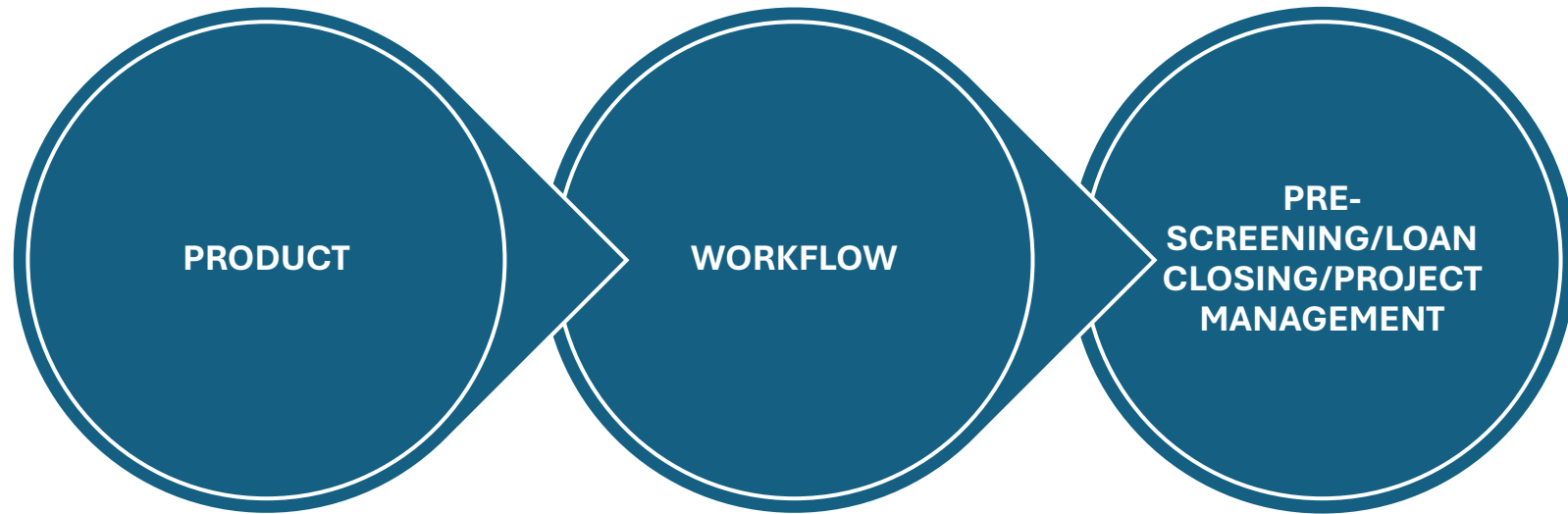


# GET THE LEAD OUT LOAN PROGRAM

*April 2026*

# OVERVIEW



PRODUCT

Get The Lead Out Loan Program	
Product 5004 - Get The Lead Out 0% Deferred 30 Year Owner-occupied Product 5005 - Get The Lead Out 0% Amortized 15 Year Non-Profit Product 5006 - Get The Lead Out 3% Amortized 15 Year Investor	
Transaction Type	<ul style="list-style-type: none"> <li>Subordinate Mortgage</li> </ul>
Interest Rate	<ul style="list-style-type: none"> <li>0% Deferred -Owner-Occupied</li> <li>0% Amortized – Non-Profit</li> <li>3% Amortized - Investor</li> </ul>
Income Limits	<ul style="list-style-type: none"> <li>0% Deferred loans Based on household size property location.</li> <li><a href="#">Click here for Income Limits</a></li> <li>Income Limits do not apply to Investor or Non-Profit Amortized loans</li> </ul>
Max Loan Limits	<ul style="list-style-type: none"> <li>1 Unit-\$30,000</li> <li>2 Unit-\$35,000</li> <li>3 Unit-\$40,000</li> <li>4 Unit-\$45,000</li> <li>There is no min loan amount for this program</li> </ul>
Loan Term	<ul style="list-style-type: none"> <li>15 Year – Investor and Non-Profits</li> <li>Due upon Sale/Transfer/Refinance: 0% Deferred</li> </ul>
Property Type	<ul style="list-style-type: none"> <li>1 Unit/Condo/PUD, 2-4 Unit</li> <li>Investors - Financing is limited to eight (8) units per investor or non-profit.</li> </ul>
MH Processing Fee	<ul style="list-style-type: none"> <li>NA</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Lenders</li> <li>Local Rehab Agencies (LRA)</li> </ul>
Lender Fee LRA Fee	<ul style="list-style-type: none"> <li>Lender Fee -\$1,500 per loan (paid by MassHousing upon funding)</li> <li>LRA Fee - \$1,500</li> </ul>
Eligible Borrower	<ul style="list-style-type: none"> <li>Owner Occupied</li> <li>Investors</li> <li>Non-Profits</li> <li>All owner-occupied 1 Unit/Condo/PUD, 2-4 Units with incomes that meet the income limit guidelines</li> <li>Trusts will be pre-reviewed by MassHousing.</li> </ul>
Ineligible Borrower	<ul style="list-style-type: none"> <li>Any person(s) who does not have an ownership interest in the property should NOT be on any closing documents or be a part of the loan transaction.</li> <li>Life Estates are not eligible for this Program.</li> </ul>

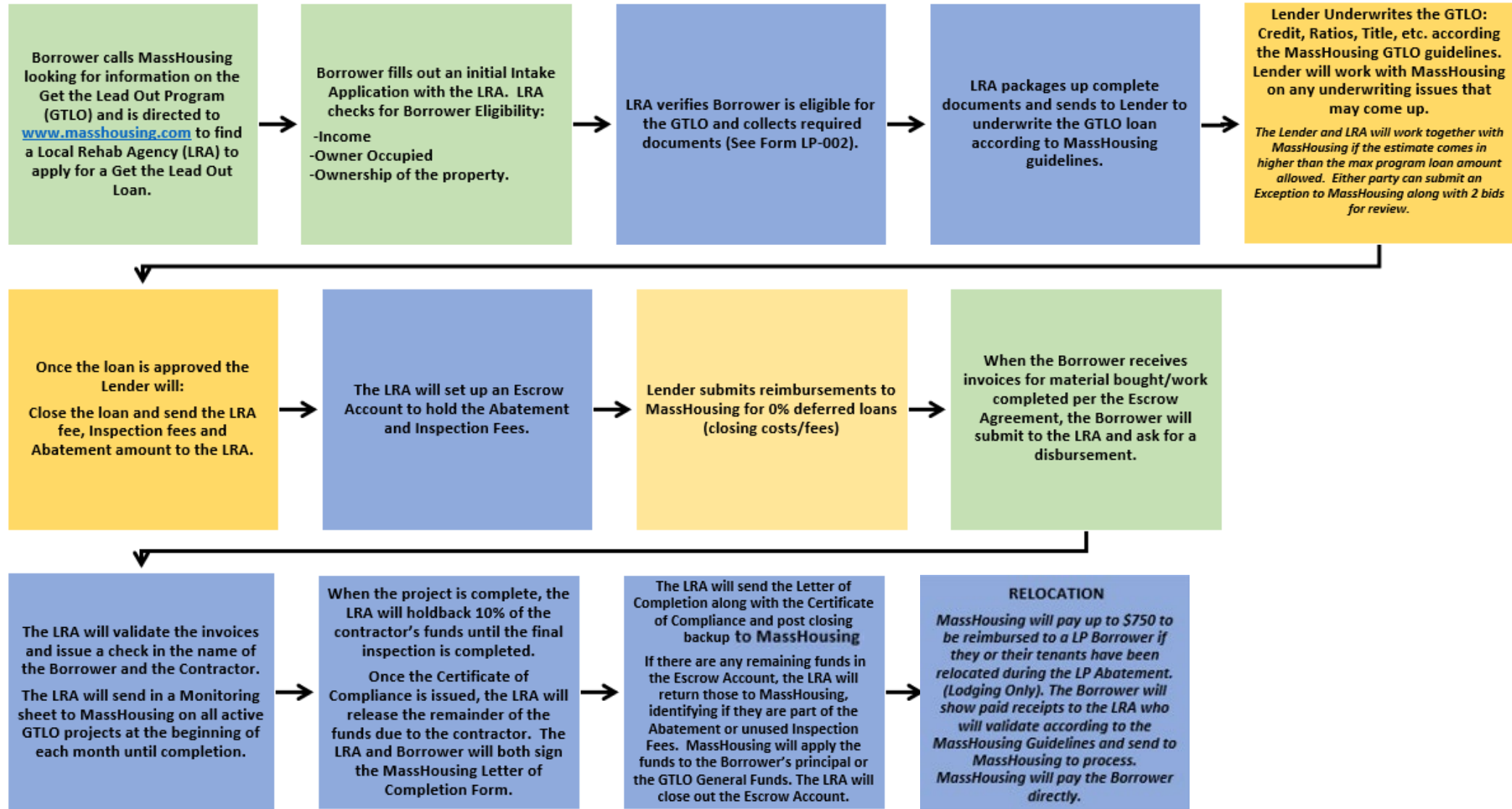
<b>Min Credit Score</b>	<ul style="list-style-type: none"> <li>No Minimum credit score is required. See Seller Guide for Guidance.</li> </ul>
<b>Max DTI</b>	<ul style="list-style-type: none"> <li>50% (No Max DTI for 0% Deferred Loans)</li> </ul>
<b>Max LTV/CLTV</b>	<ul style="list-style-type: none"> <li>Loan to value ratios do not apply to this program. No appraisal is required.</li> </ul>
<b>Lien Position</b>	<ul style="list-style-type: none"> <li>The Get the Lead out Loan Program has been designed as a second mortgage loan program. MassHousing will assume a third position behind a 1<sup>st</sup> and 2<sup>nd</sup> DPA or equity line, making sure the borrower meets all the eligibility requirements. If there are more than 2 liens on the property, the Lender should contact MassHousing</li> </ul>
<b>Occupancy</b>	<ul style="list-style-type: none"> <li>Owner Occupied/Primary Residence for the Life of the Mortgage for 0% Deferred Loans</li> <li>Does not apply to Investor or Non-Profit</li> </ul>
<b>Appraisal</b>	<ul style="list-style-type: none"> <li>NA -For Data Collection, Appraised amount should be collected from Tax Bill when registering a loan</li> </ul>
<b>Closing Costs and Fees</b>	<ul style="list-style-type: none"> <li>Investors and Non-Profits: Borrowers will be responsible for all closing costs and fees which can be rolled into the loan. Closing Costs may include, but not limited to, Recording Fees, MERs Fee, Credit Report, Attorney/Title Rundown, Flood Cert, Overnight Fees, LRA Fee.</li> <li>0% Deferred Owner Occupied: No closing costs or fees associated with the loan</li> </ul>
<b>Required Documents and MassHousing Forms</b>	<ul style="list-style-type: none"> <li><a href="#">Click here for Document Loan Delivery</a></li> </ul>
<b>Right of Recission</b>	<ul style="list-style-type: none"> <li>Required only on 0% Deferred Loans</li> <li>Not required on Investor/Non-Profit Loans</li> </ul>
<b>Eligible Improvements</b>	<ul style="list-style-type: none"> <li>All costs associated with the removal of lead paint from the property and obtaining a Certificate of Compliance</li> </ul>
<b>Contingency Reserves</b>	<ul style="list-style-type: none"> <li>NA</li> </ul>
<b>Escrow Agent</b>	<ul style="list-style-type: none"> <li>Local Rehab Agency (LRA)</li> </ul>
<b>Maximum Construction Timeframe</b>	<ul style="list-style-type: none"> <li>Borrowers applying for mortgage financing have a maximum time limit of six months from the closing date of the mortgage to complete the work.</li> </ul>
<b>Final Completion</b>	<ul style="list-style-type: none"> <li>Following completion of the deleading, the LRA must obtain a Certificate of Compliance from the Board of Health. The LRA must obtain all necessary lien releases or take any other action that may be required to ensure that the title to the property is clear of all liens and encumbrances (if applicable).</li> </ul>
<b>Pre-Payment Penalty</b>	<ul style="list-style-type: none"> <li>NA</li> </ul>

# WORKFLOW

# Workflow

## MassHousing Get the Lead Out Workflow

- ◆ BORROWER
- ◆ LOCAL REHAB AGENCY (LRA)
- ◆ LENDER



# Waiver for Loan Amount

**MassHousing will consider exceptions for loan amounts only. We do not accept exceptions for over income.**

- An Exception Request (**Form LP-012**) must be submitted to MassHousing along with 2 bids and the Inspection Report to [Holoanrepair@masshousing.com](mailto:Holoanrepair@masshousing.com)
- MassHousing will review the request and perform their due diligence.
  - The following will be reviewed, and MassHousing reserves the right to request additional information if needed:
    - Application stating Assets
    - All Income Sources
    - Purchase Price of Home
    - Estimated Value of Home
    - Date of Purchase
    - Housing Expenses/DTI
    - Current Mortgages/Date/Amount
    - Bids/Scope of Work meeting “like” “kind” requirement
    - Inspection Report/Feedback from CLPPP/Dept of Public Health
- Once MassHousing has conducted their review, the request will be sent to EOHLC with a writeup, backup documents and a recommendation or needs discussion. EHOHC will review and ask for more information, a discussion of the request or grant an approval. The approval letter will be emailed to the Lender/LRA.
- Exceptions to underwriting will be sent to MassHousing for review. These do not need EHOHC approval. Once approved, the Lender will document the file with the approval from MassHousing.

# Reimbursement to the Lender for 0% Deferred Loans

- Lender disburses all closing costs and fees to the appropriate parties.
- At loan funding, the Lender receives a wire for the loan amount (abatement only).
- The Lender must then submit a Reimbursement Invoice to MassHousing.
  
- The Reimbursement Invoice must:
  - Be emailed to MassHousing to [HOLoanrepair@masshousing.com](mailto:HOLoanrepair@masshousing.com)
  - Include itemized closing costs and fees associated with the loan
  
- Processing Timeline Once received, MassHousing will:
  - Review the invoice
  - Process reimbursement
  - Wire funds within 5 business days
  
- Fee Guidelines MassHousing does not set standard fee limits, but:
  - All fees must be reasonable
  
- The following costs are eligible for reimbursement:
  - Credit Report,
  - Flood Certificate
  - Mortgage Recording Fee
  - MERS Fee
  - LRA Fee, USPS Fee
  - Attorney Fees\*
  - Inspection Fees\*

## \* Important Requirements:

### Attorney Fees:

- Must include supporting documentation
- Can be submitted as:
- A blanket invoice (kept on file), or Individual invoices with each reimbursement request

### Inspection Fees:

- Must include paid invoices
- If inspections are not completed at time of request:
  - Submit reimbursement for other costs first
  - Submit inspection fees later with a new request

- Reimbursement Submission Procedures Complete Form LP-013
  - Email the form with supporting documentation to: [HOLoanrepair@masshousing.com](mailto:HOLoanrepair@masshousing.com)
  - Allow up to 1 week for reimbursement processing
  
- Final Inspection Submission (if applicable) After inspections are completed:
  - Submit paid inspection invoices
  - Include a new LP-013 form

# PRE-SCREENING (IRA)-LOAN CLOSING (LENDER)- PROJECT MANAGEMENT (LRA)

Please see Seller Guide located on [www.emasshousing.com](http://www.emasshousing.com) for more detailed information on these processes.

### **STEP 1: Program Marketing**

- Advertise availability of funds locally
- Inform property owners of eligibility requirements

### **STEP 2: Applicant Intake & Pre-Screening**

- Financially pre-screen applicants
- Ensure they understand:
  - Lead abatement options
  - Loan terms
  - Compliance requirements

#### Confirm:

- Property eligibility
- Borrower eligibility
- Understanding of program obligations



### **STEP 3: Inspection & Contractor Selection**

#### **LRA Responsibilities:**

- Participate in preliminary inspection/cost discussions
- Provide list of **State Licensed Inspectors and Contractors**
- Conduct preconstruction conference (if needed)

#### **Applicant Must Submit:**

- Lead Paint Inspection Report
- Contractor cost estimate
- Executed contract

#### **LRA Must Review:**

- Work scope matches inspection findings
- Costs relate only to eligible lead abatement work
- Contractor licensing and insurance
- Bid accuracy and completeness


#### **Contractors Must:**

- Be licensed in Massachusetts
- Be active and in good standing
- Maintain required insurance
- Comply with federal and state regulations



## **STEP 4: Loan Package Submission to Lender**

- LRA must collect and submit:
  - Form LP-002 (LRA Document Checklist)
  - Deleader or Lead-Safe Renovator license
  - CLPPP Certificate (if homeowner performing work)
  - Current contractor bid
  - Contractor liability insurance
  - Itemized document list

 **Important:**  
The Lender determines financial capacity of investors/nonprofits — not the LRA.



## STEP 5. Escrow & Loan Closing

- After loan approval:

### LRA Must:

- Execute Escrow Agreement with borrower
- Establish escrow account
- Ensure borrower understands:
  - Payment schedule
  - Completion deadlines
  - Holdback requirement

### Lender Issues:

- Joint check (Borrower + LRA)
- **NEW**- Lenders can now issue a 1/3 of the Project Cost Upfront
- Separate LRA fee check



## **STEP 6. Construction Oversight**

- Coordinate site overviews
- Monitor project timeline
- Ensure work follows:
  - Plans and specifications
  - Contractor bid
  - Building codes
- Verify required permits are obtained



# STEP 7.

## Disbursement of Funds

- Review Disbursement Requests (with backup) from Borrower for Payment to Contractor
- Issue Joint check (Borrower + Contractor)



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## STEP 7. Monthly Reporting Requirements

- Once a month you will receive an email from MassHousing requesting the Project Status

## STEP 8. Extensions

- If project delays occur:
  - Identify reason for delay
  - Submit Form LPM-015 (Extension Request)
  - Monitor extension implementation
  - Provide updates to MassHousing



## STEP 10. 10% Holdback Requirement, Final Disbursement and Documentation

- A 10% holdback is required until:
- Certificate of Compliance received
- Final Disbursement can be made

### Remaining Escrow Funds Must Be Sent To:

- MassHousing Home Ownership CASH  
One Beacon Street, 6th Floor  
Boston, MA 02108
- Check payable to: MassHousing  
Include:
- Cover Letter with Borrower name and Property address
- Borrower must be notified in writing.

### Final Documentation You Must Submit to MassHousing

- Certificate of Compliance
- All supporting documentation for Project Management

LEAD TESTING, INC. email: \_\_\_\_\_ Springfield, MA • 01104  
1  
Fax: \_\_\_\_\_  
- License # \_\_\_\_\_

**LETTER OF FULL DELEADING COMPLIANCE**

Dear \_\_\_\_\_

This letter is to certify that on \_\_\_\_\_, I re-inspected your property located at \_\_\_\_\_, Unit \_\_\_\_\_, and relevant interior and exterior common areas. In the City/Town of \_\_\_\_\_, \_\_\_\_\_, as being in violation of the initial inspection report by \_\_\_\_\_ conducted on \_\_\_\_\_, as being in violation of the initial inspection report by \_\_\_\_\_ Regulations for Lead Poisoning Prevention and Control, were determined to be in current compliance with those same laws. Dust samples were taken and found to be within acceptable limits.

Massachusetts law does not require the abatement or containment of all residential lead paint. The residential premises or dwelling unit and relevant common areas shall remain in compliance with the requirements of the Lead Law referenced above only as long as there continues to be no peeling, chipping or flaking lead paint or other accessible leaded materials, as long as coverings and/or encapsulants forming an effective barrier ever such point or other leaded materials remain in place, and as long as surfaces reversed to correct lead hazards remain reversed and securely in place. The law grants you a 30-day maintenance period to repair deteriorated lead paint or detached coverings over such paint, and to clean up, during which time this letter remains valid.

The second page or reverse side of this letter identifies the authorized person(s) who performed deleading on the property and a general summary of the methods used to achieve compliance with the Lead Law. A complete Reinspection Report is attached to this letter, which specifies how and on what date each surface was brought into compliance.

To the best of my knowledge, the cost of the legally required deleading is \$\_\_\_\_\_. The CLPPP authorized serial number for this Letter of Full Deleading Compliance is \_\_\_\_\_ This number is tracked and unique to this address and unit.

**DO NOT LOSE THESE DOCUMENTS. If the documents are lost, you will be required to have additional private inspector services that may cost you significant amounts of money.** This Letter of Full Deleading Compliance is only for the address and unit noted above. If you change the street address, unit number or any other identifying information pertaining to the residential premises referred to in this Letter of Full Deleading Compliance, this Compliance Letter may be considered null and void by the Department of Public Health and/or a municipal health office.

**Do not alter this document in any way.** Altering this document is fraudulent and may endanger the health and safety of a child which may result in significant legal consequences. In addition to any potential civil liability which may arise as the result of the alteration of this Letter of Compliance, the Massachusetts Department of Public Health's Childhood Lead Poisoning Prevention program may seek criminal prosecution of any person who alters this document after it is originally issued.

Sincerely,  
Inspector (print name) \_\_\_\_\_ License # \_\_\_\_\_  
Signature \_\_\_\_\_ Date \_\_\_\_\_

Questions? Call the Department of Public Health at 1-800-532-9571.  
**DO NOT LOSE THESE DOCUMENTS**

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## **Compliance Best Practices for New Staff**

- ✓ Use checklists for every file
- ✓ Document every communication
- ✓ Monitor timelines closely
- ✓ Never release funds without required documentation
- ✓ Confirm licenses and insurance before construction begins
- ✓ Keep escrow tracking updated monthly
- ✓ Notify borrower in writing for all major actions

## **Common Compliance Risks to Avoid**

- Financing non-eligible work
- Incomplete contractor documentation
- Missing insurance verification
- Delayed extension requests
- Releasing funds before compliance certification
- Failure to submit monthly reports

## Subordination Requests

- MassHousing will consider subordination of its liens whereby the new Loan amount is to be less than, or equal to, the outstanding principal balance of the existing loan(s) and which is to be subject to an interest rate that is lower than the existing priority loan(s); and which is to be for a term greater than, or equal to, the remaining term of the existing loan(s); this is more commonly referred to as a “no-cash-out, rate/term refinance.”
- The only exception to this policy is that we will allow Borrowers to finance the closing costs into the new Loan amount. All subordination requests should be directed to the Home Ownership Mortgage Service Center 1-888-843-6432.

# Get the Lead Out Funding Update

## Contact Information

[HOloanrepair@masshousing.com](mailto:HOloanrepair@masshousing.com)  
[dramsden@masshousing.com](mailto:dramsden@masshousing.com)  
[smelvin@masshousing.com](mailto:smelvin@masshousing.com)

## Additional Resources

[MassHousing Lender Forms and Resources - Second Mortgage Programs](#)

