UMH Properties, Inc. (UMH)

Updated May 4th, 2026, by Kody Kester

Key Metrics

Current Price:	$15.66	**5 Year CAGR Estimate:**	13.2%	**Market Cap:**	$1.3B
Fair Value Price:	$18.00	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	05/15/26[1]
% Fair Value:	87%	**5 Year Valuation Multiple Estimate:**	2.8%	**Dividend Payment Date:**	06/16/26[1]
Dividend Yield:	5.7%	**5 Year Price Target**	$24.12	**Years Of Dividend Growth:**	6
Dividend Risk Score:	F	**Sector:**	Real Estate	**Rating:**	Hold

Overview & Current Events

UMH Properties, Inc. (UMH) is a real estate investment trust (REIT) with expertise in the ownership and management of manufactured home communities. Since its founding in 1968, the company has grown to 145 manufactured home communities (including three joint ventures) containing roughly 27,100 developed homesites in 12 U.S. states throughout the Mid-Atlantic, the Midwest, and, more recently, the Sun Belt. UMH became a publicly traded company in 1985.

Different from most of its peers, the REIT utilizes a unique "rental home" strategy, owning 11,200 units that it rents directly to residents. That provides UMH with a dual income stream: Traditional land lease revenue and supplemental home rental income. As of March 31st, 2026, the portfolio occupancy rate was 88.6%, with an average monthly site rent of $581. Home rental occupancy was even stronger, with an occupancy rate of 94.6%. What's more, UMH had a land bank of approximately 2,300 acres available to be developed into around 9,300 sites.

On April 30th, UMH released its financial results for the first quarter ended March 31st. The REIT's total income (revenue) rose by 7.5% over the year-ago period to $65.84 million in the quarter. Same-property revenue growth was 7.6% during the quarter, which was fueled by a mix of a 5% increase in site rent, a 110-basis-point improvement in same-property occupancy to 89%, and the continued conversion of inventory into revenue-producing rental homes. UMH's normalized FFO per share was unchanged at $0.23 for the quarter, which was in line with the analyst consensus. Seasonal headwinds and a jump in community operating expenses in the quarter (higher payroll and real estate taxes) canceled out the higher revenue.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
FFO/S	$0.66	$0.66	$0.74	$0.63	$0.70	$0.87	$0.85	$0.86	$0.93	$0.95	***$1.00***	***$1.34***
DPS	$0.72	$0.72	$0.72	$0.72	$0.72	$0.76	$0.80	$0.82	$0.85	$0.89	***$0.90***	***$1.09***
Shares[2]	29.4	35.5	38.3	41.1	41.9	51.7	57.6	68.0	81.9	84.9	***85.2***	***94.0***

Since 2016, UMH's normalized FFO per share has compounded by just over 4% annually. Looking ahead, we think that this can moderately accelerate to 6% annually through 2031, off an anticipated 2026 base of $1.00 (this would be just below the midpoint of the $0.98 to $1.04 guidance set forth for 2026 by management). One key driving factor for UMH moving forward is that it's sitting on plenty of vacant land within its existing communities. On its 27,000-plus developed sites, around 3,000 are currently earning nothing. Adding a home to a vacant lot it already owns requires no new roads and no new managers, meaning most of that incremental rent flows to the bottom line. An equally important growth driver for UMH is consistent annual site rent increases and the ongoing shift from site-only residents to the rental home mix (revenue per site roughly doubles). Improved operating leverage with increased scale should be the final piece of the puzzle for UMH.

[1] Estimated dates based on past dividend dates.

[2] Share count is in millions.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
P/FFO	22.8	22.6	15.8	24.6	21.1	31.4	18.9	17.8	20.4	16.7	***15.7***	***18.0***
Avg. Yld.	4.8%	4.8%	6.1%	4.6%	4.9%	2.8%	5.0%	5.4%	4.5%	5.6%	***5.7%***	***4.5%***

Since 2016, UMH has been valued at a P/FFO ratio of as little as the low-teens recently to as much as the low-30s in the days of zero interest rate policy. That has skewed the average P/FFO ratio over that time to around 21. Moving forward, we continue to believe that a rational fair value multiple for UMH in the higher interest rate environment is around 18. Compared to the current-year P/FFO ratio of 15.7, this implies shares are still discounted by a double-digit percentage.

Safety, Quality, Competitive Advantage, & Recession Resiliency

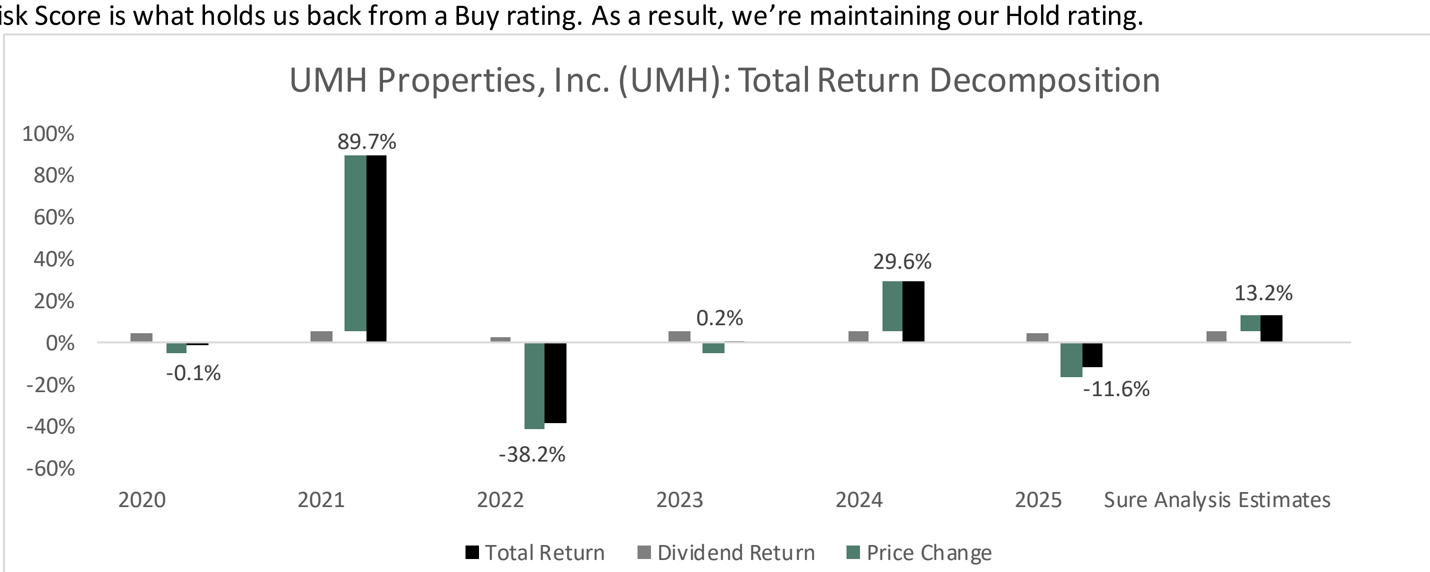
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	109%	109%	97%	114%	103%	87%	94%	95%	91%	94%	***90%***	***82%***

UMH's key competitive advantage is its rental home moat. The 11,000-plus rental home portfolio allows the company to capture not only site rent but home rent as well. The major edge that this has over a comparable two-bedroom apartment in UMH's markets is that such a rental home tends to be $300 to $500 a month cheaper, while also offering a private yard and no shared walls. This creates a sticky tenant base with very high renewal rates. Another advantage is that because UMH already owns 2,300 acres of vacant land adjacent to existing communities, its costs to add a new site are much lower than buying a new community. These infill and expansion projects often generate unlevered returns of 10% or higher, which is superior to the 5% to 6% cap rates found on the open acquisition market.

UMH's balance sheet is solid, too. As of March 31st, 2026, the REIT's net debt to adjusted EBITDA ratio was 5.5x. Additionally, the company's net debt to capitalization ratio was 31.2%. These figures both suggest its debt load is manageable and its capital structure is conservative. On the other hand, UMH's payout ratio is likely to remain quite high in 2026 at around 90%. That's why we think that dividend growth will meaningfully lag normalized FFO per share growth for the foreseeable future.

Final Thoughts & Recommendation

UMH's 5.7% dividend yield, 6.0% annual normalized FFO per share growth prospects, and 2.8% annual valuation multiple upside potential could generate 13.2% annual total return over the medium term. Still, the low Dividend Risk Score is what holds us back from a Buy rating. As a result, we're maintaining our Hold rating.



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	99	113	130	147	164	186	196	221	241	262
Gross Profit	27	29	33	35	44	53	54	63	71	77
Gross Margin	27.1%	25.5%	25.6%	24.0%	27.1%	28.4%	27.5%	28.4%	29.5%	29.3%
D&A Exp.	23	28	32	37	42	45	49	56	60	67
Operating Profit	16	15	(34)	34	14	59	8	33	44	46
Operating Margin	15.6%	13.7%	-26.0%	23.5%	8.7%	31.7%	3.9%	14.7%	18.1%	17.4%
Net Profit	11	12	(36)	27	5	51	(5)	8	21	26
Net Margin	11.2%	10.8%	-27.9%	18.6%	3.1%	27.4%	-2.5%	3.6%	8.9%	10.0%
Free Cash Flow	29	41	40	39	67	65	(8)	120	82	82

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	680	824	881	1,025	1,089	1,271	1,345	1,428	1,564	1,699
Cash & Equivalents	4	23	7	13	15	116	30	57	100	72
Inventories	17	18	24	32	25	24	88	33	35	42
Total Liabilities	363	403	456	479	588	529	793	721	648	792
Long-Term Debt	351	390	439	461	558	499	762	690	615	761
Shareholder's Equity	130	182	136	141	94	280	324	415	593	583
LTD/E Ratio	1.11	0.92	1.03	0.84	1.11	0.67	1.39	0.98	0.68	0.84

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.7%	1.6%	-4.2%	2.9%	0.5%	4.3%	-0.4%	0.6%	1.4%	1.6%
Return on Equity	3.9%	3.3%	-8.6%	5.6%	1.0%	8.2%	-0.8%	1.2%	2.6%	2.9%
ROIC	1.8%	1.6%	-4.3%	2.9%	0.5%	4.4%	-0.4%	0.6%	1.5%	1.6%
Shares Out.	29.4	35.5	38.3	41.1	41.9	51.7	57.6	68.0	81.9	84.9
Revenue/Share	3.57	3.45	3.51	3.65	3.95	3.92	3.60	3.50	3.21	3.09
FCF/Share	1.06	1.27	1.09	0.96	1.61	1.37	(0.15)	1.90	1.09	0.97

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.