

**Property Owners Association of The Villages
General Membership Meeting
October 15, 2024**

Called to order: by Cliff Wiener, President, at 7:00 pm.

- Board members present, introduced by Cliff: Jerry Ferlisi, Reb Benson, and Dan Warren; excused: Gil Windsor, Tita Dumagsa, Mike Gross, Ken Knodel and Gary Search.
- Members present: Approximately 25.
- Organizations present: Realty Executives, One Trust, Sun Kool, Charter Research and Seniors vs Crime.
- Membership meeting minutes from June, July (16th & 18th), August & October (3rd) read by Reb Benson and unanimously approved.
- Treasurer & Membership Reports. None.
- Raffle: Not accomplished.

Announcements:

- Cliff introduced the various representatives in the room: Mark Hayes, Jerry Ferlisi and himself, District Supervisors; Dan Warren, North Sumter County Utility Dependent District Supervisor; and, Reb Benson, Amenity Authority Committee member.
- Cliff mentioned the annual Shredding Event will be on March 29, 2025 from 9am-12pm at the New Covenant Methodist Church. Must be a POA member and have a ticket to participate. Tickets will begin to be sent out as we start receiving emails requesting a ticket. Anticipate about 1,100 people so tickets will probably go somewhat quickly.
- Cliff requested that everyone get out and vote in November for the candidates of your choice. Reminding folks that the POA endorsed Deb Butterfield for Sumter County Commissioner along with Pat Breedon for Sumter County Sheriff, Gloria Hayward for Sumter County Clerk of Courts, Julian Green for Wildwood Commission, Judy Biebesheimer for District 1 Supervisor, Gil Windsor for District 7 Supervisor; with no endorsement for District 8 and 13 Supervisor candidates due to some other conditions and not knowing the candidates enough, respectively. Cliff added that even though the POA did not endorse Todd Coon or Don Wiley for Sumter County Commissioner, they won their primary race and folks should consider voting for them – versus a write-in candidate.
- Cliff mentioned the Amenity Authority Committee meeting was moved to October 16th at 9am at Savannah due to the hurricane, in case anyone wanted to attend – adding that he would be there.
- Member Meetings at Laurel Manor. Cliff mentioned Realty Executives on new real estate laws in November; Charter Research in December; Gloria Hayward, Sumter County Clerk of Courts, (if reelected) in January; a speaker on Dementia in February; and, The Villages Hospital in March.
- Member Meetings at Everglades. Cliff mentioned possibly SECO on lamppost rental fees in January.

Questions: None.

Speaker: Crystal Rivera and Dan Mudd from One Trust discussed the myths and truths about HUD and reverse mortgage.

- HUD (U.S. Department of Housing and Urban Development)...established in 1965 to administer federal housing and urban development laws and provide housing capabilities for low to middle income individuals.
- FHA (Federal Housing Administration)...established in 1934 and became a part of HUD, providing mortgage insurance on loans made by FHA-approved lenders. Most beneficial to first-time buyers.
- Foreclosure process is basically the same between FHA-backed loans and conventional loans. The default loan goes back to the lender to then try and sell the house, with HUD involvement for FHA loans (such as HUD short sale program, etc.).
- Reverse Mortgage...if 62 and older, assessing the equity of your home (i.e., cash for equity) may allow you to extend the longevity of your cash flow if you under saved for retirement. Reasons include for: Home purchase, in home care, asset strategy, accessibility, mortgage payoff, etc.

- Reverse Mortgage...options:
 - Home Equity Conversion Mortgage (HECM)...a line of credit (about 40-60% of the home value) that is FHA guaranteed.
 - Reverse Jumbo...private loans up to \$4 million without limits of HECM, but higher interest rate.
 - 55+ Specialty Reverse Mortgage...for higher valued homes (typically above \$1 million) and borrowers over 55 years old (don't have to wait until 62).
- Reverse Mortgages...how they work:
 - Optional mortgage payments. Can make payments as often or in any amount you choose or never make a payment. Must pay property taxes, homeowner's insurance, homeowners' association fees and maintain the property.
 - Receive payments from your loan. If sufficient equity, can elect to receive monthly payments.
 - No specific term of years. Loan does not need to be repaid until a Maturity Event (death, move out of the house, fail to meet loan term obligations, etc.). Note...upon death, surviving co-borrower can take over the loan and/or heirs can sell the home or refinance the loan in their name.
 - Occupancy. Must be owner occupied for the full term of the loan.
 - Non-recourse loan. Borrower, their estate, nor their heirs will not be responsible for the loan balance beyond the home value (in case the loan amount exceeds home value from not making payments, etc.)
 - Limited income requirements. There is a lower "residual income" requirement to qualify versus traditional mortgage requirements.
 - Third party HUD counseling. Required to speak with a certified HUD counselor prior to proceeding to ensure this is the best financial process for the borrower and they understand all requirements.
- Myths:
 - An FHA or Veterans Administration (VA) loan is considered a "HUD house"...no, they only guarantee the loan, but with FHA-backed loans there are HUD policies/procedures applied.
 - Must be debt free to get a reverse mortgage...not required.
 - Cannot sell home...no, always your home/title, no prepayment to sell your home.
 - Last resort...not necessarily; if you do not want to use up your cash this option might be best.
- Questions, some pertinent ones:
 - When a house goes into foreclosure why does it take so long (seems like 5 years or more) before it is sold? **Ans:** The foreclosure process takes a while, between trying to recover default funds from the borrower, then the formal foreclosure process (including suing the borrower) then ability to auction the house can result in less than or more than 5 years, depending on each situation. It was mentioned a deed in lieu of foreclosure might be a way to speed up the process of from vacant to sale of a home.
 - Are there additional fees and some a percentage around 6%, associated with reverse mortgages? **Ans:** There are fees for closing costs (typically about \$4,000) plus an upfront fee for mortgage insurance (typically about \$6,000) and a monthly mortgage fee (about 6%).
 - Can you accomplish a reverse mortgage with a home under a living trust? **Ans:** Yes.

There was a Motion to adjourn the meeting at 8:05pm that was seconded and unanimously approved.
Submitted by: Reb Benson, Secretary