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REPS MALONEY & RANGEL, HOUSING ADVOCATES & STRUGGLING HOMEOWNERS REPORT ON IMPACT ON NYC OF ENDING FEDERAL PROGRAMS TO STEM FORECLOSURE CRISIS

*-Following Previous Cuts, House Republicans Expected to Kill HAMP Program Next Week
That's Helped More Than 30,000 New Yorkers Stay in Their Homes-*

NEW YORK, NY - Today, U.S. Representatives Carolyn Maloney (D-Manhattan, Queens) and Charles Rangel (D-Manhattan & the Bronx); Mike Hickey, Executive Director of the Center for New York City Neighborhoods; Willie Rapfogel, CEO of the Metropolitan Council on Jewish Poverty; Mitchell Kent of the NYC Department of Consumer Affairs; Bisoondaye Maharaj, a struggling Queens homeowner who has benefitted from federal mortgage programs; and housing advocate Seema Agnani, Executive Director of the Chhaya Community Development Corporation, gathered at City Hall to release a report detailing the impact on New York City of Republican efforts to terminate federal foreclosure-avoidance programs. At a time when our economy and real estate market remain fragile, Republicans have offered no alternative plans to stem the foreclosure crisis.

House Republicans have targeted four federal programs that are projected to deliver more than \$520 million for struggling New York homeowners over the next two years. Republicans are seeking to kill:

The Home Affordable Modification Program -which the House will vote on terminating next week- which already helped 32,785 homeowners in the New York metropolitan area and could deliver more than \$400 million in additional aid to New York over the next two years;

The Emergency Homeowner Loan Program, which is scheduled to allocate \$111 million to New York State to help as many as 142,040 unemployed homeowners statewide stay in their homes;

The FHA Refinance Program, which would help the 121,891 homeowners in the New York City metro area who owe more on their mortgages than their houses are worth; and

The Neighborhood Stabilization Program, which is scheduled to provide \$9.7 million to help the City of New York turn abandoned properties into 200 units of affordable housing.

A full copy of Maloney's report, with more detail on these programs, follows.

“Republicans are making an all-out effort to terminate help for struggling homeowners, while offering no plan of their own to stem the foreclosure crisis. Ending these programs will put New York families on the street and threaten our economic recovery,” said **Congresswoman Carolyn B. Maloney**.

“Next week, House Republicans will vote to kill the HAMP program, which has already helped more than 32,000 New Yorkers stay in their homes and could deliver more than \$400 million in aid to New York over the next two years. It's vital that Senate Democrats and President Obama prevent the complete elimination of programs that help struggling New Yorkers stay in their homes,” she added.

She was joined at the news conference by the dean of New York's congressional delegation, **U.S. Representative Charles Rangel**, who said, “I want to commend my colleague Carolyn Maloney for standing up for those who still need our help to get through our current economic crisis. This mortgage mess doesn't just affect homeowners. It affects whole communities, from landlords and tenants to small businesses who depend on residents to purchase items and goods. We cannot hope to rebound strongly by letting our neighbors get thrown out on the street. We need to continue to need forward and provide the kind of resources not only to help people get back on their feet, but also succeed.”

“Foreclosure prevention is hard work, and far from perfect, but it's precisely for this reason that federal efforts should be strengthened, expanded, and properly managed - not terminated,” said **Michael Hickey, Executive Director of the Center for New York City Neighborhoods**. “We look forward to a dialogue with federal leaders to discuss how we can make foreclosure prevention better, because if we don't the situation for homeowners and communities will certainly grow worse.”

“Met Council is grateful to Representative Maloney, the Center for New York City Neighborhoods, and the NYC Department of Consumer Affairs for joining together in this critical effort to save federal foreclosure-avoidance programs,” said **William E. Rapfogel, Chief Executive Officer of the Metropolitan Council on Jewish Poverty**. “At Met Council we are seeing far too many families struggling to pay their mortgages, rent

and to provide shelter. It is our duty to stand up for those in need and ensure that we are equipped to help them. Cutting essential funding is not the answer to getting our economy and our city back on track.”

Seema Agnani, the Executive Director of the Chhaya Community Development Corporation, a non-profit agency that offers free counseling to New York homeowners and tenants, said: “Owners throughout the City are putting every last penny they have to save their homes. They have taken on multiple jobs, depleting any savings, incurring further debt, and pooling resources with family; but still are not able to afford their mortgages. Government must continue do its part to help these owners, and stabilize our neighborhoods as we strive towards economic recovery.”

Also participating in the news conference was **Mitchell Kent of the New York City Department of Consumer Affairs (DCA), representing DCA Commissioner Jonathan Mintz**. “New York City has helped thousands of homeowners in neighborhoods struggling in the midst of the country's mortgage crisis through programs that are now at risk of being cut,” said Commissioner Mintz in a written statement. “Federal support is essential to the long and critical path toward recovery.”

In a written statement, **U.S. Senator Kirsten Gillibrand** said, “House Republicans’ misguided attempts to eliminate critical housing programs would endanger communities throughout New York City hit hardest by the foreclosure crisis. We must ensure the tens of thousands of struggling New York City homeowners continue to have access to the critical funding needed to remain in their homes.”

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