



SEPTEMBER 2026

MANUFACTURED HOUSING MARKET UPDATE

CAPRIGHT®

DELIVERING TRANSPARENCY

SEPTEMBER 2026

MANUFACTURED HOUSING MARKET UPDATE

KEY PERFORMANCE INDICATORS

SAME-PROPERTY NOI GROWTH (1H26 vs. 1H25)



All four MH REITs grew same-property NOI over the first half.

SUI	+7.5%
ELS	+5.7%
UMH	+8.0%
MHC.U	+5.8%

Source: Company filings and earnings releases.

SAME-PROPERTY RENT GROWTH (1H26)



Rent increases remained the primary driver of revenue growth.

SUI	+4.9%
ELS	+5.7%
UMH	+5.0%
MHC.U	+6.6%

Source: Company filings and earnings releases.

SAME-PROPERTY OCCUPANCY (AT 6/30/26)



Occupancy was stable to higher across much of the peer set.

SUI	97.8%
ELS	93.8%
UMH	89.4%
MHC.U	85.4%

Source: Company filings and earnings releases.

IMPLIED CAP RATE (MH REITS)



5.4%

At June 30, 2026

5.3%

At December 31, 2025

Source: Nareit REIT Industry Tracker.

VS. 5-YEAR TREASURY YIELD (AT 6/30/26)



130 bps

MH REIT implied cap rate spread to 5-Year Treasury

5-Year Treasury: 4.1%

Source: Nareit REIT Industry Tracker and U.S. Treasury.

SAME-PROPERTY MONTHLY BASE RENT PER SITE (1H26)



Rent levels continue to rise across the sector.

SUI	\$766
ELS	\$952
UMH	\$585
MHC.U	\$516

Source: Company filings and earnings releases.

SELECT TRANSACTIONS & OWNERSHIP DEVELOPMENTS



**BROOKFIELD ACQUIRES
YES! COMMUNITIES**



**INSTITUTIONAL OWNERSHIP
CONTINUES TO CONCENTRATE**



Mid-Year Sector View

The manufactured housing (MH) sector entered 2026 with the outlook established at year-end 2025 largely intact: property-level fundamentals remained durable, rents were increasing approximately 5%, the larger platforms were operating near full occupancy, and a higher cost of capital had shifted the emphasis from acquisitions toward internal growth and value creation. Results through 1H26 continue to support that view. All four public REITs reported same-property net operating income growth, while disclosed rent increases ranged from 4.9% to 6.6%. The composition of that growth varied by operator. Rental rate increases accounted for most of the NOI growth at Sun Communities (SUI) and Equity LifeStyle Properties (ELS), both of which also added occupied sites from already high occupancy levels. UMH Properties (UMH) and Flagship Communities (MHC.U), by comparison, relied more visibly on occupancy gains and infill alongside comparable rental-rate growth.

The more notable development during the first half occurred in the capital markets rather than property operations. The implied cap rate for MH REITs was 5.3% at year-end 2025 and 5.4% as of June 30, 2026, according to Nareit's REIT Industry Tracker, indicating little change in public-market pricing. Over the same period, the five-year Treasury yield increased to 4.1%, narrowing the implied cap-rate spread to approximately 130 basis points from roughly 157 basis points at year-end. MH also continued to trade at an implied yield modestly below Moody's Baa corporate bonds, extending a relationship already evident at year-end 2025. Ownership concentration increased as well. Brookfield Asset Management's August 2026 acquisition of YES! Communities placed the second largest private MH owner, together with Brookfield's existing joint-venture interest in the largest, under a common manager.

Two considerations are carried into 2H26. First, the NOI guidance increases at SUI and ELS primarily reflect lower expense expectations rather than stronger revenue assumptions, with

revenue guidance unchanged to slightly lower. Accordingly, the underlying operating upside is somewhat narrower than the revised NOI ranges alone might imply. Second, public-market pricing for MH has remained relatively stable even as benchmark yields increased, leaving implied REIT cap rates below Moody's Baa corporate bond yields for the past three quarters. With operating fundamentals remaining comparatively stable, the more significant valuation question for the second half is therefore the relationship between public-market pricing and the private-market transactions observed during the period, rather than a material change in the sector's operating outlook.

Operating Performance

MH operators carried solid property-level momentum into 1H26. All four public REITs reported same-property NOI growth for the six months ended June 30, supported by rental-rate increases and, to varying degrees, occupancy and infill gains. The table below compares 1H26 performance with the prior-year period and summarizes current full-year guidance. Results follow each company's same-property or same-community definition and are therefore directionally, rather than strictly, comparable. MH specific results are presented where disclosed; ELS reports its principal comparable-property metrics on a combined MH, RV and marina portfolio.

Exhibit 1. Same-Property Operating Performance and 2026 Guidance

Performance (1H26 vs. 1H25)					2026 Guidance		
	Revenue	Expenses	NOI	Occupancy	Revenue	Expenses	NOI
SUI	6.4%	3.3%	7.5%	97.8%	+3.9% to +4.6%	+2.5% to +2.8%	+4.5% to +5.3%
ELS	4.3%	2.3%	5.7%	93.8%	+3.9% to +4.9%	+1.6% to +2.6%	+5.5% to +6.5%
UMH	7.8%	7.5%	8.0%	89.4%	n/a	n/a	n/a
MHC.U	8.8%	14.8%	5.8%	85.4%	n/a	n/a	n/a
Avg.	6.8%	7.0%	6.8%	91.6%			
(1) Performance reflects each company's same-property or same-community reporting. SUI, UMH and Flagship are shown on a manufactured-housing basis; the ELS Core Portfolio includes RV and marina operations, which ELS does not separate. Occupancy: SUI is Same Property MH at 6/30/26, up 40 basis points from 97.4% a year earlier (total-portfolio MH, which includes recently delivered vacant expansion sites, was 97.3% against 97.4%); ELS is Core MH six-month average, where the decline reflects 141 expansion sites entering the denominator while occupied sites rose by 67; UMH and Flagship are same-property/community at 6/30/26. (2) Flagship same-community operating expense is not disclosed directly; the figure shown is derived as same-community revenue less NOI. (3) SUI Revenue, Expenses and NOI guidance is North America same-property (MH and RV); SUI's manufactured-housing NOI guidance is +6.1% to +6.9%. UMH guides on normalized FFO per share (\$0.98-\$1.04, maintained) and Flagship provides no formal quantitative guidance. Source: Company 2Q26 SEC and SEDAR+ filings, supplemental packages, and earnings releases.							

Sun Communities (SUI) increased MH same-property NOI 7.5% to \$365.9M, reflecting revenue growth of 6.4% against expense growth of 3.3%. Expense containment provided meaningful operating leverage: payroll and benefits increased just 0.8%, while utilities and several other cost categories declined, offsetting a 16.5% increase in supplies and repairs and a 6.4% increase in

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real estate taxes. Same-property MH occupancy increased 40 basis points to 97.8% at June 30, while monthly base rent increased 4.9%. Pricing remained the primary growth driver, supplemented by occupancy gains. Total-portfolio occupancy was 97.3%, essentially unchanged from 97.4% a year earlier, reflecting the inclusion of recently delivered and still-vacant expansion sites.

Equity LifeStyle Properties (ELS) increased Core Portfolio income from property operations 5.7% to \$430.7M, with revenue growth of 4.3% and expense growth of 2.3%. Although the Core Portfolio combines MH, RV and marina operations, Core MH base rental income also increased 5.7%, as average monthly base rent per site rose to \$952 from \$899. Core MH occupancy averaged 93.8%, down from 94.4% a year earlier, but the decline reflects expansion of the site base rather than resident losses: ELS added 141 expansion sites during the half while occupied sites increased by 67. As with SUI, rental-rate growth remained the principal driver, with incremental occupancy contributing more modestly.

UMH Properties (UMH) recorded the strongest headline same-property NOI growth of the group, increasing 8.0% to \$72.5M. Revenue increased 7.8%, while expenses rose a comparable 7.5%, indicating considerably less operating leverage than at SUI or ELS. Monthly rent per site increased 5.0% to \$585, while same-property occupancy improved 110 basis points to 89.4%. UMH therefore benefited from a more balanced combination of rental-rate growth and continued occupancy gains.

Flagship Communities (MHC.U) increased same-community NOI 5.8% to \$35.0M on revenue growth of 8.8%. Unlike the other operators, however, expense growth exceeded revenue growth, compressing the same-community NOI margin 190 basis points to 64.5% from 66.4%. Same-community occupancy reached 85.4% at June 30, up 200 basis points from year-end 2025; MHC.U does not disclose a comparable June 2025 same-community occupancy figure. Total-portfolio occupancy similarly increased to 84.7% from 82.9% at year-end, leaving MHC.U with the



greatest remaining occupancy runway among the four operators. Although MHC.U does not directly disclose same-community operating expenses, the implied results indicate expense growth materially above revenue growth during the period.

Guidance provides a more limited read-through because only SUI and ELS provide directly comparable property-level outlooks. SUI raised its full-year North America same-property NOI growth range to 4.5%–5.3%, from 3.9%–5.0% entering the year, while reducing its expense-growth assumption to 2.5%–2.8%; its MH NOI growth guidance stands at 6.1%–6.9%. ELS similarly raised its income-from-property-operations growth outlook to 5.5%–6.5%, compared with 5.1%–6.1% entering the year, while lowering its expense-growth assumption to 1.6%–2.6% from 2.7%–3.7%. In both cases, the improved NOI outlook primarily reflects lower expected expenses rather than stronger revenue assumptions, with revenue guidance flat to slightly lower. SUI's third-quarter North America NOI growth guidance of 2.0%–3.5% also points to moderation from its first-half pace. UMH maintained normalized FFO guidance of \$0.98–\$1.04 per share, while MHC.U does not provide comparable same-property guidance.

Across the peer group, the approximately 5% rental-rate growth evident at year-end 2025 carried into 1H26. Pricing remained the primary growth driver, but the contribution from occupancy varied materially by operator. SUI and ELS continued to add occupied sites despite already-high occupancy, while UMH and MHC.U generated more meaningful growth through continued fill and infill. Expense performance created the larger distinction: SUI and ELS converted more moderate revenue growth into stronger NOI gains through cost containment, while UMH and particularly MHC.U experienced greater expense pressure. With the guidance increases at SUI and ELS driven primarily by lower expense assumptions rather than higher revenue expectations, continued expense control is the principal operating variable to watch in the second half.

Rental Rates

Rental-rate growth remained firm across all four operators during 1H26, with disclosed increases ranging from 4.9% to 6.6%. Because each company reports a different rent measure, the figures are useful primarily as indicators of pricing trends within each portfolio rather than as direct comparisons of absolute rent levels.

Exhibit 2. Disclosed Rent Measures, 1H26

Company	Metric (as disclosed)	1H26	Prior	Change
SUI	Average monthly base rent per site - MH	\$766	\$730	4.9%
ELS	Core MH monthly base rent per site	\$952	\$899	5.9%
UMH	Same-property monthly rent per site	\$585	\$557	5.0%
MHC.U	Weighted-average lot rent (total portfolio)	\$516	\$484	6.6%
(1) Metrics differ by company and are not directly comparable; each is the company's own disclosed rent measure. SUI and UMH are period-end (6/30/26); ELS is a six-month average; Flagship is total-portfolio weighted-average lot rent at 6/30/26, which also compares with \$483 at year-end 2025. (2) ELS separately reported Core MH base rental income growth of 5.7% for the six months. Source: SUI 2Q26 Form 10-Q (MD&A); ELS 2Q26 press release (EX 99.1); UMH 2Q26 Supplemental; Flagship 2Q26 MD&A.				

Pricing remained tightly clustered across the three larger and more stabilized portfolios. SUI increased MH monthly base rent 4.9%, ELS increased Core MH monthly base rent 5.9%, and UMH increased same-property monthly rent 5.0%. MHC.U recorded the highest increase at 6.6%, although from the lowest absolute rent base in the group and alongside continued occupancy growth.

Overall, the approximately 5% pricing trend evident at year-end 2025 carried into 1H26. The results show little evidence of either meaningful deceleration or further acceleration in rental-rate growth: the more stabilized portfolios remained within a relatively narrow 4.9%–5.9% range, while MHC.U continued to generate somewhat stronger increases from a lower rent base. Pricing therefore remains a durable source of property-level growth, but the first-half results do not indicate a material change in the sector's rent-growth trajectory.

Capital Allocation and Portfolio Activity

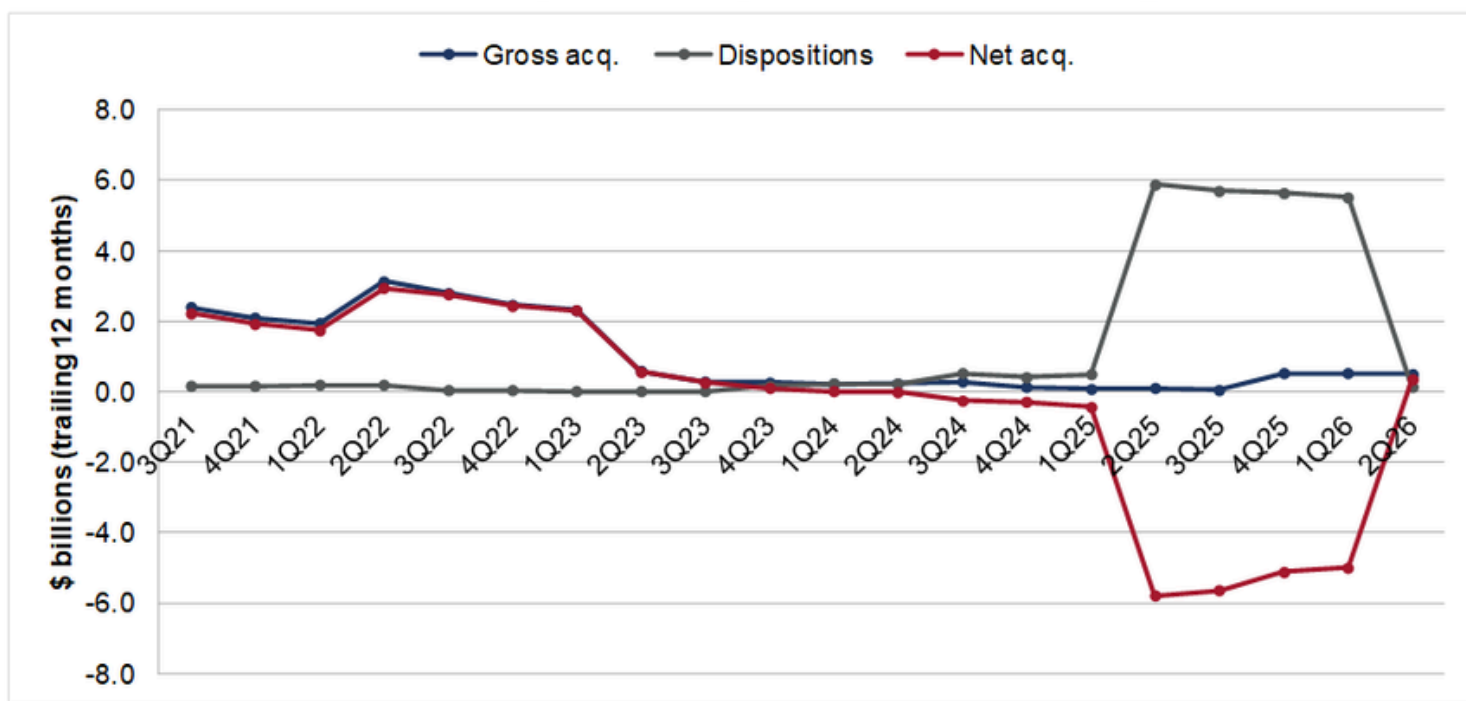
Headline MH transaction data require some qualification before being interpreted as an indicator of market activity. On a trailing-12-month basis, sector net acquisitions were negative from 2Q25

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through 1Q26, reaching approximately negative \$5.8B. The decline largely reflects SUI's \$5.65B sale of Safe Harbor Marinas to Blackstone Infrastructure in April 2025. Because SUI is classified as a MH REIT, the marina divestiture appears to be captured in the sector data despite not representing a MH transaction. As the sale rolled out of the trailing-12-month calculation in 2Q26, reported net acquisitions returned to a positive \$0.4B. The reversal therefore reflects the composition of the data and trailing measurement period more than a change in MH transaction activity.

Gross acquisition volume provides a cleaner, though still concentrated, measure of activity. Sector acquisitions totaled approximately \$503M for the trailing 12 months ended June 30, 2026, with roughly \$460M occurring in 4Q25 alone. That concentration is broadly consistent with SUI's reported deployment of approximately \$457M across 14 MH and RV communities during full-year 2025, although available disclosures do not establish how much of that investment closed specifically during the fourth quarter. In either case, reported volume appears to reflect concentrated company-specific activity rather than a broad increase in sector transaction velocity.

Exhibit 3. Sector MH Acquisitions, Dispositions and Net — Trailing 12 Months



Note: The negative net-acquisition readings from 2Q25 through 1Q26 reflect Sun Communities' \$5.65B sale of Safe Harbor Marinas (April 2025), a non-MH portfolio captured in the sector series because SUI is classified as an MH REIT.

Source: Nareit REIT Industry Tracker, 2Q26 release.



Company-level capital deployment remained selective during 1H26. External MH acquisitions were limited across the peer group, with the larger platforms directing capital primarily toward share repurchases, balance-sheet management, and organic expansion rather than portfolio acquisitions.

SUI completed one MH acquisition during the half, acquiring Parkhurst Estates in Michigan for \$17.3M in January, while disposition activity was limited to RV assets. Capital allocation instead centered on share repurchases and portfolio simplification. SUI repurchased approximately \$171M of common stock, renewed a \$1B repurchase authorization, and continued to advance the planned sale of its UK Park Holidays business, expected to close during 2H26. Management characterized its acquisition pipeline as active but selective and indicated that external investments are being evaluated against share repurchases and internal investment opportunities. At June 30, total debt was \$4.1B, with a 3.3% weighted-average interest rate and 6.9-year weighted-average maturity.

ELS continued to emphasize organic expansion, adding 141 net expansion sites during the half and identifying additional development projects totaling approximately 500 sites. External activity was limited to the \$4.4M acquisition of the remaining 20% interest in certain RV joint ventures. ELS maintained the lowest leverage among the peer group, with \$3.34B of debt, representing 20.5% of total market capitalization and 4.4 times EBITDA. Debt carried a 4.12% weighted-average interest rate and 7.0-year weighted-average maturity, while management reported approximately \$1.2B of available capacity through its line of credit and ATM programs.

UMH completed no acquisitions during the first half, with growth continuing to come primarily from existing communities. The company added and rented 193 homes during the second quarter through its rental-home program and reiterated its goal of filling at least 800 rental homes during 2026. UMH also had approximately 500 developed and previously funded vacant expansion sites available to support continued occupancy growth. Common-equity issuance remained limited, with

no use of the common ATM program since September 2025, although the company raised \$7.2M through its Series E preferred ATM program. At June 30, total debt was approximately \$789M, with a 4.92% weighted-average interest rate; 94% was fixed-rate, and net debt stood at 5.6 times adjusted EBITDA.

MHC.U remained the most active external acquirer relative to its size, although activity consisted of small bolt-on transactions near existing communities. During the half, MHC.U acquired a 95-lot community in Cleves, Ohio, for \$6.0M and a 28-lot community in Marblehead, Ohio, for \$1.5M. The Cleves acquisition was a related-party transaction with Empower, an entity majority-owned by MHC.U's Chief Executive Officer and Chief Investment Officer, and was completed at 95% of independently appraised value, according to MHC.U's financial statements. Transactions with Empower have been a recurring source of external growth, including the \$30.6M acquisition of Sawyer Pointe in August 2025 and a \$1.1M land acquisition in March 2025. Management described the broader acquisition market as opportunistic, noting that relatively few of the transactions reviewed ultimately traded and that it had not observed meaningful cap-rate expansion. MHC.U ended the quarter with \$25.8M of liquidity, 18 unencumbered communities, a 7.7-year weighted-average mortgage term, and no significant debt maturities until 2030.

Overall, first-half capital deployment remained oriented toward internal opportunities rather than large-scale external growth. SUI emphasized share repurchases and portfolio simplification, ELS and UMH focused on expansion and infill within existing communities, and MHC.U pursued smaller bolt-on acquisitions. Combined with management commentary indicating limited transaction closings and little evidence of meaningful cap-rate expansion, the activity supports a continued characterization of the private MH market as relatively thin rather than one experiencing a broad reopening of transaction volume.

MH Implied Cap Rates and Fixed-Income Comparisons

Public-market pricing for MH REITs changed little during 1H26. The sector's implied cap rate was 5.4% in both the first and second quarters, compared with 5.3% at year-end 2025, according to Nareit's REIT Industry Tracker. Benchmark yields moved somewhat more. The five-year Treasury yield increased from approximately 3.7% at year-end 2025 to 4.1% at June 30, 2026, narrowing the spread between the MH implied cap rate and the Treasury benchmark to approximately 130

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basis points from 157 basis points. Relative to corporate credit, the sector's implied cap rate remained below Moody's Baa corporate bond yield, with the negative spread widening to approximately 65 basis points at June 30 from roughly 40 basis points at year-end.

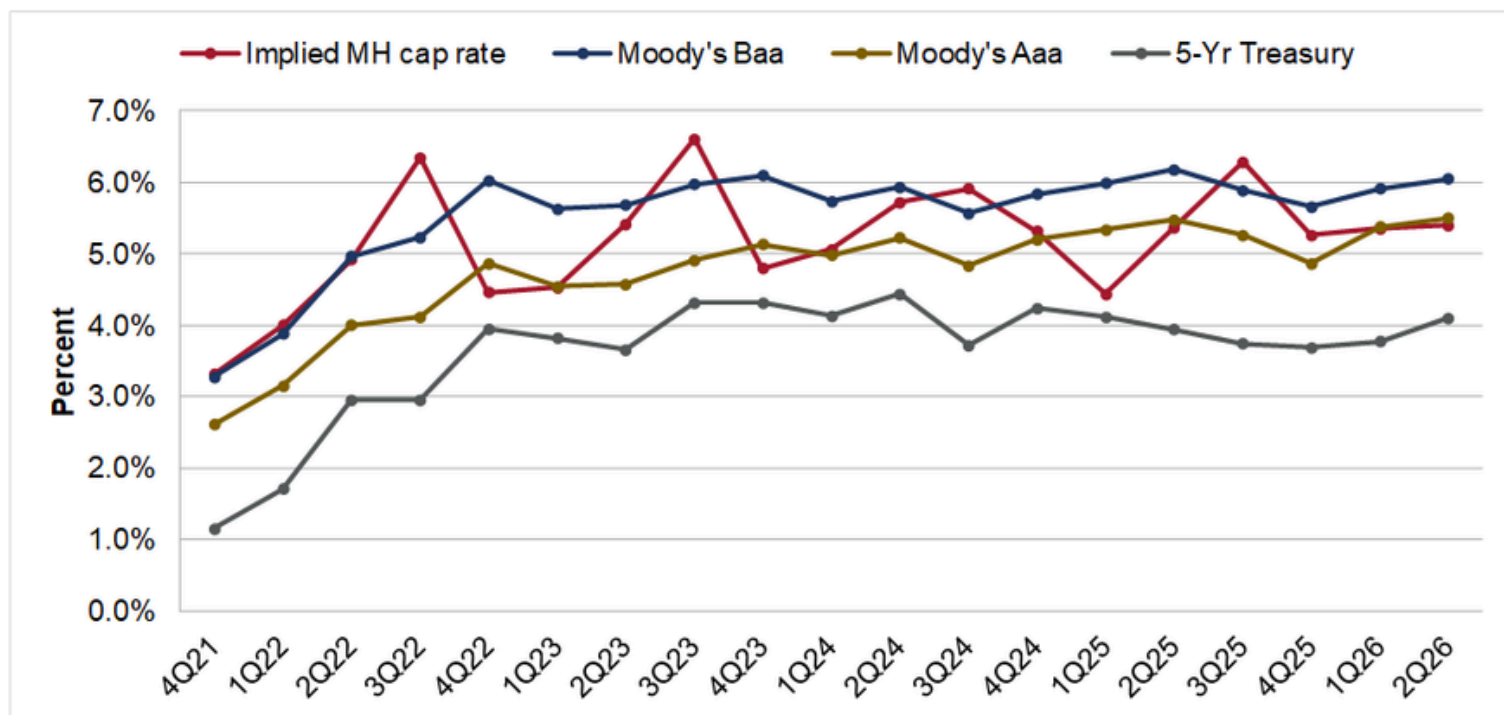
Exhibit 4. MH Implied Cap Rate versus Treasury and Corporate Bond Yields

Period	Implied MH cap rate	5-Yr Treasury	Moody's Baa	Moody's Aaa	Cap-5Y spread (bp)	Cap-Baa spread (bp)	Cap-Aaa spread (bp)
1Q25	4.4%	4.1%	6.0%	5.3%	32	-155	-90
2Q25	5.4%	3.9%	6.2%	5.5%	143	-80	-10
3Q25	6.3%	3.7%	5.9%	5.3%	254	39	101
4Q25	5.3%	3.7%	5.7%	4.9%	157	-40	39
1Q26	5.4%	3.8%	5.9%	5.4%	158	-56	-2
2Q26	5.4%	4.1%	6.0%	5.5%	130	-65	-10

(1) Implied cap rate is Nareit's quarterly (spot) series for the MH property type, not a rolling four-quarter average, consistent with prior editions.

Source: Nareit REIT Industry Tracker, 2Q26 release; Federal Reserve Statistical Release H.15; Moody's Analytics, Inc.

Exhibit 5. MH Implied Cap Rate vs. 5-Yr Treasury and Moody's Baa / Aaa Corporate Yields



Source: Nareit REIT Industry Tracker; Federal Reserve Statistical Release H.15; Moody's Analytics, Inc.

Quarterly series, 4Q21 through 2Q26.

The comparison highlights the relative stability of MH REIT pricing despite higher competing fixed-income yields. The implied cap rate premium over the five-year Treasury compressed during the first half, while the sector continued to trade at an implied yield below Baa-rated corporate bonds. That relationship does not establish a direct link to the limited acquisition activity observed during the period, but it does illustrate the elevated opportunity cost facing external investment. Against that backdrop, the sector's continued emphasis on internal expansion, share repurchases and selective acquisitions is consistent with a higher hurdle for external capital deployment.

Institutional Portfolios and Private-Market Activity

Institutional ownership of MH remains fragmented relative to the broader commercial real estate market, although ownership continued to concentrate during 2026. The largest public and private owners are summarized below.

Exhibit 6. Largest Institutional Owners of MH

Owner / Platform	Sponsor / Control	Sites / Lots	Comm.	As of
Public REITs - North America MH portfolios (2Q26 filings, as of 6/30/2026)				
Sun Communities (SUI)	Public REIT	100,860	455	6/30/2026
Equity LifeStyle Properties (ELS)	Public REIT	75,900	453	6/30/2026
UMH Properties (UMH)	Public REIT	26,633	142	6/30/2026
Flagship Communities (MHC.U)	Public REIT	17,044	87	6/30/2026
Largest private / institutionally backed owners (approximate; third-party estimates, date-sensitive)				
YES! Communities	Brookfield Asset Mgmt	80,000	300	Aug-26
RHP Properties	Ross family / Brookfield JV	80,580	--	Apr-26
Hometown America	Calzada Capital	27,174	77	Jan-26
Horizon Land Management	Federal Capital Partners	24,846	169	Jan-26
Havenpark Communities	Havenpark Capital Partners	24,638	89	Jan-26
Inspire Communities	Apollo Global Mgmt	23,590	115	Jan-26
Legacy Communities	Legacy Communities	15,061	70	Jan-26
Treehouse Communities	Blackstone	14,853	79	Jan-26
Carlyle Group	Carlyle Group	13,832	51	Jan-26

(1) Public REIT figures are as-reported at 6/30/2026 and are not uniformly defined: SUI is MH sites in the U.S. and Canada (156,130 total North America developed sites; U.K. properties now in discontinued operations); ELS is MH sites (173,559 total including RV and marina; core MH ending sites 73,311); UMH is total sites excluding three Nuveen joint-venture communities; Flagship is MHC lots plus two RV resorts (470 sites).

(2) Private-owner counts are approximate third-party estimates and are not defined uniformly across sources. The RHP total combines RHP-direct and its Brookfield joint venture; the YES! figure reflects post-close reporting, and its widely cited transaction value of roughly \$10B is press-reported and has not been formally disclosed.

Source: Company 2Q26 SEC and SEDAR+ filings and supplemental packages (public REITs); Private Equity Stakeholder Project, Private Equity MH Tracker (private owners, January and August 2026); Multi-Housing News, April 2026 (RHP).

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The most consequential ownership development occurred shortly after mid-year. In August 2026, Brookfield Asset Management completed its acquisition of YES! Communities from an investor group led by Singapore sovereign wealth fund GIC. YES!, the second-largest private MH owner in the U.S., comprises nearly 300 communities and more than 80,000 home sites across 23 states. The transaction, first reported in September 2025 and subsequently cleared through antitrust review, transferred one of the sector's largest private platforms to a global alternative-asset manager. Brookfield has described the investment as the first deployment of its dedicated housing strategy, positioning MH within a broader institutional housing platform.

Other large private owners also remained active. RHP Properties, the largest private owner at approximately 80,580 sites across 31 states, completed an \$830 million joint-venture acquisition and refinancing in April 2026 involving 36 communities and approximately 8,340 sites. The portfolio was reported at more than 99% occupancy and was financed by Wells Fargo alongside an undisclosed institutional capital partner. Below RHP and YES!, a significant share of the largest private portfolios is controlled by institutional and private-equity sponsors, including Apollo through Inspire Communities, Blackstone through Treehouse Communities, Carlyle, Federal Capital Partners through Horizon, and Havenpark, with individual portfolios generally ranging from approximately 14,000 to 27,000 sites. Brookfield's position is particularly notable: through its ownership of YES! and existing joint-venture interest in RHP, one manager now has exposure to two of the sector's largest private portfolios.

Institutional activity extended into Canada as well. Firm Capital Property Trust acquired a 50% interest in ten Alberta and Saskatchewan communities totaling 1,649 lots for C\$218M in July 2026, following an earlier C\$227M transaction announced in April, both alongside operating partner SunPark. For a U.S.-focused analysis, these transactions are primarily directional evidence of continued institutional interest rather than direct valuation comparables.



Taken together, the transactions indicate that institutional capital remains available for scaled MH portfolios, particularly those with stabilized occupancy and substantial resident home ownership. They provide less evidence, however, about where the broader private market currently clears on yield. Transaction volume remains limited, pricing disclosure is incomplete, and the largest transactions involve portfolio- or relationship-specific circumstances. Ownership counts should likewise be viewed as estimates: public-REIT figures are current and directly disclosed, while private portfolio counts are reported on differing dates and definitions and, in several cases, changed during the period.

2H26 Watchlist

Expense behavior is the central question for the balance of the year. SUI cut its full-year same-property expense growth assumption to 2.5%–2.8% and ELS cut its to 1.6%–2.6%, and the raised net operating income ranges at both companies rest on those reductions rather than on higher revenue. SUI held first-half MH expense growth to 3.3% on declines in utilities, in its combined legal, taxes and insurance line, and in other costs, against a 16.5% rise in supplies and repairs; whether that mix persists will decide whether the upgraded range holds. Revenue guidance leaves neither company much additional room. UMH Properties carries the opposite exposure, with same-property operating expenses up 7.5% over the half, above the 5% to 7% range management describes as its normal budget and expects to return to by year-end.

SUI has already signaled a slower second half, guiding third-quarter North America same-property net operating income growth of 2.0% to 3.5% against the 7.5% MH growth it delivered in the first half. Whether the full-year 4.5% to 5.3% guide implies a fourth quarter stronger than the third will indicate how much of the first-half pace carries forward.

At UMH the question is delivery rather than pricing. Management's full-year expectations rest on 5% rent increases and 800 new rental homes, both maintained at mid-year despite expense



growth running above budget. Second-half rental-home placement and rent realization will determine whether those expectations hold.

MHC.U's margin is the clearest company-specific question in the peer set. Same-community net operating income margin compressed 190 basis points to 64.5% while same-community occupancy rose 200 basis points, to 85.4% at June 30, 2026 from 83.4% at year-end 2025, and total-portfolio occupancy reached 84.7% at June 30, 2026. MHC.U does not disclose same-community operating expense directly, so the source of the compression cannot be isolated from the disclosure available for this report. Whether occupancy gains begin to carry the margin is the open item.

The pricing question raised above remains unresolved. The implied cap rate on MH REITs continues to sit below Moody's Baa corporate bond yield, a relationship in place since at least year-end 2025, while the private transactions disclosed this period continued to clear for high-occupancy portfolios, and MHC.U's management reported reviewing many deals, few trading, and no meaningful cap-rate expansion. If public-market pricing holds while private transaction evidence stays thin, the two marks will need to be reconciled before either can be treated as the sector's clearing level.

Conclusion

1H26 results largely reinforce the sector view established at year-end 2025. Property-level fundamentals remain durable, occupancy is high across the larger platforms, and disclosed rental-rate growth continues to cluster around 5%. Growth remains predominantly internal, supported by rent increases, occupancy gains and expansion within existing communities rather than large-scale external acquisitions. Nothing in the first-half operating results indicates a material deterioration in MH income fundamentals.



The composition of that growth warrants closer attention. Improved NOI guidance at SUI and ELS reflects lower expense expectations rather than stronger revenue assumptions, making expense performance an increasingly important component of the second-half outlook. UMH, where first-half expense growth exceeded management's normal budget range, illustrates the sensitivity in the opposite direction. With rental-rate growth relatively consistent across the peer group, differences in occupancy, expense control and operating leverage are likely to account for more of the variation in near-term NOI performance.

Capital allocation tells a similar story of discipline rather than expansion. External acquisitions remained limited during the first half, while capital was directed toward share repurchases and portfolio simplification at SUI, expansion and infill at ELS and UMH, and smaller bolt-on acquisitions at MHC.U. At the same time, large institutional transactions involving YES! Communities and RHP Properties demonstrate that capital remains available for scaled, stabilized portfolios even though broader transaction evidence remains limited.

For valuation purposes, the principal uncertainty lies less in current property operations than in the appropriate return requirement. MH REIT implied cap rates changed little during the first half even as Treasury and corporate-credit yields remained elevated, leaving public-market implied yields below Moody's Baa corporate bonds. Private-market transactions provide evidence of continued institutional demand but relatively limited transparency into prevailing cap rates, while management commentary indicates that relatively few marketed opportunities are closing and that meaningful cap rate expansion has yet to emerge.

The result is a sector with comparatively visible operating cash-flow growth but less visible price discovery. That distinction is important heading into 2H26. Stable occupancy and approximately 5% rental-rate growth continue to support income expectations, but they do not by themselves

resolve the appropriate capitalization rate in an environment where fixed-income alternatives remain competitive and private transaction evidence is thin. Until broader transaction activity provides clearer price discovery, valuation conclusions will require careful reconciliation of public-market implied pricing, available private transactions, property-level growth expectations and prevailing capital-market return requirements.

About Capright

Capright specializes in institutional valuation and advisory services throughout the United States. As a truly independent third party, Capright has emerged as the leading provider of mark-to-market valuations for many of the largest privately owned commercial real estate platforms. In addition to valuation services, Capright offers NAV calculation, daily pricing, valuation process implementation, debt mark-to-market, option and JV interest valuation, compliance review, audit assistance, litigation support, and managed services. In partnership with several of the largest institutional investment managers and data platforms, Capright has pioneered industry-leading analytical tools to set higher levels of accuracy and credibility for assets requiring higher-frequency valuation compliance.

For more information on the MH market, please reach out to:



Keith E. Darin, MAI, CRE
Principal
(312) 550-2361
kdarin@capright.com



Andrés Soto Rojas
Process Lead
asoto@capright.com

Comprehensive Valuation and Advisory Services

OUR ADVANTAGES

- Truly independent and unbiased
- A team with the highest level of technical skills in the marketplace
- Centralized operating structure that guarantees consistent work product
- Proprietary data, systems and technology
- Dedicated research team
- Operating in all major markets throughout the US and Latin America



WHAT WE DO →

- Valuation
- Advisory
- Debt Mark-to-Market
- NAV Calculation
- Portfolio Valuation
- Financial Reporting
- Compliance Review & Audit Assistance
- Managed Services
- Litigation Support
- Purchase Price Allocation
- + more



PROPERTY TYPES →

- Office
- Hotels
- Life Science
- Medical Office
- Single-Family Rental
- Data Centers
- Multifamily
- Industrial/IOS
- Self-Storage
- Shopping Centers
- Student Housing
- + more

WHY CHOOSE US?

- Highest quality third-party services
- Free from conflicts of interest
- Consistent, timely, and tailored work product



MEET THE TEAM →

Capright has the most qualified staff in the industry. Our professionals include those with MAI (Appraisal Institute), ASA (American Society of Appraisers), FRICS and MRICS (Royal Institution of Chartered Surveyors), and CRE® (Counselors of Real Estate) designations.

