

UMH PROPERTIES, INC.

2024 Sustainability Report



DEER RUN, Dothan, AL
Acquired in 2021

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LETTER FROM THE PRESIDENT

At UMH Properties, we are steadfast in our commitment to being responsible stewards of both business and the environment. For us, sustainability begins with fostering a company culture that creates positive experiences for our employees, residents, shareholders, and all stakeholders. By operating with integrity and mutual respect, we build a foundation that ensures the longevity and success of our company while minimizing our impact on the communities and environments we call home.

For over 55 years, UMH has thrived by adhering to these principles. Sustainability, in our view, is about more than enduring the test of time; it's about harmonizing with and enhancing the surrounding communities. We are proud to provide quality, attainable workforce housing—an essential component of social infrastructure that forms the bedrock of a thriving society.

Each year, we strive to expand access to affordable housing by adding 800 rental homes and 200 homes for sale to our portfolio. Our mission is to deliver high-quality, affordable housing in the markets we serve, offering our employees a sense of purpose in knowing they are making a meaningful impact every day. Together, we work to create a superior product at the most competitive prices possible. Our unique approach enables families to enjoy larger, better-quality homes with the space and comfort they need to live their best lives.

As we compete with other multifamily and single-family housing options, we remain focused on delivering exceptional value to our residents. This includes not only providing high-quality homes but also offering amenities, peace of mind, exceptional customer service, cost savings, and more. Over the years, this commitment has driven us to innovate and implement initiatives such as adding self-storage units to our communities, providing lower-cost financing options, enhancing safety measures, conducting extensive employee training, and—most recently—introducing renewable energy solutions to residents who may have never thought such benefits were within reach.



As leaders in the manufactured housing industry, we are dedicated to pushing the boundaries of what is possible. Our teams work diligently to drive innovation and improve the lives of our residents, grow returns for our shareholders, and increase the value we bring to all stakeholders. Through strategic planning and collaboration, we have achieved significant milestones: advocating for updates to the HUD Code to accommodate duplex structures, implementing solar shingles to offer residents discounted electricity rates, building award-winning, first-class communities, and advancing policy changes to make affordable housing more accessible under Opportunity Zone legislation.

These ongoing efforts have positioned UMH as a pioneer in sustainability within the REIT space. By combining innovation with a clear vision for the future, we have consistently delivered industry-leading returns for our shareholders. We are excited to continue this journey, achieving our goals and providing the quality housing our country so urgently needs.

Very truly yours,

A handwritten signature in black ink that reads "Samuel Landy". The signature is fluid and cursive, with a long, sweeping underline.

SAMUEL A. LANDY
President and Chief Executive Officer
April 2025

ABOUT THIS REPORT

Our Sustainability Report provides a comprehensive overview of the initiatives and efforts material to UMH Properties, Inc. (“UMH” or “the Company”). It also addresses associated risks and opportunities. Additionally, the Report addresses the current housing crisis and highlights UMH’s role as a vital contributor to one of the nation’s most pressing societal challenges.

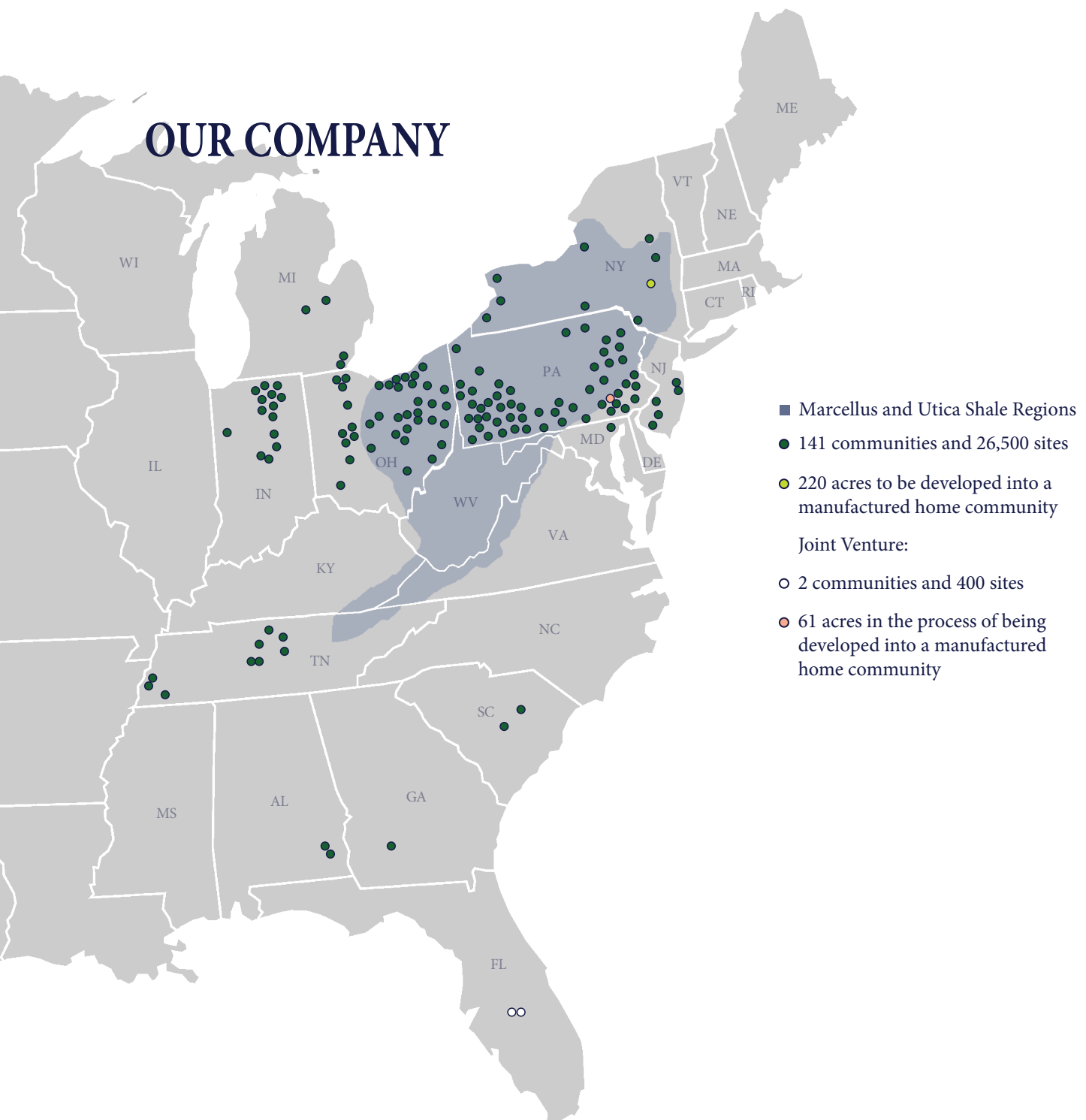
We are committed to building phased, sustainable solutions that improve each year, building on past accomplishments while adhering to the Company’s core principles. Our investments in essential social infrastructure and environmentally conscious practices are paired with ongoing efforts to refine operational processes. This includes improving how we collect and analyze utility consumption data, enabling us to make informed, impactful decisions that enhance efficiency and benefit all stakeholders.

Transparency is at the heart of our sustainability journey. We remain dedicated to increasing the accuracy, depth, and scope of our reporting, ensuring that our disclosures are meaningful and materially relevant to our business. This Sustainability Report references the Global Reporting Initiative (GRI) guidelines established by the Global Sustainability Standards Board (GSSB), providing a trusted framework for assessing and communicating our progress. UMH will continue to share updates on our sustainability initiatives, including certifications, benchmarks, and verifications, through future updates to this report and on our website at www.umh.reit. Together, we are committed to creating quality, sustainable housing solutions while fostering growth and value for all stakeholders.



HUDSON ESTATES, Peninsula, OH
Acquired in 2014

OUR COMPANY



UMH Properties, Inc. has a 56-year history of providing quality, affordable housing for our nation's workforce. UMH owns and operates a portfolio of manufactured home communities comprising 141 communities with 26,500 developed homesites in twelve states. As home prices continue to rise and available home inventory continues to shrink, the supply of affordable housing becomes an ever-increasing concern. We are committed to being a part of the solution to America's affordable housing crisis. UMH has long believed that we should create sustainable and environmentally friendly communities with a positive societal impact. We continue developing and investing in environmentally friendly initiatives to conserve energy and natural resources. Our upgraded and well-maintained communities are a place that our residents proudly call home. UMH upholds a belief in enriching the people's lives impacted by our Company – our employees, residents, and neighbors.

RECENT SUSTAINABILITY HIGHLIGHTS

- **Enhanced Consumption Tracking:** We actively track and analyze consumption data to report Scope 1 and Scope 2 emissions, including those related to energy, water, and waste. These efforts enhance transparency and support continuous improvements in our sustainability reporting.
- **Transition to Renewable Energy:** In Pennsylvania's deregulated energy market, we transitioned the supply of 2,728,160 kWh of electricity to renewable sources, our first step in expanding renewable energy adoption.
- **Power Purchase Agreement (PPA):** We finalized our first solar PPA for one of our largest electric consuming and most costly properties.
- **EV Infrastructure Initiative:** Installed electric vehicle charging stations at our corporate office and are exploring options to install charging stations in some of our communities.
- **Innovative Housing Showcase:** Introduced the first non-pilot HUD Code home with solar shingles at the Innovative Housing Showcase in Washington, D.C. This multi-section duplex model marks progress in the evolution of the HUD Code as well as the integration of solar technology into this industry. We are working on how to combine renewable energy with the DOE Zero Energy Ready homes we are already purchasing.
- **Human Rights Commitment:** With Board approval, we implemented a formal Human Rights Policy.
- **Third Party Recognition:** MSCI has recognized UMH as having 100% social revenue, and Sustainalytics has reviewed our Sustainable Finance Framework for our role in providing affordable housing in the markets we serve.
- **Community Safety Enhancements:** Strengthened relationships with local authorities and invested in new technologies to improve safety for both residents and employees.
- **Expanding Access to Housing:** We continue to provide industry leading chattel financing options and affordable housing opportunities in identified disadvantaged communities and designated Opportunity Zones.

OUR MISSION

Why:

To fill the gap in affordable housing.

What:

Build low-cost, high-quality, well-managed manufactured home communities.

How:

Provide a product that low-to-middle-income home buyers find affordable and desirable. Build contemporary communities where our residents are happy to call home.

UMH is uniquely capable of providing America's workforce with the best value in housing. Based on the customers' short-term or long-term needs, that solution can be either renting or buying a home.

We believe in enriching the lives of all our stakeholders. This starts by providing quality living experience for our customers, local community outreach, and high corporate governance and investor relations.

U.N. SUSTAINABLE GOALS



We are committed to supporting the United Nations (UN) Sustainable Development Goals that apply to our business practices and will continue to invest in these areas.

Clean Water and Sanitation 6

“By 2030, substantially increase water-use efficiency across all sectors.”

As a company, we have developed environmental management systems around conserving water resources through submetering projects and leak detection technology. Our efforts include submetering for water, which now covers 86% of the portfolio.

Peace, Justice, and Strong Institutions 16

“Substantially reduce corruption and bribery in all their forms.”

We have a strict anti-money laundering program in place. We do not tolerate bribery or corruption at any level of our Company, with specific emphasis in our Code of Business Conduct and Ethics on this matter. We also have comprehensive whistleblower protections for the benefit of our employees. We prohibit forced or child labor at any of our properties and demand the same from suppliers at their facilities.

“Promote and enforce non-discriminatory laws and policies for sustainable development”.

We pride ourselves on being an equal opportunity employer that values diversity at all levels. We hold regular training seminars to prevent harassment and discrimination while upholding our robust code of conduct.

Sustainable Cities and Communities 11.1

“By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums”.

Since its inception, UMH has been committed

to providing America’s workforce with attainable housing. Our home quality and superior pricing are industry-leading and are far below national home cost averages. We have helped to revitalize and redevelop economically depressed areas, including properties in designated opportunity zones, disadvantaged communities, energy communities, and low-income areas. Our investments help spur local economic activity as we employ local contractors in the redevelopment and maintenance of properties and see other employers access a larger workforce pool who live in UMH’s communities. Our portfolio break out of properties in these identified areas is as follows:

	# of Properties	# of Sites
OZ Communities (excluding OZ fund)	7	1,792
OZ Fund	2	297
Energy Communities	58	9,972
Disadvantaged Communities	29	6,725
Low Income	37	8,077

Affordable and Clean Energy 7.3

“By 2030, double the global rate of improvement in energy efficiency”.

Recent and planned investments include adding more energy-efficient homes that are ENERGY STAR certified and Department of Energy Zero Energy Ready Homes, expanding the installation of LED lighting, and upgrading facilities with smart thermostats across the portfolio. These actions demonstrate our commitment to reducing total energy usage for both the Company and our residents. We also plan to implement renewable energy technologies through community solar contracts, power purchase agreements (PPAs), green energy supply, and solar-shingled products for residents. We pioneered the first factory-installed solar-shingled homes delivered to our properties.

HOUSING MARKET

The U.S. housing market is in crisis, with persistent deficiencies preventing millions of Americans from securing affordable, stable housing. A critical shortage of 3.5 to 5.5 million homesⁱ has restricted inventory, driving home prices to record highs. Simultaneously, decade-high interest rates, peaking at 7.8% in 2023 before easing slightly, have spiked monthly payments, resulting in the lowest home sales in 30 years.ⁱⁱ Inflation in construction materials, restrictive zoning laws, and a rapidly aging housing stock further compound affordability challenges and prolong the crisis. In 2024, 77% of U.S. households cannot afford a median-priced new home (\$495,750), and nearly half (49%) are priced out of even a \$250,000 home.ⁱⁱⁱ

The consequences extend beyond financial hardship; unstable housing contributes to worsened health outcomes, negative impacts on children's long-term development, and diminished economic growth. While traditional site-built housing struggles to keep pace with demand, HUD Code manufactured homes offer a scalable, cost-effective solution. By leveraging modern construction techniques and reducing regulatory barriers, manufactured housing can help address a portion of the supply shortage.

At the heart of the housing crisis there is a chronic imbalance between supply and demand, driven by a decade of underbuilding after the Great Recession and three of the largest generations -- Generation Z, Millennials and Baby Boomers -- simultaneously competing for homes. While demand continues to rise, housing supply has failed to keep pace, disproportionately affecting younger and lower-income buyers.

Adding to the problem, new housing construction is skewed toward the high-end market, leaving many potential buyers priced out. The median price of a new home now exceeds \$490,000, reflecting a trend toward larger, more expensive homes. Only 8.7% of new homes built in 2023 were under 1,400 square feet, compared to 40% in the 1980s,^{iv} illustrating the decline in starter home options. By prioritizing high-end construction, the market fails to accommodate a diverse range of buyers, resulting in:

- An increase in the median first-time homebuyer age to 38 from 35 in 2023.
- A median increase in the overall homebuyer age to 56 from 49 in 2023.
- A record 26% of home purchases in 2024 paid entirely in cash.



DUCK RIVER ESTATES
Columbia, TN

These statistics reflect a market dominated by older, wealthier buyers, with 83% identifying as White/Caucasian and a median homebuyer income of \$97,000, far exceeding the national median.^v Meanwhile, existing homeowners have little incentive to sell, as many are locked in low mortgage rates and would face significantly higher monthly payments if they moved. Despite record home equity gains, many homeowners choose to stay put, further restricting supply. As a result, housing inventory fell to just 3.3 months' supply in December 2024,^{vi} well below the level considered healthy for a balanced market. To stabilize prices and expand access to homeownership, home construction must increase across all price points, ensuring that new housing serves a wider demographic rather than catering exclusively to high-income buyers.

The high cost of construction remains a significant factor keeping home prices elevated across both single-

family and multifamily housing. Rising interest rates have not only made homeownership more expensive but have also increased borrowing costs for developers, making new construction riskier and less financially viable. Meanwhile, land and material costs continue to surge, further inflating the overall expense of building new housing.^{vii}

Beyond material and financing costs, bureaucratic hurdles and restrictive land-use regulations significantly drive-up prices. Lengthy approval processes, zoning ordinances, and permitting fees add substantial costs before construction even begins. These policies reduce construction activity, restrict housing supply, and, in some cases, perpetuate socioeconomic segregation and stagnation. Additionally, restrictive zoning laws contribute to urban sprawl, longer commutes, increased pollution, and higher greenhouse gas emissions.^{viii}

The cost to build a single-family home now averages \$166 per square foot,^{ix} while multifamily apartment construction costs an average of \$300 per square foot.^x Despite the urgent need for affordable options, these costs make it difficult to build homes at price points accessible to lower- and middle-income buyers. Further complicating the crisis is the aging U.S. housing stock, with the median home age now surpassing 40 years.^{xi} Many of these homes require extensive maintenance or even need to be replaced. This puts additional pressure on supply, as the aging housing stock becomes obsolete faster than they can be replaced. Without cost-efficient construction solutions and policy changes to streamline development, the housing market will continue to struggle to meet demand, exacerbating affordability challenges.

The convergence of escalating housing costs and stagnant wage growth has led to a significant increase in cost-burdened households, which are those spending a disproportionate share of their income on housing. In 2023, 31.3% of American households were cost-burdened: 27.1% of homeowners and 49.7% of renters exceeded the recommended 30% share of income for housing expenses.^{xii}

This financial strain extends beyond housing, adversely affecting public health, particularly among children and the elderly. Families allocating substantial portions of their income to housing often have limited resources for essential maintenance, leading to substandard living conditions with issues like pests, mold, and structural deterioration. Such environments are linked

to increased risks of respiratory issues, contamination, vector-borne illnesses and mental health challenges. Additionally, insufficient affordable housing hampers national productivity. High housing costs limit household spending on education, innovation, and entrepreneurship. The shortage of affordable housing costs the U.S. economy an estimated \$2 trillion annually in lost wages and productivity.^{xiii}

The chronic instability of the housing market demands a multi-faceted approach, as no single solution can fully resolve the crisis. However, manufactured housing offers an immediate and scalable way to address a portion of the supply shortage. Built to rigorous federal HUD Code standards, these homes are protected from exclusionary local design and code regulations, allowing them to bypass certain zoning and permitting obstacles that delay traditional construction.

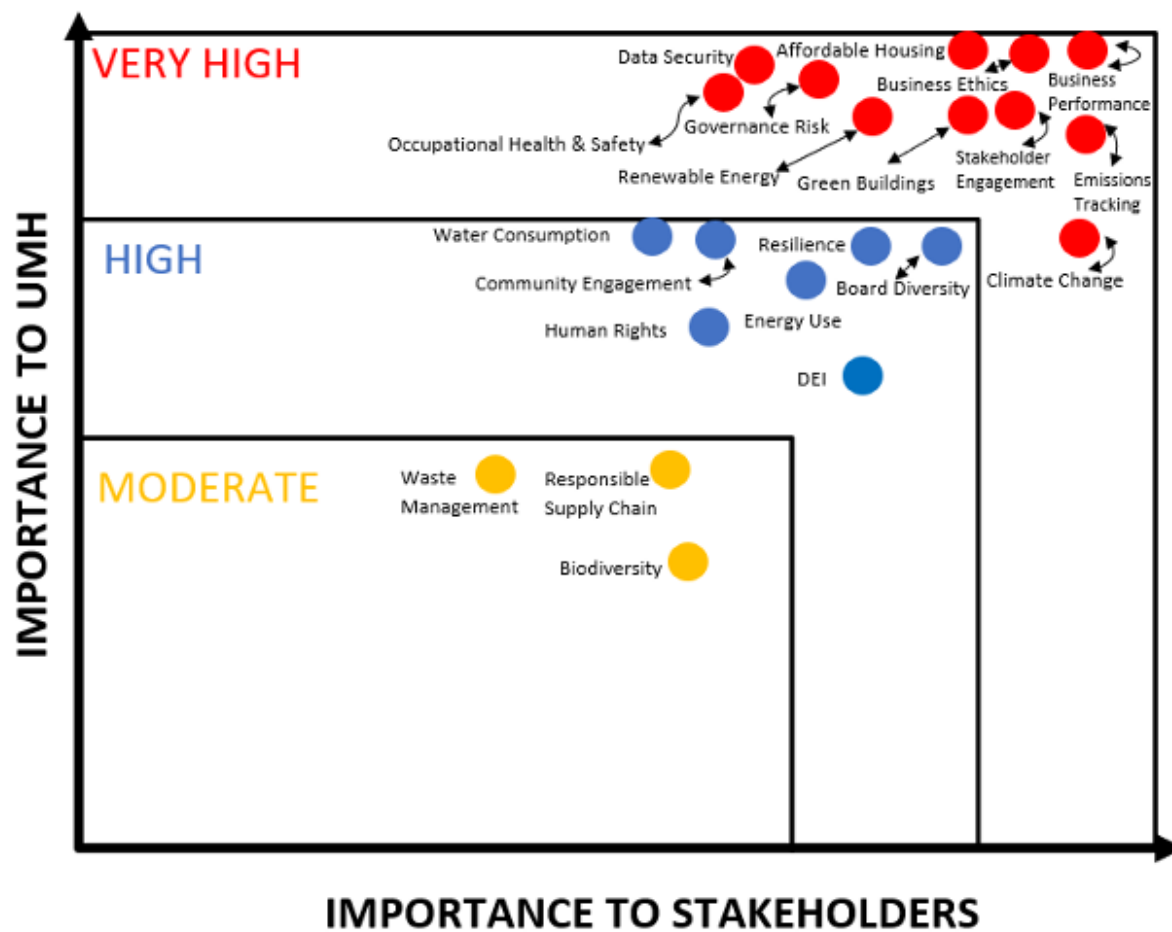
Despite restrictive zoning and land-use policies limiting widespread adoption, increasing awareness of the negative consequences of these regulations is driving momentum for reform. Many local governments are recognizing that HUD Code homes provide high-quality, cost-effective housing solutions at a fraction of the cost and timeline of site-built construction.

Recent technological advancements in off-site construction further enhance the viability of manufactured housing. Modern, technology-driven processes in home construction:

- Reduce weight of material waste by up to 83%.^{xiv}
- Cut construction timelines by 30-50%.^{xv}
- Lower overall costs per unit.
- Are increasingly designed to meet traditional appraisal standards, making them comparable to conventional single-family residences in value and financing options.

Federal, state, and local policymakers embrace manufactured housing as a legitimate solution to the nation's housing crisis, these homes could play a crucial role in closing the U.S. housing deficit. Expanding access to manufactured housing is not just an economic imperative, it is a necessity to ensure that more Americans have access to safe, high-quality, and affordable homes.

MATERIALITY INDEX



ENVIRONMENTAL



RUM RUNNER, Sebring FL
Acquired in 2022



ENVIRONMENTAL

Sustainable Building: The Environmental Edge of Manufactured Housing

The real estate sector is a cornerstone of the U.S. economy, contributing approximately \$4.9 trillion annually -- 18% to GDP in 2023 -- according to the National Association of Realtors.^{xvi} However, this economic powerhouse comes with a steep environmental cost. Traditional construction accounts for 39% of global CO₂ emissions, with residential buildings alone generating 11% of that total.^{xvii} From raw material extraction to on-site energy use, conventional real estate development strains ecosystems, consumes vast resources, and leaves a lasting carbon footprint. Manufactured housing offers a compelling alternative, reducing environmental harm while meeting housing demand efficiently.

Unlike traditional stick-built homes, manufactured housing is constructed in controlled factory settings, optimizing material use and minimizing waste. Offsite construction reduces waste generated per home by as much as 83% compared to site-built counterparts. For example, construction of a 2,000 square foot site-built home will generate 8,000 pounds (3.3 tons) more waste than a home constructed offsite. This efficiency stems from reusing excess materials in subsequent homes, bulk purchasing, and recycling of scraps within the facility.

In addition, factory production slashes the energy demands of construction. On-site building relies heavily on fuel-intensive machinery and transportation, often emitting 50-60 pounds of CO₂ per square foot constructed.^{xviii} Manufactured homes, built indoors and shipped as completed units, cut GHG emissions by an estimated 47%.^{xix}

UMH purchases manufactured homes that are designed with energy-efficient features and are ENERGY STAR certified and/or DOE Zero Energy Ready Homes (ZERH).

Features of these energy-efficient manufactured homes include:

- ENERGY STAR certified appliances:
 - ▷ Refrigerators to reduce electricity by 10-20%.
 - ▷ Dishwashers to cut water and energy consumption by 30%.

- ▷ Washing machines to use 25% less energy and 33% less water.
- High-efficiency HVAC systems that include:
 - ▷ Heat pumps and gas furnaces to reduce energy by 20-30%.
 - ▷ Ductless mini-split heat pumps to cut cooling energy by 50%.
- Sealed ductwork to minimize air loss, improving efficiency by 20%.
- LED lighting that uses 75-80% less energy than incandescent bulbs.
- Efficient windows, including:
 - ▷ Low-E double pane windows to reduce energy loss by 10-15%.
 - ▷ Triple pane windows to reduce heat loss by an additional 20-30%.
- Enhanced insulation, including:
 - ▷ R-21 walls, R-38 ceilings, and R-13 floors to reduce heating and cooling demands by 15%.
 - ▷ ZERH that contains R-30 floors, R-50 ceilings, and R-21+ walls, that may lead to 40-50% energy savings.
- Improved ventilation systems ensure air circulation, retain heat and coolness, and filter CO₂ and VOCs for better indoor air quality.
- Efficient water heaters
 - ▷ Gas and electric models that save 10-15% on water heating costs.
 - ▷ Hybrid heat pump water heaters that use 60-70% less energy than standard electric heaters.
- Smart thermostats to optimize energy use with programmable settings.
- ZERH homes that are pre-wired for solar hook up and have advanced framing techniques that also boost efficiency.

UMH investments in energy-efficient appliances, ENERGY STAR and ZERH homes save UMH residents money. ZERH homes may achieve 50-70% energy savings over standard HUD-code homes, leading to utility bills as low as \$800 per home per year. ENERGY STAR certified homes may be 20-30% more efficient than typical manufactured homes, leading to an estimated savings of \$300-\$500 per year.



ENVIRONMENTAL

Sustainable Building: The Environmental Edge of Manufactured Housing



WELLINGTON ESTATES, Export PA
Acquired in 2017

Traditional construction often requires extensive site preparation, clearing vegetation, grading land, and altering watersheds, which can degrade local ecosystems. Manufactured housing, by contrast, requires less invasive installation. A study from the Modular Building Institute highlighted that modular and prefabricated homes reduce land disturbance, preserving soil integrity and biodiversity. For UMH, this translates reduced environmental impact and greener developments that harmonize with their surroundings.

The real estate market's \$4.9 trillion contribution to GDP is also a reflection of resource intensity. Cement production alone, a staple of conventional on-site construction, accounts for 6% of global CO2 emissions. Scaling up manufactured housing could lighten this load. If just 15% of new U.S. home construction shifted to the off-site methods of manufactured housing (roughly 150,000 of the 1 million homes built annually), the real estate sector would avoid 3

million tons of CO2 emissions yearly, the equivalent to removing roughly 652,000 cars from the road based on EPA equivalencies. This shift wouldn't dent GDP contribution; rather, it would redirect economic activity toward sustainable practices and support local job creation as employers have a nearby workforce.

The ripple effects extend beyond individual homes. By prioritizing manufactured housing, sustainability goals align with solutions to housing shortage and their economic constraints. Traditional construction's slow pace and high costs exacerbate the affordability crisis, increase urban sprawl, and contribute to resource depletion. Manufactured housing delivers faster, greener alternatives, balancing economic vitality with planetary health. As real estate continues to shape a large component of GDP, embracing sustainable, innovative housing ensures that growth doesn't come at the environment's expense.



ENVIRONMENTAL

Solar Homes: Pioneering Sustainability in Manufactured Housing

At UMH Properties, we're not just building top tier manufactured housing communities where people love to live, we're revolutionizing sustainable living. We showcased the industry's first solar-powered duplex at HUD's Innovative Housing Showcase in Washington, D.C. in 2024, setting a new standard for affordable, eco-friendly housing. This innovative duplex transforms a single lot into two two-bedroom, one-bath units, slashing rental costs compared to a traditional single home on the same lot. And with the integration of cutting-edge solar technology, we're bringing renewable energy to a segment of the market that might never have considered it possible. Pairing our financially attainable homes with solar savings offers residents compelling value over other housing options, as the package enhances both affordability and environmental impact.

UMH solar homes include the energy-efficient features listed earlier (e.g., enhanced insulation, ENERGY STAR appliances, and efficient HVAC systems). And with the solar shingles, UMH homes further elevate sustainability:

- **World's First Nailable Solar Shingle:** This feature streamlines factory integration as it is installed directly onto the roof deck using standard roofing techniques and tools. It also has a 25-year warranty.
- **High Power Output:** UMH is using GAF Timberline Solar Roofing System, which delivers a relatively large 57 watts per shingle via monocrystalline PERC solar cells, with a degradation rate of just 0.5% per year.
- **Durability:** The GAF solar shingles are engineered to withstand winds up to 130 mph and feature water shedding capabilities for reliable performance in harsh weather.
- **Aesthetic Integration:** The solar shingles are ultra-thin (less than a quarter inch) with smaller transition boxes and simplified wiring, blending seamlessly with traditional shingles for a sleek, low-profile look.

We're expanding our vision for solar homes with flexible payment options. Our solar lease program covers 60-70% of a home's electricity usage at a discounted rate compared to utility bills, and our

purchase option allows residents access to 100% of the rooftop solar capacity. Looking ahead, UMH aims to add battery storage, enabling residents to store excess solar energy for more savings and much-valued energy independence.

Adding solar to UMH homes will significantly reduce emissions.

Here's an expected savings example:

Typical Manufactured Duplex Home Size: 1200 sq ft.
Annual Electricity Produced by Solar Shingle Array: 4.6 kW
Percent of Annual Energy Load: 70% (5,145 kWh/year, based on an estimated 7,350 kWh total usage):

- **Avoided Emissions per Solar Home:** 1.98 metric tons CO₂ per year
 - ▷ U.S. average grid emissions factor of 0.85 lbs. CO₂/kWh (eg 0.000385 metric tons/kWh)
 - ▷ $5,145 \text{ kWh} \times 0.000385 = 1.98 \text{ metric tons of CO}_2 \text{ avoided annually.}$
- **Tree Equivalence:** 33 trees
 - ▷ 0.0606 metric tons CO₂ sequestered per tree per year (U.S. EPA):
 - ▷ $1.98 \text{ metric tons CO}_2 \text{ per home} \div 0.0606 \text{ metric tons per tree} = 33 \text{ trees per year.}$

In sum, UMH is tackling the nation's housing shortage and climate goals head-on by combining solar-power for our traditional manufactured homes and our innovative duplex homes with our factory-built efficiency. Residents enjoy lower costs, modern amenities, and a reduced carbon footprint, all while living in vibrant, sustainable communities. This isn't just housing, it's a blueprint for a greener, more accessible future.

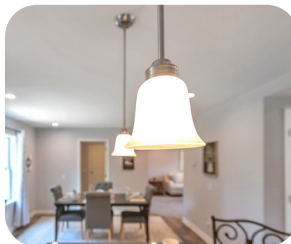


ENVIRONMENTAL

Conservation Practices



Water



LED Lighting

Water

At UMH, our in-house engineers and management team spearhead submetering projects to champion water conservation and resident accountability. By equipping homes with individual water meters, we empower residents to monitor and manage their usage, fostering a culture of responsibility. This initiative delivers immediate benefits: each resident receives a site rent reduction equivalent to the water allocation previously bundled into their rent, with opportunities for additional savings through mindful conservation.

To date, we've installed submeters in 88 communities which equate to 86% of homes using public water systems, marking a significant stride in our sustainability mission. Notably, we exclude communities with private water systems due to logistical constraints. Looking ahead, eight more communities are in the pipeline for submetering, and as our portfolio expands, we plan to roll out this program wherever practical.

Complementing our submetering rollout, UMH has made substantial investments in advanced leak detection technology, strengthening our ability to identify and repair leaks promptly. Older communities often face aging infrastructure prone to leaks and equipment failures, inflating repair costs, water bills, and on occasion requiring water transportation. When UMH rehabilitates older properties, leak detection is a cornerstone of our strategy, curbing water waste, slashing operational expenses, and reducing environmental impact. By pairing leak detection technology with sub-metering, we build reliable, and sustainable services for our communities, while tackling the hidden costs of deferred maintenance head-on.

Further, our newly installed manufactured homes

have amplified the impact of our water-saving infrastructure, as they arrive with ENERGY STAR certified appliances that are designed for efficiency that cut a typical household's water use by 5,000 to 7,000 gallons per year (U.S. EPA.). The ENERGY STAR appliances include:

- Dishwashers - 30% water savings (3.5 gallons per cycle vs 5 gallons for standard models)
- Washing machines – 22% water savings (13 gallons per load vs 20 gallons for standard models)
- Low-flow toilets – 25% water savings (1.1 to 1.6 gallons per flush vs more than 2 gallons for standard models)

In sum, the water savings per home from efficient appliances, submetering and leak detection highlight our commitment to delivering cost savings to our residents and water conservation in our communities.

Retrofit

At UMH, we are committed to optimizing energy efficiency and reducing resource consumption across our communities. One of our first and most impactful initiatives so far has been the transition to LED lighting in our offices, clubhouses, and community streetlights, as well as the retrofitting of heating and cooling systems with ecobee smart thermostats. These upgrades not only reduce energy consumption and lower operational costs but also contribute to a more sustainable and environmentally responsible portfolio.

As of today, 113 communities have undergone LED lighting and smart thermostat retrofits, with 75 communities completed between 2022 and 2023. These communities are expected to achieve an annual wattage reduction of 288,300, translating to an estimated \$140,000 in energy cost savings with



ENVIRONMENTAL

Conservation Practices

a payback period of just 4.3 years. Beyond lighting, the installation of ecobee smart thermostats enables automated climate control, reducing energy waste by adjusting temperatures based on occupancy and external conditions. While exact energy savings are more challenging to quantify, ecobee reports that users typically experience 6% reduction in heating and cooling costs, further enhancing operational efficiency.

In 2024, we installed electric vehicle (EV) charging infrastructure at our main office, adding four chargers to support employees who drive EVs and hybrid vehicles. This upgrade reflects our commitment to enabling sustainable transportation choices. We understand that the environmental impact of EVs includes considerations beyond tailpipe emissions, such as battery production and material sourcing. However, by investing in EV infrastructure, we aim to support the shift toward technologies with lower long-term carbon footprints and increased efficiency over the vehicle lifecycle.

This initial installation also provided valuable insight into the installation and contracting process, which we will apply when exploring similar opportunities in our communities. In the future, EV charging stations may also represent a new amenity and potential revenue stream for our properties. As UMH continues to grow, we remain focused on incorporating energy-saving technologies where practical, including LED lighting, smart climate control systems, and evaluating EV charging infrastructure across new and existing communities.

Open Space

Our community landscapes are prominently adorned with trees, shrubbery, and diverse vegetation contributing to healthier environments, improved air quality, and long-term ecological sustainability. Whenever it is feasible and without negatively impacting surrounding lots, we prioritize the planting of trees and other flora to not only enhance community aesthetics, but also to moderate the effects of sun and wind, preserve soil integrity, reduce stormwater runoff, and provide habitats for local wildlife. Residents at some properties enjoy the amenities of

shaded walkways, natural cooling areas, and tranquil outdoor spaces. These help to promote residents' well-being and foster a greater sense of community. Green spaces improve the daily lives of residents while also providing substantial environmental benefits.

Maintaining and improving biodiversity within our communities is a key focus for UMH. For example, in recently acquired properties, we have actively restocked ponds with fish and essential aquatic organisms, cultivating self-sustaining ecosystems that enhance local biodiversity. These bodies of water not only serve critical environmental and ecological functions but have also become beloved gathering spots for residents, providing serene recreational spaces for relaxation and social activities.

Across our portfolio, 2,400 vacant acres of land are carefully maintained, primarily in Ohio, Pennsylvania, and New York. At some communities, these lands are actively farmed by local farmers, contributing to regional food production and agricultural sustainability. By preserving and responsibly utilizing open spaces, UMH continues to support local ecosystems, enhance community engagement, and ensure long-term environmental stewardship.

Suppliers

At UMH, we actively encourage our vendors and suppliers to minimize their environmental impact by reducing pollution, waste, and hazardous materials.





ENVIRONMENTAL

Conservation Practices

Our commitment to sustainability is reinforced through negotiations with suppliers and outlined in our Vendor Code of Conduct, ensuring that we prioritize purchasing homes that maximize utility savings, efficiency, and safety for our residents.

The majority of the manufacturers we work with operate under rigorous energy management systems, with one of our primary suppliers adhering to ISO 14001, an internationally recognized standard that drives systematic reductions in energy use, emissions, and resource consumption. Many manufacturing plants have also been recognized by ENERGY STAR as New Home Market Leaders, demonstrating their commitment to energy-efficient construction that lowers operational costs for residents while reducing the carbon footprint of new housing developments.

UMH has actively partnered with manufacturers to drive innovation in the industry. We pioneered the first factory-built renewable energy solutions for HUD Code homes, ensuring that solar energy is integrated into the manufacturing process rather than adding post-installation. Additionally, we collaborated with

manufacturers to develop a groundbreaking duplex model, available in both multi-section and single-section configurations, which allows for two homes per lot. This optimizes land use, reduces construction waste, and improves affordability for residents.

Procurement

In states with deregulated electricity markets, UMH has realized considerable savings through energy procurement contracts, including switching 2.7 million kWh of electricity to green wind energy. The result is an approximate reduction of 842 metric tons of CO₂.

This not only locked in cheaper long-term rates but allows us to budget more accurately. We are working hard on continuing to drive down costs by accessing community solar energy where possible, for both commercial and residential use, as well as negotiating natural gas contracts in states with deregulated gas markets.



CRANBERRY VILLAGE, Cranberry Township PA
Acquired in 1986



ENVIRONMENTAL

Climate Risk

Climate risks pose an undeniable threat to businesses, requiring proactive risk management and strategic planning to navigate both challenges and opportunities. While climate-related risks present uncertainty and potential disruptions, they also create opportunities for adaptation, resilience, and long-term value creation. The key to minimizing risk and capitalizing on opportunities lies in comprehensive planning, execution, and forward-thinking strategies. Climate change brings both direct impacts, such as an extreme weather events disrupting operations, and indirect pressures, such as shifting regulations and stakeholder expectations. A thorough assessment is required to safeguard our business through uncertain times. At UMH, we recognize both Transitional and Physical climate risks that could impact our operations and we remain committed to identifying opportunities for resilience, efficiency, and innovation in response to these challenges.

TRANSITIONAL

Policy and Legal

The rapidly changing regulatory landscape surrounding climate-related disclosures presents uncertainty for businesses, making long-term planning difficult. While U.S. SEC climate disclosure rules for full emissions reporting remain stalled due to legal challenges, California, New York and other states are moving forward with their own climate risk reporting mandates. Though UMH is not currently impacted by climate risk laws at the state level, continued legislative shifts could bring future compliance challenges. Zoning reforms, carbon pricing and efficiency mandates could also increase compliance costs.

Shareholder policies related to climate disclosures also pose risks. Investors are demanding enhanced transparency on climate risks and emissions reduction strategies and encourage participation in voluntary frameworks and benchmarking programs. However, recent shifts at the federal level have led some major institutions to withdraw from climate-focused coalitions such as the Net Zero Asset Alliance, creating a more fragmented approach to climate commitments. Despite these withdrawals, many large investors continue to uphold certain commitments, resulting in

a softer, yet persistent, push for companies to report sustainability and climate risks in a manner that aligns with climate-related reporting expectations.

Navigating this shifting regulatory and shareholder landscape presents multiple risks, including financial penalties for noncompliance, increased reporting costs, administrative burdens, legal complexities, exposure to activist litigation, and reputational risks. The constantly changing frameworks and benchmarks add another layer of difficulty for businesses trying to balance compliance with operational efficiency.

Opportunities/Mitigation

Recent climate-focused funding like the Inflation Reduction Act (IRA) has provided for investment tax credits that support solar energy adoption, electrification, and climate resilience investments. States, localities, and utilities have their own incentives, rebates, and subsidies for supporting the same investments which could be used in conjunction increase savings, while also making funds available for infrastructure investments in resilience. UMH takes advantage of these incentives when practical.

Additionally, green banks and specialized financing vehicles, such as C-PACE (Commercial Property Assessed Clean Energy financing), provide capital that can help businesses integrate sustainable improvements into financial strategies without overburdening their balance sheets. These funding mechanisms not only support environmentally beneficial investments but also offer competitive returns comparable to traditional business activities, making them a strategically sound opportunity. At UMH, we are actively engaging with C-PACE lenders, green banks, and coalitions granted money from the IRA to access capital for our innovative investments. By leveraging these financial resources, UMH can strengthen its environmental initiatives, lower operational costs, and enhance long-term asset value while maintaining compliance with changing regulatory requirements and investor expectations.

TECHNOLOGY

Risks

As technology advances, businesses face inherent risks



ENVIRONMENTAL

Climate Risk

of obsolescence, degradation, and incompatibility, especially from those used to manage climate challenges. Early adoption of emerging technologies, a strategy that UMH actively pursues, comes with unforeseen susceptibility as products may not perform as expected in real-world applications. Additionally, software and hardware required for compliance with shareholder and regulatory demands may fail to function as intended, leading to delays, additional costs, and potential legal consequences.

One form of technical risk arises from cyberattacks and security breaches, as these can cripple critical business systems. But equally concerning are the physical disruptions caused by natural disasters. Reliance on Wi-Fi, data centers, communication lines, and power grids exposes businesses and residents to severe risks if these systems fail. Without proper planning and investments, outages caused by climate-related disasters could impact operations, jeopardize resident safety, and leave entire communities vulnerable.

Opportunities/Mitigation

Advancements in satellite technology, artificial intelligence (AI), machine learning, and data analytics have revolutionized climate risk assessment. These tools provide unprecedented insight into weather patterns, energy consumption, and infrastructure vulnerabilities, allowing for more strategic, data-driven decision-making. Without these innovations, analyzing portfolio-wide data and making actionable insights would be significantly more challenging.

UMH has already leveraged technology to optimize resource use. By analyzing portfolio-wide energy consumption, peak demand, costs and other variables we identified the ideal location for our first solar Power Purchase Agreement (PPA). Additionally, the installation of the first nailable solar shingles on manufactured homes used sophisticated models that tracked the sun by location to determine ideal placement for maximum sun exposure.

Our investment in backup power solutions is another example of using technology to mitigate risk. We continually evaluate our communities to determine where backup generators are most needed to ensure critical infrastructure remains operational during

power outages. Looking ahead, we are actively exploring solutions to power entire communities independently, envisioning a future where residents are saving money by living in a solar-powered manufactured home, where they can charge their electricity vehicles with battery storage.

MARKETS

Risk

Climate-driven disruptions pose significant challenges to business operations, making them increasingly unpredictable and fragmented. Extreme weather events—floods, hurricanes, and wildfires—can disrupt supply chains, delay the delivery of homes and materials, stall construction timelines, and drive-up costs beyond initial projections. Additionally, climate-related volatility in the insurance market has led to significant premium increases.

Compounding this uncertainty are the shifting climate policies in financing markets that create a complex and unpredictable investment landscape. Companies must navigate an ever-changing balance between regulatory mandates and investor priorities, making long-term strategic planning difficult. Financial institutions frequently reassess their sustainability criteria, leaving businesses unsure whether they will be penalized or rewarded for their climate-related practices. Similarly, evolving consumer preferences can potentially impact the revenue drivers for businesses that fail to align with environmental performance expectations. These disruptions have both immediate and long-term financial consequences, particularly in housing and construction, where stability and predictability are key to operational success.

Opportunities/Mitigation

Despite these challenges, new financial markets and investment instruments have emerged to support energy efficiency and climate resilience. Green bonds, sustainability-linked loans, and other financial products provide businesses with capital incentives for integrating climate-positive practices. To align with these opportunities, UMH has developed a Sustainable Finance Framework, which affirms our commitment to affordable housing and environmental responsibility. This framework, which has undergone third-party



ENVIRONMENTAL

Climate Risk

review, validates UMH's ability to generate a net positive impact across two key sustainability areas: social housing accessibility and environmental initiatives.

In addition to sustainable finance, UMH has diversified its energy procurement strategy, marking our first major entry into renewable energy sources. Aside from the PPA and solar shingle initiatives described above, we are looking ahead to the integration of Zero Energy Ready Homes with solar shingle technology as a pathway to achieving fully operational homes that go beyond net-zero to zero grid energy, a market with potential for significant growth.

REPUTATIONAL RISK

In an era of heightened climate awareness, reputational risk has become a critical factor for businesses. Companies that fail to implement proactive climate strategies risk losing stakeholder trust, exclusion from key investment pools, and a diminished market position. While the investment landscape is constantly evolving, many institutions still uphold climate-related commitments, and advocacy groups and climate-conscious investors remain critical of companies that do not take meaningful steps toward energy efficiency and environmental responsibility. Failing to implement resilient and sustainable practices in anticipation of climate-related disruptions could have long-term consequences, particularly if companies are perceived as unprepared or indifferent to climate risks.

Consumers are often the ones most affected by these changes, and their trust and loyalty are essential to long-term business success. A failure to proactively address climate concerns in our communities could lead to lower occupancy rates, increased insurance costs, and higher utility expenses, all of which can negatively impact operational efficiency and competitiveness.

Opportunity/Mitigation

UMH recognizes that practical and integrated climate-business strategies not only mitigate risk but also enhance long-term brand reputation, investor confidence, and resident satisfaction. By leading the industry in sustainable housing initiatives, UMH is actively shaping its reputation as a forward-thinking and responsible operator.

Through climate-resilient property development, energy-efficient housing, and responsible environmental practices, UMH is strengthening its stakeholder trust, investment appeal, and community desirability. By staying ahead of evolving climate expectations, UMH positions itself as an industry leader in sustainable and affordable housing, ensuring long-term operational success and brand credibility.

PHYSICAL

The tangible impacts of climate-related disasters have become increasingly evident, with rising frequency and intensity of major climate events leading to significantly higher costs in recent years. As the planet continues to change, understanding historical patterns, current trends, and future projections is essential for identifying risks and implementing effective mitigation strategies.

Extreme storms, wildfires, and other climate-related disasters have long influenced where and how people live, how ecosystems evolve, and how landscapes are shaped. The destruction left in their wake carries both immediate and long-term consequences, impacting not only those directly affected but also those who observe these disasters from afar and must account for their economic, social, and environmental implications.

Recognizing these growing threats, businesses have significantly increased their investments in climate resilience to protect assets and ensure long-term sustainability. The National Oceanic and Atmospheric Administration (NOAA) reports that 2024 was the warmest year on record, with 27 billion-dollar disasters resulting in \$182.7 billion in damages. With stakeholders -- including investors, insurers, and policymakers -- becoming increasingly concerned about these physical risks, businesses must demonstrate a clear strategy for managing climate-related disruptions to maintain operational stability and financial viability.

Acute Risks

Acute physical risks are event-driven extremes like floods, wildfires, hurricanes, and coastal flooding. These all pose threat to UMH's portfolio as climate change intensifies. Leveraging NOAA data by census tract, we've evaluated the long-term forecasts and risks of these perils and the associated financial impact at



ENVIRONMENTAL

Climate Risk

the census tract level. The frequency and magnitude of wildfire, hurricane, floods, and coastal flooding risk by location is paired with estimates of the replacement cost for homes, community buildings and community infrastructure. These events threaten property damage, operational disruptions, and resident displacement. UMH's physical risk is mitigated by a geographically diverse portfolio. This was seen when Hurricane Ian hit the Florida and Alabama area, with minimal impact to the Sebring and Dothan communities, and no impact on our other properties in our 141-community portfolio.

Opportunities/Mitigation

UMH confronts acute physical climate risk with strategic planning, and investments into resilience and safety. Manufactured homes, built to HUD Code standards, outperform site-built counterparts in durability, as they withstand winds up to 160 mph in Zone 3 areas. The National Fire Protection Association reports that they also have fewer fires and lower civilian injury rates. UMH further bolsters this edge by adhering to floodway regulations, elevating sites to avoid major flooding, and adding infill if necessary. Our Director of Insurance is in constant communication with our insurers to address our insurance coverage and our preventive actions.

CHRONIC

Risks

Chronic physical risks like rising temperatures, sea

level rise, and intensifying droughts, cast a persistent shadow over UMH's portfolio. Escalating heat puts stress on aging infrastructure, and leads to spikes in cooling demands that strain energy costs and threaten resident comfort across our 141 communities. Sea level rise, though less immediate for our inland-focused sites, inches closer to low-lying properties, risking long-term flooding and land value erosion in vulnerable regions. These gradual threats, unlike acute events, unfold over decades, demanding foresight to shield our assets and residents from the potential of rising costs associated with chronic risk.

Opportunities/Mitigation

UMH meets these chronic challenges by continually investing in new homes that fare much better in the challenges presented by chronic climate change. Our energy efficiency upgrades through retrofits counter heatwaves. Water conservation measures, like submetering and leak detection technology, slash usage and costs, and fortify us against drought-driven scarcity. By steering clear of floodplains and prioritizing elevated, inland sites, we work to preserve our property values. Our manufactured homes, built to HUD Code durability, withstand chronic wear better than site-built peers, with insulation (e.g., R-21 walls) and ventilation systems that temper heat stress and maintain air quality. These proactive steps position UMH as a haven of affordability and stability.



SEBRING SQUARE, Sebring FL
Acquired in 2021



ENVIRONMENTAL

Summary of Portfolio Emissions

Enviornmantal Data			
	UOM	2024	2023
Refrigderants	LBS	189	
Electricity	MWH	10,014	11,516
Other Energy	MMBTU	29,186	44,728
Water ⁽¹⁾	Cubic meters (M3)	4,284,207	3,626,961
Carbon Emissions (Scope 1 and Scope 2)	Metric Tons of CO2	5,871	7,154
Waste	Metric Tons (MT)	17,518	20,149
Carbon Emissions from Waste	Metric Tons of CO2	12,045	11,443
(1) without directly monitored water from UMH systems			

Emissions from Waste		
Waste Generated (MT)	2024	2023
Bulk Household	3	91
C&D	727	3,286
Recycle	1,110	1,423
Waste (MSW)	15,640	15,268
Yard Waste	38	81
TOTAL	17,518	20,149



ENVIRONMENTAL

Summary of Portfolio Emissions

EMISSIONS (MT of CO2)			
		2024	2023
Scope 1			
	Refrigerants	163	
Scope 2			
	Electricity	4,096	4,676
	Other Energy	1,612	2,478
TOTAL		5,871	7,154

The foregoing tables above show UMH's environmental progress for 2022 through 2024. They reflect our investment in high-quality environmental data for improved cost management and data-driven decisions. The results for 2022 and 2023 are restated from previous disclosures and reflect our continued investment in the quality of our environment data. We have added additional GRC-type controls, extensive data quality testing and tighter integration with our financial systems. With the support of our third-party aggregation partner, GLYNT.AI, we have adopted reporting practices that are more closely aligned with IFRS standards.

While we continue to invest to improve the coverage and quality of our environmental data, the data reported above includes estimates, and certain information may be omitted due to current data limitations. More specifically, these include:

- Scope 1 emissions reflect partial data, primarily based on stationary assets.
- Water usage totals are reported at the community level and do not include wastewater, sewer

treatment plants, or private wells.

- Waste data includes a combination of actual and estimated totals across communities.
- Resident-generated data is not fully included in ongoing calculations.

We are committed to expanding the scope and quality of our environmental data and increasing its use to inform business decisions.



SOCIAL



SOCIAL *Social Impact and Merit Good*

Housing is a multifaceted concept, crucially intertwined with social vitality due to its direct impact on various aspects of the country. Affordable, accessible housing anchors the hierarchy of needs, providing a secure base where residents rest, recharge, and safeguard essentials. Beyond individual lives, it fuels national productivity and socio-economic resilience, shaping thriving neighborhoods. Our operations reflect this conviction, validated by Sustainalytics' review of our Sustainable Financing Framework. This framework, aligning with UN Sustainable Development Goals 6 (Clean Water and Sanitation), 7 (Affordable and Clean Energy), and 11 (Sustainable Cities and Communities), confirms our prowess in delivering essential financing and quality housing to low-income earners—fortifying the social fabric one community at a time.

Social Impact and Merit Good:

Housing stands as a merit good, radiating benefits across society. Quality, affordable homes, keeping resident costs below 30% of income, lift burdens, freeing families from extra shifts or shelter-related stress. This liberation unlocks resources for education, healthcare, childcare, and community ties, boosting household productivity and mental well-being. Yet subpar housing can invert this “neighborhood effect,” hence our commitment to comprehensive infrastructure, energy-efficient homes and robust water systems that maximizes social good. By prioritizing excellence, UMH doesn't just house residents; we empower them, driving societal gains that radiate far beyond our properties.

Addressing Poverty through Quality Affordable Housing:

UMH tackles poverty head-on, recognizing quality affordable housing as a transformative lever, especially for families with children caught in financial strain. Struggling parents, stretched thin by high housing costs, often sacrifice presence and resources, exposing kids to substandard air, food, and education while amplifying stress. In contrast, UMH's homes have energy upgrades, proper ventilation, and durable designs, slashing utility bills and reducing health risks, offering stability to those who need it most. By upgrading social infrastructure, UMH turns housing into a catalyst, potentially breaking poverty's grip for some, and fostering resilience to create situations that families can thrive in.

UMH's Sustainability Approach and Commitment:

With years of experience, UMH has built strong networks and financial partnerships to create affordable, high-quality communities where residents are proud to call home. Our collaborations with government-sponsored entities, banks, and capital markets allow us to lower our cost of capital, ensuring competitive financing rates for our customers through our third-party lending program with Triad Financial Services. This initiative reduces the burden of high-cost chattel financing, preserving affordability for residents who might otherwise face significantly higher borrowing costs. Modern HUD Code manufactured homes offer the same amenities as site-built homes, yet at a fraction of the price, making homeownership more accessible. UMH



Residents & Neighbors



SOCIAL *Social Impact and Merit Good*



passes these cost savings on to residents, with an average monthly rent of \$990—affordable for households earning around \$40,000 annually, aligning with the typical income of manufactured homeowners.

Beyond affordability, UMH is committed to infrastructure and community enhancements. Our professional engineering staff oversees utility upgrades and communal infrastructure improvements, while regional managers, community managers, and maintenance teams ensure high standards and consistent oversight across the portfolio.

At UMH, ethical management is a core principle. We prioritize resident well-being over excessive rent hikes, focusing instead on growth through site expansion and occupancy increases. By maintaining affordable housing options, sustainable infrastructure, and strong community standards, UMH continues to set a high bar for responsible, resident-focused manufactured housing development.

Opportunity Zones:

UMH has been investing in what are now classified as Opportunity Zones (OZs) since 2014, well before the law's enactment, recognizing the need for revitalization and attainable workforce housing. Outside of our OZ Fund we currently operate seven communities that are located in OZs, containing a total of 1,792 home sites of which 569 are rental units. We have made significant investments in capital improvements that have not only upgraded the housing but also helped improve surrounding neighborhoods, ensuring more families have access to affordable, high-quality homes.

Building on this success, UMH launched its first Opportunity Zone Fund, which includes two properties with 297 home sites of which 113 are rental units. The OZ program is designed to attract investment in economically distressed areas, and our projects demonstrate how manufactured housing can fill the critical housing gap in these communities.

UMH has been advocating for policy change in OZs, actively working to expand the scope of OZ tax incentives to include all investment sources, not just capital gains, if directed toward affordable manufactured housing development. The policy change would lead to:

- Increase capital flow into affordable housing, addressing the housing shortage and lack of new manufactured communities.
- Expand the impact of OZ investments, countering claims that they only serve high-income investors.
- Encourage greenfield development in the manufactured housing sector which would not have been done without the incentives created through legislation.

This proposed amendment has received widespread support and may be included in the next iteration of the OZ law, unlocking new funding sources for sustainable, affordable housing expansion. UMH's commitment to Opportunity Zones is driving real change, revitalizing communities, expanding attainable housing, and shaping policy to unlock more investment in affordable housing. Our work proves that OZ incentives, when directed strategically, can create lasting social and economic impact.

SOCIAL *Stakeholder Engagement*

Building Stronger Communities:

UMH is deeply committed to all stakeholders, including residents, employees, contractors, partners, and local officials. Open communication is at the core of our company culture, ensuring that everyone involved shares the goal of creating high-quality, affordable communities where families can live securely, thrive, and build lasting connections.

Our on-site teams, from maintenance staff to community managers and regional leadership, maintain continuous communication with residents, ensuring their needs are met while upholding UMH's high standards for fair and safe living environments. As owner-operators, we prioritize fostering a genuine community atmosphere where families can live affordably and securely, knowing they have a stable home for their children to grow and succeed.

To assess resident satisfaction, UMH utilizes new home and renter surveys, gathering feedback to improve housing quality, service standards, and overall community experience. Additionally, select communities are implementing mentorship programs in collaboration with local places of worship, schools, and businesses, providing vetted mentors to positively engage with younger residents.

Community engagement is further reinforced through events sponsored by suppliers and contractors, including:

- Trunk-or-treats
- Mother's/Father's Day celebrations
- School backpack giveaways
- Fishing outings and other recreational events
- Resident appreciation days

These activities are just a few ways that we strengthen the relationship between residents, UMH staff, and the broader community, fostering a sense of belonging and pride in homeownership and residency.

UMH places a strong emphasis on collaborating with local authorities to ensure that our communities contribute positively to public safety, economic development, and local well-being. Regional training encourages our managers to build relationships with town officials, law enforcement, and first responders, hosting dinners and events for local heroes to

reinforce our shared commitment to safety and community support. We now have a program called the First Responder of The Month that acknowledges a job well done by officers, emergency medical technicians, and firefighters. It goes a long way when these individuals and their offices are recognized for the hard work, they have done to not only keep our property but the entire surrounding community safe. This program helps us to build lasting relationships with important local institutions.

By maintaining transparent, proactive engagement with residents and stakeholders, UMH ensures that our manufactured housing communities are places people are proud to call home, strengthening our relationships with public officials, reinforcing our role in local development, and enhancing the overall quality of life within our communities.

Investor Relations:

UMH maintains an open and proactive dialogue with investors, ensuring that shareholders and interested parties have direct access to management. As a pure-play provider of non-subsidized workforce housing, UMH stands apart from other public companies in the industry, delivering affordable housing solutions for low-income earners without reliance on government subsidies.

Our growth strategy is driven by portfolio expansion, not through unsustainable rent hikes, but by acquiring and developing land at below-replacement costs. With over 3,000 available home sites to fill and more than 2,400 acres of land for new developments, UMH offers investors a long-term, scalable growth opportunity in an underserved market.

This distinct investment narrative attracts sustainability focused investors seeking not only environmentally responsible companies but also those that enhance social infrastructure. Our commitment to affordability, sustainability, and responsible growth makes UMH an attractive option for those looking to diversify their portfolios.

UMH actively engages with investors on ways to strengthen sustainability initiatives, ensuring that material suggestions are carefully considered and promptly implemented when aligned with our

SOCIAL *Stakeholder Engagement*

strategic and operational goals. By maintaining clear, open communication, UMH fosters trust, accountability, and long-term value creation for shareholders.

Employee Development:

UMH is dedicated to the success and professional growth of every team member. Our approach to employee development focuses on education, career advancement, and workplace safety, ensuring that our workforce is equipped with the skills and support needed to thrive. Our internship program serves as a key talent pipeline, with numerous interns advancing into leadership roles such as Directors and Vice Presidents across various divisions. Additionally, UMH actively supports employees pursuing further education, providing opportunities for career advancement across all levels of the organization.

- Community managers complete Accredited Community Manager (ACM) Certification courses and participate in resident relations, marketing, and sales training programs.
- Administrative staff are encouraged to enhance their skills through professional development courses, reinforcing a culture of continuous learning.
- Our human capital management system,

supplemented by a third-party educational resource, provides employees with a wide range of training materials to support ongoing career development.

To strengthen our commitment to employee growth, UMH's Director of Human Resources, has been instrumental in:

- Expanding training initiatives across departments.
- Systematizing the best practices and HR policies to align with the evolving needs of employees.
- Enhancing employee engagement and development programs to foster a more dynamic and inclusive workplace.

These efforts contributed to UMH being named one of Forbes' Top 300 Best Small Business Employers in 2023, a recognition that underscores our commitment to employee satisfaction and growth. Our HR has continued to see growth with vital hires to continue to broaden the scope and application of company policies.

Employee and resident safety remain a top priority at UMH. To strengthen security measures and operational safety standards, we appointed our first Vice President of Corporate Safety. This role brings





SOCIAL *Stakeholder Engagement*

deep expertise in law enforcement and security, ensuring that our:

- Business operations and property developments meet the highest safety standards.
- Employees work in secure environments with robust safety protocols in place.
- Residents feel protected in their communities, reinforcing UMH's mission to provide safe, high-quality housing.

We have enhanced the safety measures at our communities through the implementation of more security cameras, flock license plate reading technology, and improved our relations with local police and fire departments.

UMH continues to prioritize employee development, career advancement, and workplace safety as key drivers of our long-term success. By investing in education, leadership training, HR infrastructure, and security, we empower our workforce and strengthen our position as a premier employer in the industry.

Career Development and Merit-Based System:

UMH builds careers, not just jobs. Our merit-based system fosters an environment where hard work, innovation, and dedication are rewarded with career advancement opportunities. Many of our employees come from multi-generational families, reinforcing the strong sense of community and long-term career growth within our workforce.

Our management and executive teams reflect a diverse workforce, demonstrating that opportunity at UMH is based on ability and contribution, regardless of background or gender. As our portfolio expands, we continue to:

- Promote internally to support career growth.
- Attract top industry talent externally to bring in fresh perspectives and expertise.
- Encourage entrepreneurial spirit, empowering employees to take ownership of their roles and drive innovation.

Beyond professional development, employee health, safety, and ethical standards are core to our operations. Our home office is ISO 45001 certified, demonstrating our commitment to workplace safety and employee

well-being. We have also held CPR training to help to continue creating a health and safety-first company culture. In addition, UMH maintains comprehensive Governance & Compliance Policies resulting in the highest ethical and operational standards. This starts with our comprehensive employee handbook. Followed by a Business Code of Conduct that all employees are trained on and must adhere to. In place is also a robust whistleblower, anti-harassment, anti-discrimination, and anti-bribery policies, reinforcing a transparent and accountable workplace culture.

UMH's commitment to career development and employee well-being ensures that our workforce remains engaged, motivated, and positioned for long-term success. Through internal promotions, industry-leading safety measures, and strong ethical governance, we continue to foster a dynamic and rewarding work environment that supports both individual and company-wide growth.

Human Rights and Ethical Practices:

UMH maintains high standards of human rights and ethical business conduct. We strictly prohibit forced labor and reject all forms of child labor, ensuring these violations have no place within our operations or supply chain. Suppliers and contractors are expected to adhere to these principles, fostering a workplace free from exploitation, human trafficking, and modern slavery.

UMH does not make political contributions, choosing instead to collaborate with elected officials to advance affordable housing initiatives. Rather than funding campaigns, we:

- Work with policymakers to improve home financing options.
- Advocate for legislation that expands access to affordable housing.
- Support policies that protect both residents and community operators, promoting fair and sustainable housing development.

By enforcing rigorous ethical standards, protecting human rights, and driving meaningful policy change, UMH remains a responsible leader in the manufactured housing industry. We also implemented our first iteration of Human Rights Policy, found on our investor website: www.umh.reit.

SOCIAL *Employee Benefits*

UMH has a very comprehensive benefit package and includes the following:

- 401k and company matching
- Health Insurance
- Vision Insurance
- Dental Insurance
- Mental health help through Talkspace
- Credit toward a gym membership sign-up fee
- Bereavement leave
- Holidays
- Paid sick days
- Paid vacation days
- Leaves of absence
- Stock options, bonuses and annual pay increases
- Company homes at select communities for employees to enjoy
- Paid volunteering hours
- Telehealth
- TotalCare EAP (Employee Assistance Program)
- Various Colonial Life Voluntary plans

Employee Demographics		2024
Active Employees		482
Active Regional Managers, Directors, VPs	Male	55.56%
	Female	44.44%
Legal Gender	Male	54.36%
	Female	45.64%
Ethnicity	Two or More Races	1.00%
	Asian	1.00%
	Black/African American	4.00%
	Hispanic or Latino	5.00%
	White/Caucasian	89.00%
Generation Name	Baby Boomers	24.00%
	Generation X	33.00%
	Generation Z	12.00%
	Millennials	30.00%
	Pre Baby Boomers	1.00%



GOVERNANCE



000 CORPORATE GOVERNANCE

UMH is entirely against corruption of any kind, including those for operational permits to build, having Board-level oversight of each community bought. Expansions and new development go through Board approval as well. They are subject to rigorous supervision by a team of in-house engineers and the use of local engineers and contractors. Compliance with the federal, state, and local laws, is a top priority, disincentivizing and providing appropriate oversight against corruption or bribery.

Proper business ethics are fundamental to our business practices and are passed from the top down. Apart from staying compliant with the law through our General Counsel and outside legal counsel, management has the utmost regard for fair and honest business practices.



000 CORPORATE GOVERNANCE

Board Independence and Diversity

Independent Board of Directors

Two-thirds of the Company's directors are independent within the meaning of SEC rules and the listing standards of the New York Stock Exchange (NYSE). The Company's independent directors meet in executive sessions at least annually.

Financial Expert

Each of the four members of our audit committee qualifies as an "audit committee financial expert" under applicable SEC rules (SEC rules require that at least one director qualifies as an "audit committee financial expert").

Board Diversity

Three of our directors are female. Our average director tenure is seventeen years, and our average independent director tenure is approximately eight years. Our directors have expertise in a variety of fields, including real estate, cybersecurity, finance, legal, crisis management, and education.

Presiding Director

Our Board of Directors has designated an independent director as the presiding director.

Members on Other Boards

Board members concentrate on operations and do not sit on a significant number of boards. No member sits on more than two boards, including UMH.

Comparison to Peer Group

The Company employs many metrics to compare its performance to its peer group, including but not limited to Total Shareholder Return, Net-Operating Income, and Portfolio Growth.

Information Technology Security

Senior management briefs the Board on any significant security matters and all issues are discussed at each meeting.

Substantial Insider Ownership

Management's interests are aligned with shareholder interests. Company directors and executive officers' aggregate stock ownership represents approximately 8.77% of the Company's outstanding shares, which currently represents one of the largest blocks of

shareholders and helps align our management's interests with our shareholders' interests.

Considerable CEO Stock Ownership Requirements

The Chief Executive Officer is required by Company policy to own shares of the Company's common stock having a value equal to at least 31 times his base salary and is well within compliance with these requirements, which is over quintuple the Company's Ownership requirement.

Robust Director Stock Ownership Guidelines

The Company recommends that each individual serving as a director on the Board own shares of the Company's common stock having a value equal to at least three times the director's annual cash retainer from the Company. Currently, seven of the nine non-employee directors meet this guideline.

Named Executive Officer Stock Ownership Guidelines

Our Named Executive Officers are subject to the Stock Ownership Guidelines of two times their base salary. Currently, all Named Executive Officers meet this guideline.

Long-term employee stock option and restricted stock vesting periods

All stock options and restricted stock awards to employees vest over a 5-year period, 20% per year. This is to encourage employee retention and align employees' interests with those of our shareholders.

Annual say-on-pay

This annual vote is to approve executive compensation.

New Members

Four new independent directors have been added to the Board within the past 6 years.

Anti-Hedging Policy

The Company prohibits the purchase or sale of puts, calls, options, or other derivative securities based on the Company's securities by directors, officers, or employees. Our policy also prohibits hedging or monetization transactions, such as forward sale contracts, in which the shareholder continues to own the underlying Company's security without all the risks or rewards of ownership.

☺☺☺ CORPORATE GOVERNANCE

Board Independence and Diversity

Clawback Compensation Policy

The Board has adopted a clawback policy that provides for the recovery of short-term and long-term incentive compensation received by its current and former employees in the event of a financial restatement due to material non-compliance with any financial reporting requirement under applicable securities law or to correct a material error.

Cyber Security

The cornerstone of our cybersecurity policy lies in comprehensive employee training. Employee knowledge is a company's first line of defense against malicious actors. All our employees receive training on technology usage and confidential information during their onboarding. Employees continue to receive awareness training on the latest cybersecurity threats and scams throughout the year. Phishing Testing is conducted regularly to assess our employee's ability to recognize and report scammers. Reports are sent out by the IT Department whenever a potential scam is reported. On

top of training, we protect accounts through the use end-to-end encryption on all of our email correspondence, as well as password secured links for sharing sensitive information. All employee accounts are protected with application based 2 factor authentication. All our data is stored on cloud-hosted servers, with daily off-site backups. Physical servers are no longer used by UMH. Our storage and file sharing solutions are now fully cloud integrated. This is not only more secure, but more convenient for our workers. All company devices are set up with device monitoring and a 24/7 managed antivirus with a dedicated-on call support team. Devices can be tracked, scanned, locked down, monitored, and remotely always assisted by the IT Department. UMH has 24/7 network monitoring provided by our ISP, as well as several layers of firewalls and web filtration. All ports, devices, and addresses on our network are set up with monitoring nodes to alert the IT Department of any changes or issues.



MEADOWS OF PERRYSBURG, Perrysburg OH
Acquired in 2018

CORPORATE GOVERNANCE *Accountability To Shareholders*

Shareholder Engagement: The Company believes that effective corporate governance should include regular constructive discussions with our shareholders. We have a proactive engagement process that encourages feedback from our shareholders. This feedback helps shape our governance practices.

No Poison Pill: We have not adopted a shareholder rights plan.

No excessive Perquisites or Other Benefits.

Objective Performance Goals: The cash and equity bonus programs for our CEO and CFO are tied to objective short and long-term financial performance metrics.

Annual Assessment of Compensation: The Company annually assesses its compensation policies to determine whether such policies encourage excessive risk-taking.

No Excise Tax Gross-ups.
No cash buyouts or reload options are permitted.

No Repricing or Buyout of Stock Options.
No single-trigger acceleration provisions contained in executive employment agreements.

Low Average Total Director Compensation: Average total Director compensation is close to the average and below the median total director compensation of Comparable REITs.

Board Demographics		2024
Active Board Members		12
Legal Gender	Male	75.00%
	Female	25.00%
Ethnicity	Asian	8.33%
	Black/African American	8.33%
	White/Caucasian	83.34%
Age	35-55	25.00%
	56-75	66.67%
	76-95	8.33%

GRI CONTENT INDEX	
Statement of use	UMH Properties Inc. has reported the information cited in this GRI content index in April 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Annual Report
	2-2 Entities included in the organization's sustainability reporting	Sustainability Report
	2-3 Reporting period, frequency and contact point	Sustainability Report
	2-6 Activities, value chain and other business relationships	Annual Report & Sustainability Report
	2-7 Employees	Sustainability Report
	2-9 Governance structure and composition	Proxy Statement & Sustainability Report
	2-10 Nomination and selection of the highest governance body	Proxy Statement
	2-11 Chair of the highest governance body	Proxy Statement
	2-12 Role of the highest governance body in overseeing the management of impacts	Proxy Statement
	2-13 Delegation of responsibility for managing impacts	Proxy Statement
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report
	2-15 Conflicts of interest	Code of Conduct & Ethics & Proxy Statement
	2-16 Communication of critical concerns	Proxy Statement
	2-17 Collective knowledge of the highest governance body	Proxy Statement

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Proxy Statement
	2-19 Remuneration policies	Proxy Statement
	2-20 Process to determine remuneration	Proxy Statement
	2-21 Annual total compensation ratio	Proxy Statement
	2-22 Statement on sustainable development strategy	Sustainability Report
	2-23 Policy commitments	Sustainability Report, Code of Conduct & Ethics, Human Rights Policy
	2-24 Embedding policy commitments	Sustainability Report, Code of Conduct & Ethics, Human Rights Policy
	2-27 Compliance with laws and regulations	Annual Report, Proxy Statement,
	2-29 Approach to stakeholder engagement	Proxy Advisory
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report
	3-2 List of material topics	Sustainability Report
	3-3 Management of material topics	Sustainability Report
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability Report
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report & Proxy Statement
	201-4 Financial assistance received from government	Sustainability Report
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Annual Report & Sustainability Report
	203-2 Significant indirect economic impacts	Sustainability Report
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Sustainability Report, Code of Conduct & Ethics, Human Rights Policy

GRI STANDARD	DISCLOSURE	LOCATION
GRI 207: Tax 2019	207-1 Approach to tax	Annual Report
	207-2 Tax governance, control, and risk management	Annual Report
	207-4 Country-by-country reporting	Annual Report
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Sustainability Report
	302-4 Reduction of energy consumption	Sustainability Report
GRI 303: Water and Effluents 2018	303-5 Water consumption	Sustainability Report
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	Sustainability Report
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report
	305-5 Reduction of GHG emissions	Sustainability Report
GRI 306: Waste 2020	306-3 Waste generated	Sustainability Report
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Sustainability Report
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report
	401-3 Parental leave	Family and Medical Leave Act
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	ISO 45001
	403-9 Work-related injuries	Sustainability Report
	403-10 Work-related ill health	Sustainability Report
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Sustainability Report
	404-2 Programs for upgrading employee skills and transition assistance programs	Sustainability Report
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Report
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Report
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Sustainability Report

FOOTNOTES AND CITATIONS

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ⁱⁱⁱ<https://www.nahb.org/advocacy/top-priorities/material-costs>

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^{xii}<https://nlihc.org/gap>

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^{xvi}<https://www.nar.realtor/blogs/economists-outlook/real-estates-impact-on-the-economy-by-the-numbers-a-state-by-state-analysis>

^{xvii}https://iea.blob.core.windows.net/assets/3da9daf9-ef75-4a37-b3da-a09224e299dc/2019_Global_Status_Report_for_Buildings_and_Construction.pdf

^{xviii}<https://www.environmentenergyleader.com/stories/study-investigates-embodied-carbon-emissions-in-us-industrial-real-estate,4238#:~:text=While%20most%20embodied%20carbon%20emissions,a%20partner%20in%20the%20study.>

^{xix}<https://journalofindustrializedconstruction.com/index.php/mocs/article/view/287>

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^{xxi}https://www3.weforum.org/docs/WEF_High_Emitting_Sectors_Challenges_and_Opportunities_for_Low_Carbon_Suppliers_2024.pdf

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