



Date

Homeowner Names (Financially Responsible)

Homeowner Full Address

CONGRATULATIONS, YOUR COMMUNITY IS FHA APPROVED!

The Board of Directors and York H-G Properties are pleased to announce that Plum Creek Village has been officially approved for FHA loans as of October 9, 2019. Some of the benefits of living in an FHA Approved Condominium Community are:

FHA Condo Approval dramatically increases the pool of potential buyers

First and foremost, FHA Condo Approval opens up a sea of buyers. Statistics show that approximately 60% of new home buyers intend to use an FHA Loan. If your community does not have FHA condo approval, you potentially limit the buying pool to only 40% of home buyers.

NOTE: These are "regular" buyers – an FHA loan is not associated with low-income HUD programs, such as Section 8. In some counties, an FHA insured loan can reach amounts of \$800,000.00 or more. Since the recession, most American buyers are using FHA insured loans, and this will be the trend for years to come.

Increased Home Values

Secondly, FHA Approved Condos have a larger pool of prospective buyers, therefore increasing competition and demand for the product. This can result in higher purchase prices and an increase in market value. This will ultimately increase the value of all units within the community.

Reverse Mortgages

Furthermore, FHA Certification is necessary to get a Reverse Mortgage (HECM). Many owners use these types of loans as a financial planning tool and cannot stay in their units without this type of financing. Without FHA condo approval, unit owners cannot obtain a reverse mortgage.

FHA Loans are Assumable

This means that in the future, an FHA Loan can be assumed (including the interest rate) by a new buyer. With interest rates at an all-time low, this can be a very valuable asset to an HOA community.

Marketability

Realtors are more likely to bring their clients to FHA Approved communities. Units with these approvals are easier to sell and most often sell for higher prices than similar condo associations that are not approved.

Fewer Renters in the Community

Generally speaking, buyers who use FHA loans are more likely to reside within the unit, and not rent it out. Conversely, condominiums without FHA approval will attract buyers that can make large down payments for conventional financing. These buyers are usually investors who will rent out the property for a profit.

Demonstrated HOA Stability

FHA-approved condominiums are viewed as stable communities because they have been reviewed and confirmed to have normal owner to rental ratios and HOAs that operate on a budget with solid reserves. This is attractive to potential homebuyers, no matter the source of mortgage financing they plan to use.

We hope that these benefits excite you as much as they excite us! If you would like to check the status of the approval for yourself, please visit <https://entp.hud.gov/idapp/html/condo1.cfm>. To search, enter the state, condo name Plum Creek Village and zip code. As always, we appreciate your trust in York H-G Properties. If you have any questions, please feel free to contact our office.

Sincerely,

York H-G Properties, LLC
40 Gotham Drive, Suite D
Red Lion, PA 17356
717-889-0515 | yorkhgproperties.com