

To predict the future is a difficult task. Estimating a forecast of the RV industry can certainly be met with much skepticism and concern. Gas prices, interest rates, CAFÉ standards, the election, the war, the housing crises....the list of things to consider is virtually endless.

So, in trying to keep my predictions for 2008 relatively simple, I've decided to stick to an issue that I know a little something about, which is the rental business.

Unequivocally, I can make this statement: ***“Over the last 30 years, when sales are good, rentals are good. When sales are bad or tough, rentals are still good.”***

Simply put, I expect that 2008 will be no exception. The rental business for 2008 will continue to be a thriving industry.

Recent conversations at the RVIA convention in Louisville support this very idea. I spoke with a dealer in California who is adding units to his rental fleet in order to prepare for the upcoming season. His advance bookings were up 20 percent as of February. Another dealer in Minnesota conveyed to me the same thing. Despite flat sales, his advance bookings are well ahead of last year, and his rentals were up 12 percent in 2007.

It is a known fact that the rental business on a national level is continuing to do very well. The reasons for this are not difficult to understand. Renting a recreational vehicle for a week or two requires much less of a commitment from the consumer than would an actual purchase. For those who desire to live the RV lifestyle, but are reluctant to “pull the trigger” and purchase during uncertain times, renting is their answer.

So my prediction, which we already see being fulfilled, is that more dealers are going to expand their businesses to incorporate the aspect of rentals. Increasing inquiries about our 2008 MBA Rental School indicate that dealers are not only

interested in becoming part of the rental business; they are committed to doing it right.

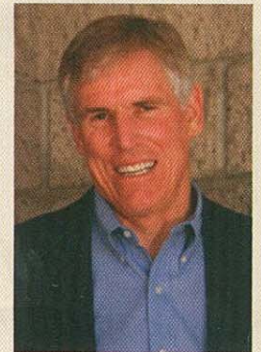
In light of all that I've just shared, it might behoove you to re-examine your business plan. There are individuals out there, with money in hand, ready to jump into the world of RVing. They just might not be ready to buy at this time. This then begs the question: ***Why aren't you renting RV's?***

I cannot predict how RV sales are going to be in 2008. I can, however, tell you that the rental business will be more successful than ever.

MBA Insurance:

MBA Insurance specializes in rental insurance for motorhomes, travel trailers, motorcycles, ATV's and scooters. In 2008, MBA will celebrate its 30th year in business. Bert Alanko, founder and President of MBA Insurance, has served on the board of the Recreation Vehicle Dealers Association (RVDA) as its chairman of the Recreation Vehicle Rental Association (RVRA) for 18 years.

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