

ISSUES AFFECTING ELDER HOMEOWNERS

Homeowner Options for Massachusetts Elders

Some Stats

- Massachusetts has approximately 1.5 million homeowners, of which 760,000 are people over age 55
- Average Income for those 65 and over is \$33,500
- Average cost to maintain a home is \$39,200
- The Federal Reserve notes that 65-75 year olds are experiencing greater growth in debt compared to other age groups

Displacement Threats

- Failure to Keep Current on Real Estate Taxes
- Falling behind with mortgage payments
- Inability to afford homeowner's insurance
- Mounting credit card debt, often to pay monthly expenses
- Health care/ in home care costs
- Deferred maintenance of the property due to inability to afford repairs/maintenance

How H.O.M.E. helps (1)

- Elder calls in to the office and we do an intake for basic information
- We send out an application for the H.O.M.E. program
- When the application is returned, it is checked for completeness, a budget is built with information provided, program availability is checked and elder is contacted by assigned counselor.

How H.O.M.E. helps (2)

Build budget and evaluate expenses

Look at SNAP, LIHEAP, HEARTWRAP, utility discounts, tax deferrals, tax exemptions appropriate to client's situation

Home repair grants/loans through cities and towns

Home Modification Loans through Massachusetts

Rehabilitation Commission

Home Equity Conversion Instruments

Encourage elders to look/plan long term— look at where they will be in 5-10-15 years. Probably the most challenging aspect of our counseling

H.O.M.E. Outreach

- HOME collaborates with social service agencies to maximize assistance to elder
- Money management programs
- Various city and town assistance programs
- Councils on aging
- Home care assistance programs
- Long Term Planning to Age in Place safely

How is H.O.M.E. Different

- Has additional consumer protections
 - Face to Face in home counseling (usually 2 -3 in home sessions)
 - Requires that the elder have their own attorney present at any loan closing
 - Requires that a counselor from HOME be present at any loan closing
 - Post closing monitoring

Loans

- HOME looks at all other alternatives before a loan
- ALL Equity Conversion loans are expensive due to the compounding of interest, and in cases of the HUD Equity conversion loans, the Mortgage Insurance & service fee costs
- NOT ALL LOANS ARE APPROPRIATE FOR ALL PEOPLE
- Sometimes the best alternative is to transition out

H.O.M.E.'s

Affiliations & Collaborations

- Massachusetts Division of Banks Chapter 206 Foreclosure Prevention Center (sole center exclusively for Elders)
- HUD Comprehensive Counseling Agency (Elder Displacement & Home Equity Conversion counseling)
- Massachusetts Attorney General (escalation)
- Legal Service Network in Massachusetts/Private Bar
- Massachusetts Council on Aging Association
- Home Care Corporation of Massachusetts
- National Consumer Law Center
- Community Action Programs
- Local Regional Housing Programs

For additional assistance

- ❖ Homeowner Options for Massachusetts Elders (H.O.M.E.)
- ❖ Your local council on aging
- ❖ Massachusetts Executive Office of Elder Affairs
- ❖ HOMECORPS program in the Office of the Attorney General
- ❖ Attorney General's Executive Office of Consumer Affairs