

The MRC Home Modification Loan Program (HMLP)

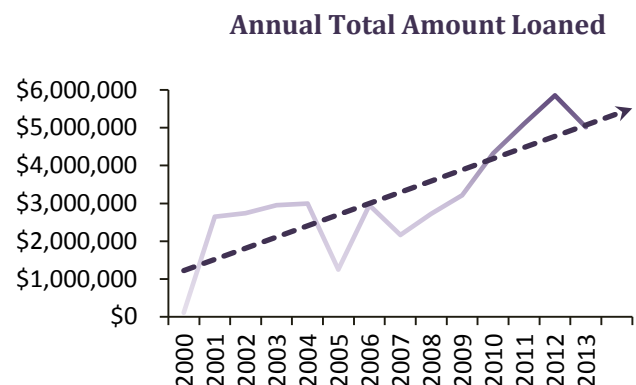
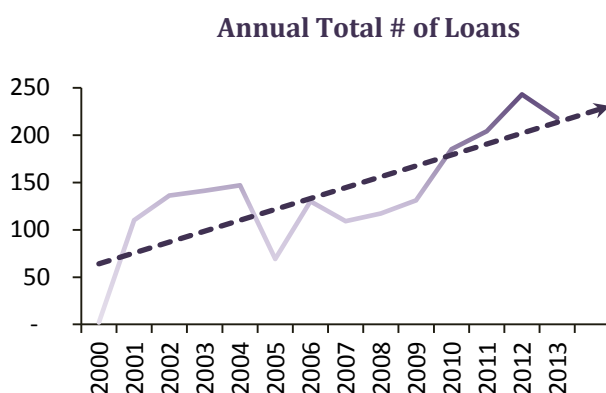
Program Description

The Home Modification Loan Program (HMLP) provides low and no interest loans for home modifications to elders, individuals with disabilities, the families of children with disabilities, and qualified landlords who rent homes to individuals with disabilities. The HMLP was established by the state legislature in 1999 through funding from the state housing bond bill, with additional authorizations enacted in 2004, 2008, and 2013. The HMLP is operated by the Community Economic Development Assistance Corporation (CEDAC) on the behalf of the MRC and administered at the community level by six regional provider agencies.

Program Results

- ❖ HMLP has provided 1,942 loans since 2000 at an average loan amount of \$22,700.
- ❖ HMLP loans have resulted in 1,160 bathroom modifications, 288 kitchen adaptations, and 1,168 ramps and wheelchair lifts that have assisted elders and disabled individuals to live and work more independently.
- ❖ About 80% of the loans are zero interest and the remaining 20% are 3% interest.
- ❖ HMLP has received just over \$44 million of cap funds since 1999.
- ❖ HMLP has received borrower repayments of \$3,615,566 (to date).

Program Growth 2000-2013



The HMLP program has grown consistently since inception and is projected to continue growing. Demand for HMLP loans increased by 100% between 2006 and 2013. The HMLP exceeded 200 loan requests per year in the last three years, and requests now average \$5 million annually. In early 2014, MRC and CEDAC representatives presented the HMLP program to the Massachusetts State Senate President and other elected officials at a public hearing. Responding to consistent demand and proven success, the state legislature raised the bond bill cap for the program from \$4 million to \$6 million per year later in 2014.



Loans by HMLP Service Region

HMLP Service Region	Provider Agency	# of Loans	Total Loan Amount
Western Mass.	HAP, Inc. & Pioneer Valley Planning Comm.	433	\$10,178,806
Central/Greater Worcester	RCAP Solutions Financial Services, Inc.	263	\$5,802,155
Metro West Boston	South Middlesex Opportunity Council, Inc.	290	\$6,675,691
Northeast Mass.	Community Teamwork, Inc.	263	\$5,608,869
Metro Boston	Metropolitan Boston Housing Partnership	239	\$5,844,867
Southeast/cape & Islands	South Middlesex Opportunity Council, Inc.	454	\$9,959,607

Prior to 2014, Loan Demand Consistently Exceeded the Annual \$4 million Bond Cap:

Year	2010	2011	2012	2013
Amount Over Cap	\$327,941	\$1,102,173	\$1,858,723	\$1,019,489

Program Features

- ❖ HMLP offers 0% and 3% loans of \$1,000 to \$30,000 to eligible borrowers based on income.
- ❖ Low income homeowners may be eligible for a 0% loan with payment due on sale or transfer.
- ❖ 3% loans require monthly payments and must be repaid in 5 to 15 years depending on amount.
- ❖ All HMLP loans are secured by a promissory note and a mortgage lien on the property.

Benefits for Consumers

- ❖ Increased independence and safety
- ❖ Improved emotional well-being and overall health
- ❖ Decreased financial burden of home modification
- ❖ Freedom from institutional living

Consumer Feedback

- ❖ *"The program is very valuable. Without the modifications made to my home, I would not be able to enter or leave it safely and without the loan I could not have made the changes as quickly as I needed to, if ever."*
- ❖ *"My experience was good overall. The staff was excellent and the house adaptations have been a godsend as health has worsened."*
- ❖ *"It was a surprise working with HMLP. I thought there would be lots of road blocks working with this type of program. There were none of the problems I expected. It was a pleasure working with the provider staff. He took care of things fast and efficiently."*

For more information on the HMLP program contact Ann Shor, MRC Director of Independent Living and Assistive Technology, at **(617) 204-3602** or **Ann.Shor@MassMail.state.MA.US**