



Entry Form 2017 Annual Awards for Program Excellence

Entry Deadline: Thursday, June 15, 2017, Midnight ET

Each entry must include a completed entry form. Please complete a form for each entry your HFA is submitting. The completed entry form will become the first page of your entry.

This form is a fillable PDF. Type your information into the entry form and save it as a PDF. Please do not write on or scan the entry form. **Questions: Call 202-624-7710 or email awards@ncsha.org.**

Entry Title: Enter your entry's title exactly as you wish it to be published on the NCSHA website and in the awards program.

Category:

Subcategory:

Entry Summary: A 15-word (max) summary of the program, project, or practice you are entering.

HFA:

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Visual Aids:

Are you mailing to NCSHA 10 copies of any visual aids that cannot be included in your entry PDF? Yes No

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MassHousing
The Road Home
Management Innovation – Technology

Overview

MassHousing's online homebuyer education course, *The Road Home*, offers a convenient alternative to in-person classes for time-crunched borrowers.

The English version of the course was launched in November 2014, followed by a Spanish version in 2015 and Portuguese version in 2016. Since that time, approximately 8,000 homebuyers have completed the course, which is offered through a network of 39 nonprofit partners across Massachusetts.

MassHousing has long required its borrowers to complete a homebuyer counseling course, which covers all aspects of the homebuying process as well as the responsibilities of owning a home. We believe that the homebuyer counseling requirement has helped MassHousing maintain low delinquency and foreclosure rates throughout the Agency's history. For some borrowers, however, attending an in-person class was difficult due to scheduling. For others, an online course is more compatible with their learning style.

Why Does Homebuyer Counseling Matter?

It has been a long held belief of MassHousing and many others in the affordable housing sector that low-income, first-time homebuyers benefit significantly from pre-purchase homebuyer counseling. The Agency believes that well informed homebuyers are better prepared for the responsibilities of homeownership after participating in a formally structured homebuyer education program. For many years MassHousing has required that all first-time homebuyers take a rigorous homeownership course delivered by approved counseling agencies across Massachusetts.

What was the Challenge?

The requirement brought with it several challenges. Scheduled classes, consisting of two or three sessions running up to 12 hours in total, often conflicted with a homebuyer's work and/or personal schedule. In some instances, closings on home purchases were even scheduled prior to a homebuyer's ability to register for and complete a course. As such, these challenges often drove lenders to alternative mortgage products that did not require homebuyer education resulting in either higher mortgage costs or inappropriate – and potentially riskier mortgage products for the homebuyer/borrowers. In some instances, the alternative mortgages were higher cost mortgage loans, that were not in the best interest of the low-moderate income borrower

What was the Solution?

In an effort to deal with today's realities, work schedules, changing lifestyles, and emerging technologies, MassHousing developed a proprietary online homebuyer education program entitled *The Road Home*. This online program incorporates content approved by a state advocacy group in Massachusetts called the Citizen's Housing and Planning Agency (CHAPA). The technology used, over a four year period, evolved from a simple PowerPoint presentation created in Webex Presentation Studio, and housed on the MassHousing website (eMassHousing.com) to a sophisticated online program developed with the use of *Articulate Storyline*, with the assistance of online education resource consultant, Illumina. It is now housed in the cloud at articulate.com.

At its initiation, the program had nominal acceptance, being used by a few non-profit counseling agencies coping with classroom courses that were oversubscribed. Unfortunately, at the time it was seen by some homebuyer counseling agencies as a lesser quality alternative in some cases and in others as an actual threat to the preferred face-to-face homebuyer education programs. With their fee income, these programs were an essential financial lifeblood for these organizations.

Over a four year period, MassHousing continuously updated and made both content and technological enhancements to *The Road Home*, which allowed CHAPA to include it in a test pilot program of homebuyer counseling programs that included Housing Partnership Network's *Framework™* and Neighborworks' *eHomeAmerica™*.

What Set MassHousing's Program Apart?

MassHousing's online education differentiated itself from the national programs in several important ways. The first is that it is not a one-size-fits-all approach. It allows the program, which mirrors the content and quality of the national programs, to include business and legal terms that are specific to Massachusetts. It also allows the inclusion of art, graphics and even language within the narration that is reflective of the Massachusetts market in particular. The second is that MassHousing's development and ownership of the program allows the Agency to offer this product through counseling agencies at no cost to them! This is a huge boost to the agencies' efforts to encourage this product's use.

Added Benefits

MassHousing is prevented by its charter from making direct financial contributions to non-profit counseling agencies. However, passing on the program at no cost to these agencies allows them to reoffer the program at a reduced cost to the consumer, while still earning meaningful income for themselves as the sponsors of the program. The program gives total control and access to each counseling agency that can make its own determination as to whether online education is appropriate for each individual borrower circumstance. Testing built into the course, and brief face-to-face meetings with homebuyers (occasionally using Skype) also allows the counseling agencies to validate the completion of the course by the homebuyers involved.

The counseling agencies register borrowers with MassHousing and use a MassHousing generated ID and password for their individual borrowers. Once they log in, borrowers can log out and return at their convenience, completing the course on a timetable that meets their personal schedule. Reports can be generated to track borrower progress as they move through the course. Test results can be monitored allowing counselors to spend time with borrowers on topics where they may not appear to have a good grasp of the material. Upon successful completion, the authority to certify that the borrower has successfully completed the course rests with the counseling agency which can use whatever methods they feel necessary to prevent cheating.

The CHAPA test pilot of the various online homebuyer education programs was recently completed and MassHousing's *The Road Home* was a near unanimous choice over other online homebuyer education options, among those agencies participating in the pilot.

The Numbers Tell the Story of the Program's Success

In 2011, the first year *The Road Home* was offered, four counseling agencies used the program and approximately 200 borrowers completed the program, allowing the participating counseling agencies to earn approximately \$18,000 in fee income. *The Road Home* was launched on Articulate On-Line in a Storyline format in March of 2013. That version was created by MassHousing and used through November 2013 at which time MassHousing launched the single version of *The Road Home* that was improved by Illumina, an online education consultant. The total number of users who completed the course just from March 2013 through October 2013 was 1,630. During calendar year 2016, 3,651 homebuyers completed the course, bringing the total of course graduates to 8,000. The course is now offered through a network of 39 nonprofit partners across Massachusetts. These numbers tell the story of this online counseling program's success. From 200 borrowers in 2011 to 8,000 borrowers in 2016 – this is a whopping 4000% increase!

Research shows that immigrant families are adopting technology such as the Internet, tablet computers and smart phones at rates equal to and often higher than non-minorities who are more comfortable with older technology. To take advantage of this cultural reality, a Spanish language version of *The Road Home* (*Camino a Casa*) was launched in July 2014, followed by Portuguese (*O Caminho a Casa*) in October of 2016. Additional languages can also be added based on need and state population demographics.

Another important part of this effort is illustrated by the total revenue generated by participating counseling agencies. For calendar 2016, income generated to our non-profit partners exceeded \$350,000. This is a tremendous financial boost to the local counseling agencies that in turn can use these funds to support their operations.

Most importantly, those 8,000 homebuyers – 3,651 homebuyers just in the last year – have received counseling just in the past year to become better prepared and better qualified homebuyers – and MassHousing believes the value of that outcome is priceless.