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MassHousing's MIPlus Mortgage Insurance Has Helped 1,000 Homeowners Pay Their Mortgage Following a Job Loss

The unique MI product will cover mortgage payments for up to six months if a borrower becomes unemployed, allowing for hundreds of homeowners to keep their homes

BOSTON – November 9, 2017 – MassHousing's unique home mortgage insurance product - MIPlus – has now helped a total of 1,000 Massachusetts homeowners pay their mortgages during a period of unemployment. MIPlus mortgage insurance helps MassHousing borrowers avoid foreclosure by covering up to six months of mortgage payments if a borrower becomes unemployed.

The job-loss benefit, which comes with no extra cost to the borrower, is unique within the mortgage insurance industry. Since its launch in 2004, MIPlus benefits have allowed 824 of 1,000 homeowners to remain in their homes by allowing unemployed homeowners to remain current on their mortgages while working to find new employment. MassHousing has assisted an additional 56 borrowers in avoiding foreclosure through a short sale or deed in lieu of foreclosure.

"MIPlus has been an incredible success story, particularly for the more than 800 MassHousing borrowers we have been able to help keep their homes, even after experiencing a job loss," **said MassHousing Executive Director Tim Sullivan**. "We know, from years of experience, that unemployment is usually temporary. By giving our borrowers the comfort of knowing their mortgage is covered for up to six months while they look for a new job, MIPlus helps keep a short-term unemployment episode from upending homeowners' lives."

"MIPlus is a pillar of one of MassHousing's core missions, of not only helping low- and moderate-income homebuyers achieve the many benefits of homeownership, but also helping them remain in their homes for the long term," said Michael Dirrane, Chairman of MassHousing's Board of Directors. "This very innovative mortgage insurance product has been measured by the great success it has had in helping hundreds of borrowers through a difficult time, by allowing them to stay in their homes while they found new employment."

Mortgage insurance is often required of homebuyers making a down payment of less than 20% of a property's purchase price. Traditionally, borrowers pay for the mortgage insurance, but the insurance only benefits the mortgage lender in the case of a loan that cannot be repaid. Mortgage insurance has

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been necessary for borrowers purchasing their home with low down-payments, but it provided little in return.

MIPlus protects the lender like traditional mortgage insurance, but it also offers the borrower unique protection. If a borrower loses their job, MIPlus allows MassHousing to make principal and interest payments of up to \$2,000 per month, for up to six months, until the borrower becomes employed again.

Since launching MIPlus in 2004, MassHousing has paid 4,932 monthly MIPlus benefits to 1,000 borrowers for a total of \$4.6 million.

MassHousing began offering MIPlus at no additional cost to Agency borrowers, under the assumption that every foreclosure and traditional mortgage insurance claim prevented would fund benefits for approximately 12 temporarily unemployed borrowers.

MassHousing created its own Mortgage Insurance Fund in 1988. The fund has insured a total of 30,940 home loans for \$5.83 billion, and it currently has \$2.23 billion in insurance in force. As a result of a re-insurance agreement, MassHousing has increased the capacity of the Mortgage Insurance Fund, allowing the fund to insure non-MassHousing loans that meet certain affordability criteria.

About MassHousing

MassHousing (The Massachusetts Housing Finance Agency) is an independent, quasi-public agency created in 1966 and charged with providing financing for affordable housing in Massachusetts. The Agency raises capital by selling bonds and lends the proceeds to low- and moderate-income homebuyers and homeowners, and to developers who build or preserve affordable and/or mixed-income rental housing. MassHousing does not use taxpayer dollars to sustain its operations, although it administers some publicly funded programs on behalf of the Commonwealth. Since its inception, MassHousing has provided more than \$22 billion for affordable housing. For more information, visit the MassHousing website at www.masshousing.com, follow us on Twitter [@MassHousing](https://twitter.com/MassHousing), subscribe to our [blog](#) and Like us on [Facebook](#).