



Home Modification Loan Program (HMLP)

Application Guide

Thank you for your interest in the Home Modification Loan Program. HMLP is a lending program that provides loan funds to homeowners to modify or adapt their homes for a household member of any age with a professionally documented limitation or disability. HMLP lends, from \$1,000 to \$50,000 to property owners. A promissory note and a mortgage that is recorded as a lien against your property secure these loans. HMLP also lends from \$1,000 to \$30,000 to owners of manufactured or mobile homes. A promissory note and security agreement secure these loans.

Please read the Brochure and other information carefully before completing this application.

HMLP does not reimburse for completed work.

If you have any questions, or need assistance completing any part of the application, please do not hesitate to contact your provider agency.

- **All of the information and documents requested in this application are necessary to determine your eligibility.** Your chosen contractor must complete the Home Modification Loan Program Bid Form and Scope of Work (Bid Form). This form is necessary to determine your project eligibility.
- **Review the checklist on page 7 to make sure your application is complete.**
- **For your loan application to move forward your Bid Form must be submitted and have the required detail.**
- ***This program cannot assist with a home repair, roof, window, septic or heating system replacement.*** The modifications funded by HMLP must relate to the beneficiary's ability to function on a daily basis.
- **Income guidelines for eligibility** are included with this application in the section entitled *Frequently Asked Questions*. The program uses gross income when calculating income eligibility.
- **If you are an employee or a relative of an employee of the provider agency** who sent you this application call your local provider agency. Your application will be assigned to another provider agency.
- **Reasonable accommodations** will be provided as needed by the provider agency. If you need any assistance with the application please let your provider agency know how they can be of assistance.

Provider Agencies

Your completed application should be sent directly to the agency serving your community. If you are unsure of where to send your application, please call 1-866-500-5599 (toll free in MA only) or 617-727-5944.

Western. MA Regions

Way Finders
1780 Main Street
Springfield, MA 01103
Contact: Amneris Moreno
413-233-1615

amoreno@wayfinders.org

Serving: Agawam, Chicopee, Holyoke, Northampton, Springfield, West Springfield, Amherst, S. Hadley, and Westfield

Pioneer Valley Planning Commission (PVPC)
60 Congress Street
Springfield, MA 01104
413-781-6045

Serving: all other communities in Hampshire, Hampden, Berkshire, and Franklin counties (Orange is served by RCAP)

Central. MA Region

RCAP Solutions, Inc. (RCAP)
191 May Street
Worcester, MA 01602
Contact: Ashur Gurbuz
Office: 978-630-6725
Cell: 978-502-7963

agurbuz@rcapsolutions.org

MetroWest. MA Region

South Middlesex Opportunity Council (SMOC)
HMLP-SMOC
P.O. Box 1210
Carver, MA 02330
Contact: Amy Cowan
508-326-5349

HMLP@smoc.org

Northeast/North Shore. MA Region

Community Teamwork, Inc. (CTI)
155 Merrimack Street
Lowell, MA 01852
Contact: Alan Trebat
978-654-5741

atrebat@commteam.org

The Cape & Islands Region

South Middlesex Opportunity Council (SMOC)
HMLP-SMOC
P.O. Box 1210
Carver, MA 02330
Contact: Amy Cowan
508-202-5919

acowan@smoc.org

Greater Boston Region

Metro Housing Boston
1411 Tremont Street
Boston, MA 02120
Contact: Jennifer Shaw
617-425-6637

Jennifer.shaw@metrohousingboston.org

Southeastern. MA Region

NeighborWorks Housing Solutions
422 Washington Street
Quincy, MA 02169
Contact: Elvira Caldeira
617-770-2227 ext. 134

ecaldeira@nhsmass.org

Home Modification Loan Program

www.cedac.org/hmlp

Frequently Asked Questions

What is the Home Modification Loan Program?

The HOME MODIFICATION LOAN PROGRAM (HMLP) established by the Massachusetts legislature is a state-funded lending program. The program provides funds to homeowners or landlords for necessary housing adaptations or modifications to improve accessibility for seniors and individuals with disabilities. The program is state-bond funded and most loans are secured by a mortgage in order to make sure the loan is repaid. Repaid loan funds will be given as loans to other similar borrowers in the future.

What kinds of projects are eligible?

The program is NOT a general home repair program. In order to be eligible for an HMLP loan the requested modifications must relate to the professionally documented disability or functional limitation of a household member of any age. Some examples of projects funded through this program include ramps and lifts, hardwired alarm systems, fencing, sensory spaces, accessory dwelling units, as well as accessible bathrooms and kitchens.

Projects that do not directly relate to the beneficiary's ability to function on a day-to-day basis and would benefit anyone living in the home are not eligible for financing under the HMLP program. Please speak with your provider agency if you have questions on the eligibility of your project.

What types of loans are available?

Loans for property owners are made available from \$1,000 up to \$50,000. Loans for owners of manufactured or mobile homes are made available from \$1,000 to \$30,000. All applicants are eligible for a one-time per-property loan.

All applicants receive a **0% interest, deferred payment loan**. Some landlords may be eligible for a 3% interest, amortizing loan for a tenant.

What are the income guidelines?

HMLP serves households with gross income up to 200% area median income (AMI) for the Boston area, published by U.S. Department of Housing and Urban Development. HMLP applies these income guidelines to all applicants in cities and towns in Massachusetts. Income guidelines are updated annually.

2021 Income Guidelines

Household Size	Eligible with Gross Income up to:
1	\$188,000
2	\$214,800
3	\$241,600
4	\$268,400
5	\$290,400
6	\$311,400
7	\$333,000
8	\$354,400

What are the loan terms?

All applicants with a total gross household income of up to 200% area median income (AMI) qualify for a 0% interest, deferred payment loan. Monthly payments are not required on the deferred payment loan. Payment of the HMLP loan will be required when the property is sold or the property title is transferred to someone else or into a Trust. Repayment could also be required if any condition of the loan agreement is not met.

How do I apply?

There are seven (7) agencies, serving eight (8) regions, throughout the Commonwealth. These agencies work directly with HMLP applicants. If you are unsure of the provider that works in your community, visit our website www.cedac.org/hmlp, for a list of towns by provider region, or contact Susan Gillam at 1-866-500-5599 (toll free, valid in MA only) or 617-727-5944.

If you need help or reasonable accommodations during your application process, please let your local provider know.

Can a landlord apply for a loan to modify a rental unit?

A landlord who has an identified tenant with a disability may apply for the loan. The modifications made must be documented by a professional and must relate to the tenant's (beneficiary) functional needs. A landlord owning fewer than 10 units in the building may apply for a Home Modification loan at 3% interest.

NOTE: Any landlord with a unit in a building of 10 or more units is required to make modifications under MGL Paragraph 7A, Chapter 151B Section 4 and is **NOT** eligible for the Home Modification Loan Program unless the landlord can prove hardship through litigation under this statute.

What is the loan application process?

Please visit www.cedac.org/hmlp to watch a short video on the loan application process.

The Home Modification Loan Program does not refund applicants for completed construction projects. Applications are taken anytime and reviewed on a first-come, first-served basis. The application includes an *Application Checklist* on page 7. Your loan application cannot move forward until all the fields on the application are complete and the documents listed on the checklist are submitted.

If you are unsure of the status of your application, contact your provider agency. The provider can also answer any questions about the program requirements.

Once the provider agency has a complete application, including the *Home Modification Loan Program Bid, Scope of Work and Contract Form* (Bid Form), a program construction monitor will come to the home and perform an initial inspection. Please see the handout, *HMLP and Contractors*, for more information.

Once the inspection report is finalized, the provider agency will draw-up the HMLP loan documents for your review and signature. The mortgage document will be recorded at a Registry of Deeds/Registry District of the Land Court or a UCC-1 will be filed with Massachusetts Secretary of State. Applicants are responsible for the fees to record a mortgage and file a UCC-1. These fees may be included in your loan or you may pay these fee(s) directly.

Once the mortgage is recorded or UCC-1 is filed, the provider agency will be able to request funds for your project. Then your loans funds can be disbursed according to the agreed upon payment schedule between you and your chosen contractor. Your loan disbursement schedule can also be found in your Loan Agreement. **Please note that it can take up to 4 – 6 weeks after your**

inspection until the first loan disbursement can be made.

If the contractor is requesting money before any work starts, the first invoice cannot be more than 1/3 of the total contract price. The contractor also cannot include labor costs in this first invoice. All loan disbursements are made after the homeowner submits receipts or invoices from their chosen contractor. It is the responsibility of the homeowner to verify the work milestone listed on the bid and invoice and that the work has been completed and done to your satisfaction. Homeowners should never pre-sign invoices from their chosen contractor.

The construction monitor conducts a final inspection only when your project is totally finished and done to your satisfaction. The final payment (at minimum 10% of the total contract price) is released after the final inspection has been performed. The contractor must also sign a lien waiver.

What happens if my application is determined not eligible?

You will be notified by phone or in writing by the provider agency. The provider will attempt to provide you appropriate referrals to other programs or sources of funding.

What if my project will cost more than my available loan amount?

It will be your responsibility to find additional funds in order to complete your project. HMLP funds can only be used after all other sources of funding are spent on the project. Information on organizations or other programs that may have funds available can be found on our website or your provider can provide you with a handout with this information.

Who will do the actual work to modify the home?

You will hire the designer and/or contractor of your choice to complete your project. All construction professionals hired by HMLP homeowners must be licensed and insured in the state of Massachusetts. Your provider can give you resource materials on choosing and hiring architectural, design, and contracting professionals. **HMLP and your provider cannot recommend contractors.**

What should I expect during construction?

Your provider cannot get involved directly with your chosen contractor. You should review the handout, *The Home Modification Loan Program & Contractors*, for more information on working with contractors and HMLP. Homeowners are responsible for overseeing their chosen contractor. You should keep a copy of your construction contract near-by and refer to it often. If something is not going the way you feel it should or if you have questions, you need to speak to your chosen contractor. You should also notify the provider, who can advise you on possible next steps.

What if I have a dispute with my contractor?

HMLP, your provider and the construction monitor cannot be involved in disputes regarding the legally binding contract you entered into with your chosen contractor. More information about consumer protections and how to file a complaint can be found at the state's Consumer Affairs department, www.mass.gov/ocabr/consumer/home-improvement-contract or call this toll-free hotline at (888) 283-3757. The website provides a consumer guide to home improvement contractor complaints. There are four different programs that handle complaints against residential home improvement contractors and the Office of Consumer Affairs can assist you.

May I do any of the work myself?

Borrowers who are a licensed contractor may be allowed to do the work themselves. Please be aware your loan funds can be used to pay for the cost of materials only. You will not be allowed to use loan funds to pay for the labor costs of yourself or your immediate family member(s).

What happens if I need to refinance my primary mortgage in the future?

Contact your provider agency before you refinance to request a subordination of your HMLP

mortgage lien. Your provider will need to review a copy of your loan application, a copy of your home's appraisal, your credit report(s) and see proof you are current on your real estate taxes, to determine if they will subordinate their HMLP loan. The review process will be more extensive and take longer if the value of all your mortgaged debt in relation to the value of your home is high. In most cases, the subordination will be allowed.

Is a Mortgage Protection Plan a requirement of the program?

No. Some borrowers have received notices in the mail about a mortgage protection plan after they had a HMLP mortgage placed on their property. These notices are not from your provider or HMLP. You should consult a lawyer, insurance agent or other trusted advisor for information on mortgage protection plans.

My home is in a Trust, am I eligible?

A Trust does not disqualify you from being eligible for an HMLP loan. Your provider will require copies of your trust documents for review by the program's legal counsel. This review is so your provider can correctly document your loan.

I bought my home using an affordable home ownership program, am I eligible?

This does not automatically disqualify you for a HMLP loan. These home ownership programs have rules that will require you to seek approval for any construction on your home. They often also require permission to enter into a mortgage so the resale price of your home remains affordable to the next homeowner.

Please provide your provide agency copies of any affordable housing restrictions/covenants attached to your deed for review by the program's legal counsel. It is helpful if you inform your provider of this restriction early in the application process.

Home Modification Loan Program

Application Checklist

Applicant Name: _____

Your application should be mailed directly to the provider agency serving your community. Review this checklist carefully and be sure to submit the full, signed, application, and the required additional documents to the provider agency serving your community.

Sections of the Application:

- Applicant or Homeowner Information (page 8)
- Household Income Information (page 9)
- Beneficiary Information and Home Modification Project Information (page 10)
- Documentation of Need from Professional Form (page 11). *Your selected professional MUST complete the entire form*
- Release of Information Form (page 12)
- Property Information (page 13)
- Signed PENALTY FOR FALSE OR FRAUDULENT STATEMENT** (page 14)
- Landlord Form (if applicable, ask your provider agency for a copy)

Required Application Documentation:

- Proof you are up-to-date on real estate taxes** (a letter from your town, or an escrow account statement from your mortgage holder)
- MA Income Tax Return** (or proof you are up-to-date on your state income taxes) (If taxes were owed, you must include proof of payment)
- Household Income Documentation** (state or federal tax returns, benefit statements, 1099, W-2s or current paystubs) **note in most cases providing a copy of your state income taxes satisfies both income documentation and proof you are up to date on state income taxes.*
- Copy of Current Deed for Property to be modified or a copy of the Bill of Sale for Mobile Homes**
- HMLP Bid, Scope of Work & Contract Form** all parts of this form *MUST* be completed by your selected contractor
- For projects over \$50,000 or \$30,000 (your loan max.), proof of funds to complete the project (personal funds, lines of credit or loans, grants, gifts)
- Trust, Power of Attorney, or Deed Rider documents, if applicable

Home Modification Loan Program Application

Applicant or Homeowner Information

The applicant is the individual or individuals who own the property to be modified. Landlord applicants must complete a *Landlord Form*; please ask your provider agency for a copy.

Please Print Clearly

Name (Last, First, MI): _____

Mailing address:

Number Street Unit #

City State Zip Code

Telephone: Home: _____ Work and/or Cell: _____

Fax: _____ TTY/TTD: _____ E-Mail: _____

Address of Property to be Modified (if different from above):

Number Street Unit #

City State Zip Code

Is any person listed in this application (including all property owners or beneficiary) an employee or a relative of an employee of the Provider agency administering the Home Modification Loan Program?

Yes No

Has any person listed in this application (including all property owners or beneficiary) received a Home Modification Loan from this or any other HMLP Provider agency? Yes No If yes, has it been repaid?

Yes No Please list agency _____

Ethnic Background (Optional) please circle which apply

Native American White Hispanic Black Asian Other _____

How Did You Learn About the Home Modification Loan Program?

- Internet Search Radio/TV/Print Advertisement Informational Poster
 Friend or Relative Senior Center/Council on Aging Independent Living Center
 Community or Housing Organization Municipal Office Regional MRC office
 Other State Agency (DDS, DPH, DMH, MCB, MCDHH) Disability Organization
 Healthcare Agency (home health, skilled nursing facility, doctor's office or hospital) contractor
Other _____

Income Information

Applicant or Homeowner Name: _____

If Applicant is a landlord renting to a family member, list all individuals in both the beneficiary's household and the property owner's household.

If Applicant is a landlord renting to a non-family member, list all individuals in the tenant's household.

Please list all persons in household (attach additional sheet if needed):

1. NAME: _____ Date of Birth _____ SOCIAL SECURITY NO. _____

Insurance: Private Medicare Medicaid None

2. NAME: _____ Date of Birth _____ SOCIAL SECURITY NO. _____

Insurance: Private Medicare Medicaid None

3. NAME: _____ Date of Birth _____ SOCIAL SECURITY NO. _____

Insurance: Private Medicare Medicaid None

4. NAME: _____ Date of Birth _____ SOCIAL SECURITY NO. _____

Insurance: Private Medicare Medicaid None

5. NAME: _____ Date of Birth _____ SOCIAL SECURITY NO. _____

Insurance: Private Medicare Medicaid None

Indicate in the table below all income for each individual in the household listed above.

Name (# From above)	Source of Income	Documentation	Income/Month	Income/Week	Annualized

Please DO NOT fill out the section below the dotted line. This is for Provider Use Only:

Total # Persons in Household: _____ **Total Annual Household Income:** \$ _____

20__ Income Limit for family size listed above: \$ _____ 100% 125% 200%

Loan Product Eligibility: yes no

Verified By: _____ Date: _____

Beneficiary Information

The beneficiary is the individual(s) in the household with the professionally documented limitation(s) and the person(s) who will benefit from the modifications (if additional space is needed, please include on a separate sheet):

(1) Name: _____ Age: _____
 Last First MI
Relationship to Homeowner/Landlord (i.e. child, niece, brother, friend, tenant): _____
Is the property listed above the Primary Permanent Address of this person: ___ yes ___ no

(2) Name: _____ Age: _____
 Last First MI
Relationship to Homeowner/Landlord (i.e. child, niece, brother, friend, tenant): _____
Is the property listed above the Primary Permanent Address of this person: ___ yes ___ no

Home Modification Project

Explain your need for home modifications as it relates to the individual(s) with a documented limitation(s) in your household. Attach additional pages as needed. Include an *estimated* amount of the cost of the project if possible. Please provide as much detail as possible.

Estimated Cost (if available) \$ _____

If the project exceeds \$50,000 or \$30,000 (your loan max), you must provide evidence of other funds to complete your home modification project. The HMLP loan will be disbursed only *after* all other funds have been used. If your other funding source(s) have this same requirement, please contact your provider agency. Documentation of this funding will be required prior to completing the loan process.

Documentation of Need from Professional

Please have a chosen professional complete all sections of the form on the next page. This person must be someone whom the beneficiary has a professional relationship, such as a doctor, physical therapist, occupational therapist, social worker, case manager, or other relevant professional. Please consider the expertise of the professional carefully when selecting the individual, if the documentation provided is inadequate or insufficient, additional information will be required.

DOCUMENTATION OF NEED FROM PROFESSIONAL FORM

Your selected professional must complete all section of this form and sign it for it to be considered valid.

The Home Modification Loan Program provides funding for necessary home modifications or adaptations, which are required because the individual’s ability to function on a daily basis is limited by the configuration of their home. When completing this form, please be specific and identify the functional aspects of the individual’s limitation(s) that directly relates to a need for improved accessibility and/or safety.

1. Name of Individual: _____ Age: _____

2. What is the individual’s primary impairment? _____

What is the individual’s secondary impairment? _____

List any additional impairments: _____

3. What types of functional limitations does the individual’s impairment(s) involve? (Please check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Mobility (uses wheelchair) | <input type="checkbox"/> Sensory |
| <input type="checkbox"/> Mobility (uses walker/other mobility device) | <input type="checkbox"/> Sight |
| <input type="checkbox"/> Mobility (currently uses no mobility device) | <input type="checkbox"/> Hearing |
| <input type="checkbox"/> Dexterity | <input type="checkbox"/> Chemical sensitivity |
| <input type="checkbox"/> Difficulty breathing/shortness of breath | <input type="checkbox"/> Developmental |
| <input type="checkbox"/> Emotional or behavioral | <input type="checkbox"/> Cognitive |
| <input type="checkbox"/> other – Please specify _____ | <input type="checkbox"/> Limited safety awareness |

4. List the necessary permanent home modifications or the changes to the current configuration of the home, which directly relate to improving the individual’s day-to-day function or will allow the person to live independently in the community. *For example, Sally has gait issues and is unable to safely get in and out of her current shower. She would benefit from a barrier-free shower.*

Signature of Professional

Print Name

Phone #

Mailing Address

Release of Information

I hereby give authorization to _____ (*Provider agency*) to make inquiries for the Home Modification Loan Program as needed regarding information and documentation supplied by me to verify:

_____ Household income

_____ Unsafe conditions noted at time of inspection

_____ My need for modifications as documented by _____, (*a professional with whom I have a client history*)

Address of the residence to be modified is:

Number	street	city/town	zip
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Phone	e-mail
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This information is in regard to my request for a Home Modification Loan.

Signature: _____ Date _____

This authorization is valid until my loan has been closed and all modification work completed.

Property Information

I, the undersigned Borrower/Property Owner for the Home Modification Loan Program, affirm and attest that the following is true of the property to be modified under this program at

_____,
Address

_____,
Town

Zip

1. Type of property: Single Family Multi-family Mobile Home Condominium

If multi-family: number of units: _____ How many units are occupied? _____

2. **Owner(s) of record of the property to be modified:** (those listed on the property's deed)

1. _____ 2. _____

3. _____ 4. _____

You must include a copy of your property's current deed with your application. *If you need help obtaining a copy of your deed, please contact your Provider agency for assistance.*

Please verify by Book: _____ Page: _____ of deed at the Registry of Deeds in the County of Residence.

If you are a manufactured or mobile home owner, you must provide a copy of your mobile home's Bill of Sale.

3. **Lead Paint Verification** I understand that it is my responsibility to comply with all applicable laws and regulations regarding the presence of lead paint in my home. The provider agency and HMLP are not responsible for lead paint abatement in my home.

YES

NO

(1) The home was built before 1978.

(2) The property is subject to an emergency lead management plan and letter of interim control.

4. **Historic Certification**

My property is **NOT** listed in, or located within or near another home or historic district listed in the Historic Register.

My property **IS** listed in, or located within or near another home or historic district listed in the Historic Register

5. Is your home owned by a **Trust**? Yes No If yes, attach the Declaration of Trust and Schedule of Beneficiaries (there are additional recording fees; ask your provider agency for more information).

6. Do you or the beneficiary have a **Power of Attorney**? Yes No If yes, attach a copy (there are additional recording fees, ask your provider agency for more information).

7. Does your property have a **Deed Rider** or affordability restriction through your town or state (example an LIP unit or 40B project)? Yes No A deed rider may affect our ability to offer you an HMLP loan.

8. Are you currently filing or planning on filing for **bankruptcy**? Yes No

PENALTY FOR FALSE OR FRAUDULENT STATEMENT

The applicant(s) certifies that all information provided herein, and all information in support of this application, is given for obtaining assistance from the Home Modification Loan Program.

I/We hereby certify that all of the above statements are true, accurate, and complete to the best of my/our knowledge and belief.

I hereby consent to the verification of any information given in this application. I understand that the information will be used to determine eligibility for this program and is subject to the requirements of HMLP Program Guidelines. The applicant(s) agree(s) to abide by the HMLP requirements in connection with any assistance received pursuant to this application.

I understand that HMLP may deny my application if I am currently filing for bankruptcy and/or have a bankruptcy case pending. I will notify the Provider agency of any current, pending, or future bankruptcy or foreclosure action against me.

All information generated as a part of this program is confidential between the program applicants and program administrators.

Signature(s) of Property Owner/Borrowers: *The signatories below acknowledge that this document is signed under pains of penalties of perjury.*

All persons listed on the deed must sign below.

Signature:

Date:
