**HPD, DCA, CNYCN and Partners Announce More Than $1.3M in Loans Made to NYC Homeowners at Risk of Foreclosure**

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NYC Department of Housing Preservation and Development (HPD) Commissioner Mathew M. Wambua, the Center for New York City Neighborhoods (CNYCN), the NYC Department of Consumer Affairs (DCA) and partners announce that more than $1.3 million in loans have been made to NYC homeowners through the Mortgage Assistance Program (MAP). The program makes loans of up to $25,000 to New York City homeowners at risk of foreclosure so that they may enter into a sustainable and affordable mortgage. To apply for the program, homeowners work with a housing counselor or legal services provider, at no cost, to determine eligibility and work with their lender to negotiate a resolution.

This program was created under Mayor Michael R. Bloomberg’s New Housing Marketplace Plan (NHMP). The NHMP is a multi-billion dollar initiative to finance 165,000 units of affordable housing for half a million New Yorkers by the close of Fiscal Year 2014. For every dollar invested by the City, the Plan has leveraged $3.41 in private funding for a total commitment of more than $19.4 billion to fund the creation or preservation of over 140,920 units of affordable housing across the five boroughs.

“We are committed to stabilizing neighborhoods, keeping communities intact, and most important, doing all we can to help families live in homes they can afford. Being able to provide financial assistance to mortgage holders who are having trouble with unaffordable loans  assistance so that they may hold on to their homes,” said HPD Commissioner Mathew Wambua. “The Mortgage Assistance Program has given families the extra support and security they need to avoid foreclosure. I want to thank The Center for New York City Neighborhoods, HPD staff and partners who work hard to give families at risk of foreclosure a helping hand.”

“For many New York families facing foreclosure, this MAP loan is a great boost and we hope more will take advantage of the opportunity,” said DCA Commissioner and CNYCN Board Member Jonathan Mintz. “We’re also happy to connect these families to the free, one-on-one, professional counseling services of the City’s Financial Empowerment Center network to assist with their consumer debt and other personal financial challenges. Tens of thousands of New Yorkers have already worked to reduce millions of dollars in debt and build hundreds of thousands of savings by working with our free counselors.”

"MAP is an invaluable resource in the fight to prevent foreclosures in our communities," said City Council Speaker Christine C. Quinn. "The loans provided by HPD have helped dozens of homeowners enter into sustainable mortgages and stay in their home and I thank HPD Commissioner Wambua, Christie Peale, Herb Sturz and CNYCN for their hard work."

"I said it years ago, when I was first helping to found CNYCN, there was only one way for the City to help people facing foreclosure - to go house by house and family by family. The approach can be slow and it can be difficult, but it gets results. And, it's what we've done,” said City Council Member and CNYCN Board Member Lewis Fidler. “Over a million dollars in Mortgage Assistance Program loans has meant a lot of families have been kept in their homes. But this isn't just a success story for those families; it's also a success story for their neighbors. Foreclosed properties can lower the values of nearby homes, sometimes to the point where those families are in jeopardy too. I'm enormously proud to say that, with MAP, we're breaking that cycle by stopping the early dominos from falling - and saving families in the process."

“CNYCN is proud to be the administrator of the Mortgage Assistance Program, which provides such critical funding to so many homeowners fighting to keep their homes,” said Christie Peale, Executive Director of CNYCN. “MAP provides a unique solution for homeowners at risk of foreclosure. Without the program, many New York City families would have been left without options and quite possibly without homes. In reaching this milestone, immense thanks are due to our network of housing counselors and legal services providers. Their hard work, professionalism, and dedication have made MAP a success.”

To date, sixty-three families in New York City have received funding through MAP to maintain ownership of their homes. MAP has approved an additional thirty-six applications totaling an estimated $652,000 in loans to be made once workouts are obtained from the mortgage servicers. On average, assistance from MAP has reduced homeowners’ monthly mortgage payments from forty-four percent to thirty-two percent, as a percentage of gross monthly income. MAP has also been able to help homeowners with principal reduction, right-sizing mortgages that no longer reflect home values, and it has done so at a discount. For every $1 spent to pay-off a second mortgage, MAP has achieved an average of $3.72 in principal reduction for borrowers. Most importantly, MAP has provided a critical tool for some of the most difficult and intractable cases handled by New York City’s dedicated housing counseling and legal services professionals. Without the assistance of MAP, many New York City families and individuals may have had no other options to avoid foreclosure and save their homes.

**Bronx**

"The MAP loan program is an invaluable tool in fighting foreclosure and achieving sustainability and affordability in homeownership," said Justin Haines of Legal Services NYC-Bronx. "Recently, MAP funds became available for settling outstanding common charges for condominiums that can also be the basis of a foreclosure action. Sadly, we are seeing a large increase in these condo lien cases. This change in availability of MAP comes at a critical time.”

“I was introduced to the MAP loan program through Legal Services NYC-Bronx at a time when my hope for resolving my default on my second mortgage was almost lost. It was a big debt that I could not resolve on my own. With the help of MAP and Legal Services NYC-Bronx I was relieved from the stress of foreclosure,” said homeowner Emmanuel Ajiboye. “The application process was easy and closing on the loan was simple. I am very pleased with the result. I got to keep my home, my family is happy and we are working hard not to default again.”

**Brooklyn**

“The MAP loan program has proven to be a beacon of hope when our clients’ circumstances have seemed hopeless,” said Rashana Cain of DC 37 Municipal Employees Legal Services. “Our organization has had the opportunity to use the program effectively to avoid foreclosure on a number of occasions. The MAP program is a valuable resource. It is both helpful and comforting to know that such a program is available to benefit our clients.”

“I was in a real bind with my second mortgage. I went to my union lawyer and she told me about the program. She came to my aid and I was able to maintain my home,” said homeowner Joyce Cooper. “She worked with me to gather my information so I could receive a MAP loan. I thought it was the greatest program ever. I almost didn’t believe her when she first told me about it. It was a true blessing; people should know there is a program like this available.”

**Staten Island**

**“**MAP is indispensable for the Staten Island homeowners our office represents. These funds help our attorneys and advocates leverage loan modifications and other home-saving settlements for struggling families,” said Joseph Sant of Staten Island Legal Services (SILS). “Each time MAP funding is approved for a SILS client, it makes the difference between a family losing their home and saving it. By working closely with legal services offices and housing counselors, MAP manages to succeed where other foreclosure prevention initiatives have repeatedly failed. We are very fortunate to have this program in New York City’s foreclosure prevention arsenal.”

“In November 2005, I was diagnosed with a medical condition that left me unable to work. At that time I only received half of my pay. I shared my home with my six children and five grandchildren and I could not afford to pay my mortgage,” said homeowner Willmet Colon. “I fell behind on my mortgage payments and my house was at risk of foreclosure. I worked with the bank and the courts to modify my loan for eleven months, but after being denied a loan modification, I was about to lose hope. My family and I were going to be put out on the street. Then I received good news from Staten Island Legal Services. I was told the Mortgage Assistance Program could save my home from foreclosure. In October 2010, I was approved for a MAP loan. Without MAP, my family and I would be homeless.”

**Queens**

“It is wonderful to have another tool in our arsenal to help clients sustain homeownership,” said Kimberley McLean of Neighborhood Housing Services of Jamaica (NHSJ). “To date the MAP program has assisted a number of our clients by paying off their second mortgages and helping bring delinquent mortgages current. We have married MAP funds with NEDAP GAP funds and were able to pay off a client’s entire mortgage balance and in the case of Ms. Brathwaite, we worked with a financial counselor to improve her budgeting skills before reinstating her mortgage with MAP funds.”

“MAP got me back on track. Reinstating the mortgage was a very big help. When I came to NHSJ, I had a budget awakening ceremony,” said homeowner Janet Brathwaite. “I went home and made the necessary adjustments. While unemployed I saved whatever I could but a part of my hardship stemmed from poor budgeting. After working with NHSJ, I am back on track with my mortgage and managing my household budget.”

**How it Works**

Homeowners in the program work with a housing counselor or legal services provider, at no cost, to determine if MAP is the appropriate solution and, if so, how much financial assistance is needed to avoid foreclosure. In Staten Island, many MAP applicants have worked with SILS to assess their level of need and apply to the program. Housing counselors and legal services providers submit applications on behalf of their clients to CNYCN, the MAP administrator. The program is funded through the New York City Department of Housing Preservation and Development, various partner organizations, as well as through private donations, including a grant from the Ford Foundation. The Ford Foundation is represented on the MAP Credit Committee by Howard Banker, Executive Director of the Fair Mortgage Collaborative.

The MAP staff at CNYCN frequently refers homeowners to financial counselors at the NYC Financial Empowerment Centers for assistance with non-housing debt, budgeting and savings that impact clients’ ability to pay their mortgages. The Department of Consumer Affairs (DCA) Office of Financial Empowerment established a network of Financial Empowerment Centers to provide free professional one-on-one financial counseling to help clients take control of their debt, negotiate with creditors, improve their credit, create budgets, access safe and affordable financial products, and build a stronger foundation of financial stability. HPD and CNYCN believe that financial empowerment, realistic budgeting, and manageable overall debt burdens are critical to long-lasting financial stability and successful mortgage management.  New Yorkers can visit nyc.gov/ProtectYourMoney for more information or call 311 to make an appointment at a Financial Empowerment Center.

To be eligible for MAP, the homeowner’s household income cannot exceed 165% of the Area Median Income (approximately $130,000 per year for a family of four) and the home must be their primary residence. One to four family homes and condominium units are eligible for assistance. The program does not currently accept applications for co-ops. A housing counselor or legal services provider must conduct an assessment of the borrower’s financial circumstances to determine eligibility for the MAP funds based on HPD approved underwriting criteria. For more information on the program and requirements, visit [www.cnycn.org/map](http://www.cnycn.org/map), call 311 or CNYCN directly at (**646) 786-0888** today and ask about the Mortgage Assistance Program.

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**About the NYC Department of Housing Preservation and Development (HPD)**

HPD is the nation’s largest municipal housing preservation and development agency. Its mission is to promote quality housing and viable neighborhoods for New Yorkers through education, outreach, loan and development programs and enforcement of housing quality standards. It is responsible for implementing Mayor Bloomberg’s New Housing Marketplace Plan to finance the construction or preservation of 165,000 units of affordable housing by 2014. Since the plan’s inception, more than 140,950 affordable homes have been created or preserved. Visit: [www.nyc.gov/hpd](http://www.nyc.gov/hpd)

**About the Center for New York City Neighborhoods (CNYCN)**

The Center for NYC Neighborhoods (CNYCN) was created in 2008 through the collaborative efforts of Mayor Bloomberg, the New York City Council, community advocates, foundations and corporate leaders to coordinate New York City’s response to the foreclosure crisis. CNYCN’s mission is to promote and protect affordable and sustainable homeownership in New York City, focusing on those neighborhoods hardest hit by foreclosure. As the central hub of a diverse network of service providers, CNYCN leverages private and public resources to ensure that homeowners citywide have access to high quality foreclosure prevention services. CNYCN’s unifying role allows it to provide streamlined funding, services, and communications between homeowners, lenders, and funders; design and implement new initiatives and programs; highlight neighborhood and citywide trends; and promote systemic reforms to encourage household stability. Since 2008, CNYCN’s neighborhood-based network of foreclosure prevention experts has provided free housing counseling and legal services to more than 17,000 homeowners. Visit: [www.cnycn.org](http://www.cnycn.org)

**About Staten Island Legal Services (SILS)**

SILS provides free legal services to low-income Staten Islanders in domestic violence, foreclosure, and immigration cases. Visit: [www.statenislandlegalservices.org](http://www.statenislandlegalservices.org)

**About the NYC Department of Consumer Affairs (DCA)**

DCA enforces the Consumer Protection Law and other related business laws throughout New York City. Empowering consumers and businesses to ensure a fair and vibrant marketplace, DCA licenses more than 78,000 businesses in 55 different industries. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses alike about their rights and responsibilities. DCA’s Office of Financial Empowerment (OFE) is the first local government initiative in the nation with a mission to educate, empower, and protect New Yorkers with low incomes so they can build assets and make the most of their financial resources. Toward that end, OFE seeks to increase access to high-quality, low-cost financial education and counseling; improve access to income-boosting tax credits; connect households to safe and affordable banking and asset-building products and services; and enforce and improve consumer protections to enhance financial stability. For more information, call 311 or visit DCA online at [nyc.gov/consumers](http://www.nyc.gov/html/dca/html/home/home.shtml)

**Avoid Being Scammed, Call 311**

Under New York City law, it is illegal for anyone to ask for an upfront fee for loan modification services. Scam artists often prey upon homeowners at risk of foreclosure. You could lose thousands of dollars and never receive a much needed modification for your mortgage. Never pay an upfront fee for services provided, there are many free services in New York City that will help you resolve your housing problems. Avoid anyone who guarantees a modification, modifications are contingent upon approval from the servicer and cannot be guaranteed by anyone other than your mortgage servicer. Do not follow the advice of someone who tells you to stop paying your mortgage and pay them instead. Call 311 for foreclosure assistance or to report a scam.