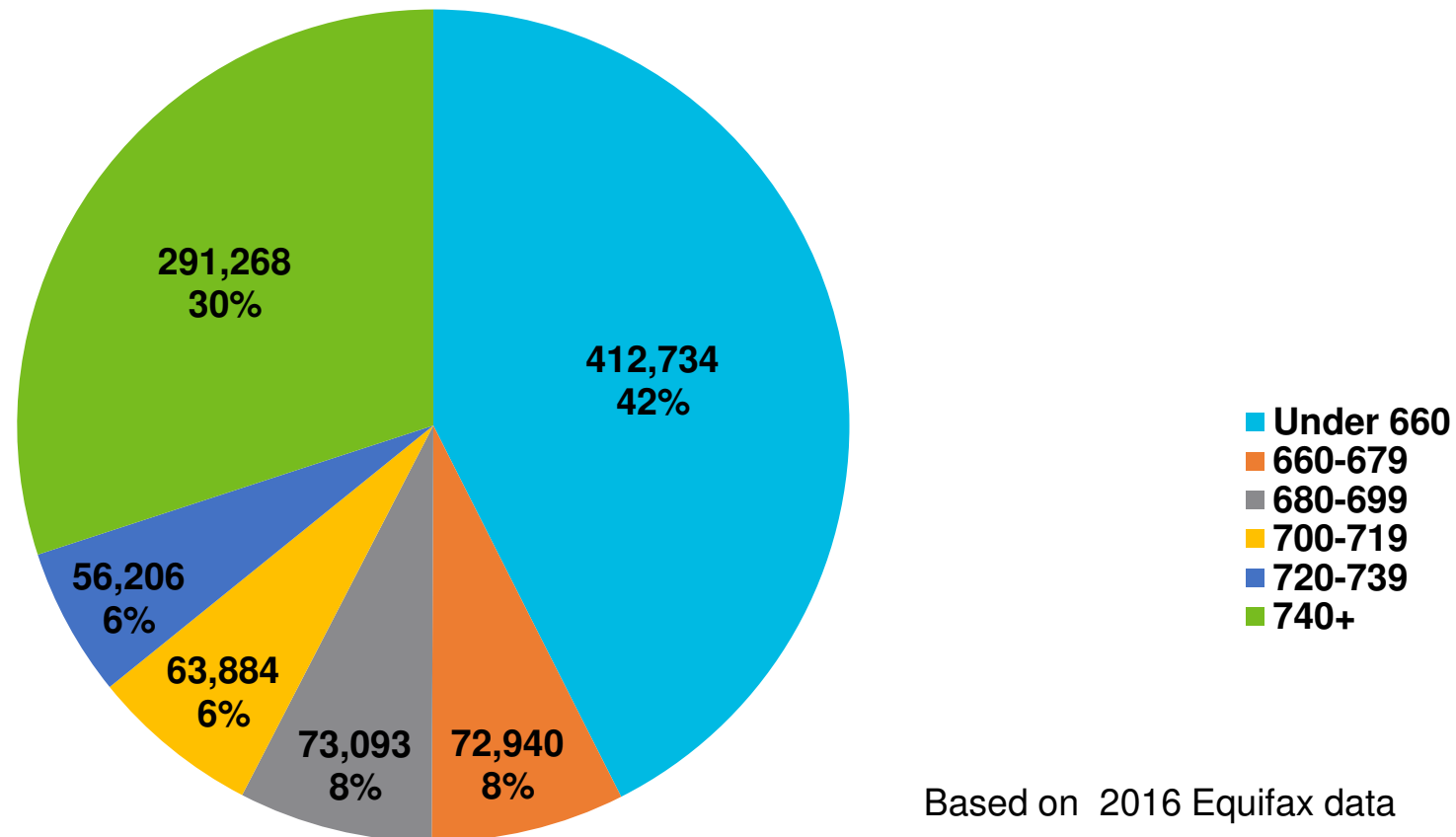
Average FICO of a “Stick-built” Mortgage – **728**

- **Fun Fact:** According to a 2010 Federal Reserve Survey only 6.8% Mortgages had scores below 620.

Understanding the Market - Credit



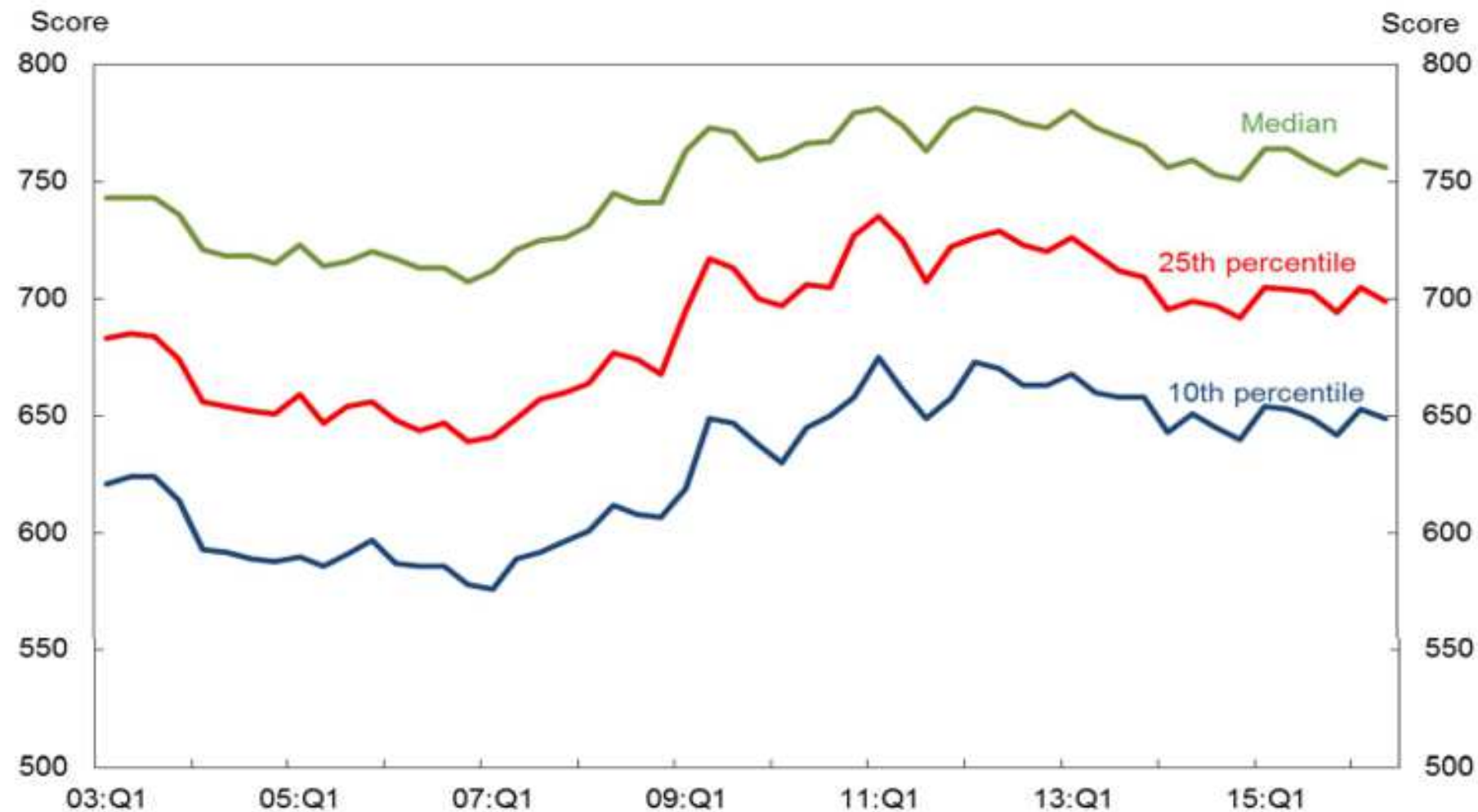
Manufactured Home Loans by FICO Score



Based on 2016 Equifax data

Understanding the Market - Credit

Credit Score at Origination: Mortgages*



Source: FRBNY Consumer Credit Panel/Equifax

* Credit Score is Equifax Riskscore 3.0; mortgages include first-liens only.

Understanding the Market - Customer



Baby Boomers (1946-1964)

Make up 30% of recent home buyers

Generation X (1965–1980)

Make up 28% of the recent home buyers

Generation Y – Millennials (1981-2000)

Make up 34% of recent home buyers

What Millennials Want in a Home



- An affordable home that is move in ready with all the bells and whistles
- Efficiency- features that save electricity and water
- Casual flexible spaces like a home office that can convert into a game room
- Smaller homes that are energy efficient and that use sustainable or recycled materials
- Versatile outdoor spaces that can be used for entertaining

What Gen X'ers Want in a Home



- The versatility for a home office for the adults and recreational zones for young children
- A home in a good school district
- Green living features like solar panels, low-flow shower heads and energy efficient appliances
- Space to park multiple cars
- Many Gen X'ers in their 40's and early 50's are looking to move up in home

What Baby Boomers Want in a Home



- A single story that is more accessible and convenient
- An open floor plan – Being able to cook in the kitchen and entertain guests at the same time
- Purpose driven spaces like home gyms or hobby rooms
- High end finishes
- Personalization and Low maintenance

Best Practices - Attract the customer you want



- Market and carry homes that fit your target customer's needs and budget
- Highly trained, professional sales people can differentiate you from your competition
- Provide your customer a timeline for the purchase process
- Neat and organized sales locations attract higher quality customers
- Use testimonials – They can be a powerful sales aid

Questions?



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