



by NLLIC Staff (Revised 2008)

There is a saying around the Amputee Coalition of America: “You love your house until you become disabled.” Afterward, that graceful stairway that won your heart becomes impossible to ascend, and the old-fashioned claw foot bathtub seems slick and dangerous. But don’t fret! There are ways to modify your surroundings so that you won’t have to resort to acrobatics or elaborate harnesses and pulleys.

Accessible housing is a modern concept that builders and architects understand, and they are willing to try to make your house fit your needs. Modifications range in price, however, and individual needs may vary from simple wooden ramps to the installation of elevators in multilevel homes. Though many types of modifications are available, we will focus here on those for people with mobility impairments. Necessary modifications may include alterations to bathrooms and kitchens, doors, floors, and the methods of getting from one level to another, such as ramps and elevators. You may be able to pay for these kinds of home modifications with low-cost loans guaranteed through the U.S. Department of Housing and Urban Development’s (HUD’s) Federal Housing Administration (FHA).

The FHA administers various single-family mortgage insurance programs. These programs operate through FHA-approved lending institutions that submit applications to have certain properties appraised and to have a buyer’s credit approved. The FHA guarantees loans for properties meeting HUD energy efficiency and structural standards, making mortgages possible for individuals who otherwise might not be eligible for them. These low-interest loans are perfect for people facing the possibility of great expense to modify their home.

According to the HUD Web site, most of these structural improvement loans are available through either Property Improvement Loan Insurance (Title I) or Rehabilitation Mortgage Insurance (Section 203(k)).

The Title I program insures loans for light to moderate rehabilitation of properties and can also be used for the construction of nonresidential buildings on the property. Loans can be insured for up to 20 years on either single or multifamily properties. The maximum loan amount is \$25,000 for improving a single-family home or for improving or building a nonresidential structure or \$60,000 for multifamily structures.

Section 203(k) insurance enables homebuyers and homeowners to finance either the purchase (or refinancing) of a house and the cost of its rehabilitation through a single mortgage – or to finance the rehabilitation of their existing home. The extent of the rehabilitation covered by Section 203(k) insurance may range from relatively minor (must exceed \$5000 in cost) to virtual reconstruction. A home that has been demolished or will be razed as part of rehabilitation is eligible, for example, provided that the existing foundation system remains in place. Section 203(k) insured loans can finance the rehabilitation of the residential portion of a property that also has nonresidential uses, and they can cover the conversion of a property of any size to a one- to four-unit structure.

National Limb Loss Information Center, a program of the Amputee Coalition of America



The types of improvements those borrowers may make using Section 203(k) financing include:

- Structural alterations and reconstruction
- Modernization and improvements to the home's function
- Elimination of health and safety hazards
- Changes that improve appearance and eliminate obsolescence
- Reconditioning or replacing plumbing or installing a well and/or septic system
- Adding or replacing roofing, gutters, and downspouts
- Adding or replacing floors and/or floor treatments
- Major landscape work and site improvements
- Enhancing accessibility for a person with a disability
- Making energy-conservation improvements.

Luxury items and improvements that do not become a permanent part of the property are not eligible uses of a 203(k) insured loan.

Applications for FHA loans must be submitted to the local HUD Field Office through an FHA-approved lending institution. Your HUD office should be able to provide you with a list of approved lenders in your area.

The following telephone numbers may be helpful:

| | | |
|----------------------------------|--------------|---|
| Housing Counseling Line | 800/569-4287 | Referral to local counseling agency |
| HUD Customer Service | 800/767-7468 | Disseminates information and materials about federal fair housing laws and HUD fair housing programs and initiatives. Serves private fair housing organizations, the housing and lending industry, state and local fair housing organizations, HUD staff, and individual housing consumers. Provides technical assistance on accessibility questions. In English and Spanish. |
| Manufactured Housing System | 800/927-2891 | Manufactured housing information – Single Family Housing Headquarters staff answer calls |
| HUD Support Service Center | 800/697-6967 | Distributive Shares Contractor |
| Partners in Homeownership | 800/225-5342 | HUD's FHA Business Center |
| HUD Counseling and Referral Line | 800/569-4287 | Information and referral line for counseling participants |

The TDD (Telecommunication Device for the Deaf) line for individuals with hearing impairments is 800/877-8339. You can access more information on these and other HUD-sponsored programs at www.hud.gov/groups/disabilities.cfm.