

# Community Owners Can Improve Financial Stability with Fiber Optics

*by Susan Knowles*

The New York Times recently placed a moratorium on the phrase “tough economic times,” in their editorial content, with good reason. In the past 24 months, various media outlets covering almost every industry have published articles making vague forecasts as to the depth, length and long term consequences of the recession.



The manufactured housing industry, of course, has been hit quite hard in the last decade and increasing so in the last few years. While one should certainly not make light of the severity of this situation, it's time we stopped trying to predict the future and started thinking pragmatically about finding additional dependable sources of income.

An additional income opportunity that many MH professionals are missing out on is available from telecommunications services. While many traditional cable companies offer some revenue sharing options, most of these opportunities are only able to capture revenue from about 60 – 70 percent of residents. The other 30 - 40 percent, satellite dish subscribers, remain unreachable and yet represent a wealth of untapped additional income.

One way to increase operational income is to install an open fiber-optic network in the property. Fiber optics are the most advanced way to deliver services such as Internet, telephone and television, and many network builders and managers can create these networks in less than three months without disrupting the daily operations of the community.

Open fiber-optic networks offer added value in two key areas: creating additional revenue structures and differentiation through technology. By working with a network builder and manager, multiple providers are allowed

onto the network, increasing competition, and thereby lowering prices and increasing the quality of services overall. Better pricing and service quality cause more residents to opt into these services, increasing total revenue for owners and managers. Also, network managers can work with the providers to negotiate higher percentages of revenue shares and door fees.

Additionally, the addition of a fiber-optic network is a huge differentiator for MH communities. The ability to market this amenity and position one's community as technology-focused and forward-thinking can not only increase subscription rates, but also attract and help keep new residents. While residents may not be clamoring for fiber-optic networks at the present time, they are beginning to demand and expect the services that these types of networks enable. Planning for the future in this regard can help keep an MH community attractive and relevant for years to come.

So how do fiber-optic networks work and what's so great about them and the services they enable? Be on the lookout for the second installment in our series that explores the technology behind these networks.