City Council Funding Update, April 2018

For the 2017-2018 Fiscal Year, City Council funded the Mortgage Foreclosure Prevention Program at $1 million.

With this funding, we accomplished the following:

**We ensured that NYC homeowners had a trusted advisor to turn to for high-quality, free foreclosure prevention services.**
- In the first half of FY 2017-2018, City Council support allowed the Center and our Network Partners to provide advice and assistance to nearly 1,500 homeowners.

**We saved NYC homes.**
- In the first half of FY 2017-2018, we have already saved 184 homes, at a services cost of $6,725 per home saved.
- Since 2008, City Council funding has resulted in 4,711 saved homes.

**We saved New Yorkers money.**
- NYC homeowners who received a mortgage modification lowered their monthly payments by $500 a month.
- With nearly 4,000 mortgage modifications since 2008, that translates to about $2,000,000 saved by NYC homeowners each month.

**We were there for New Yorkers all across the city.**

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**Service Breakdown by Borough (July 2017 - Jan 2018)**

- Brooklyn
- Queens
- Bronx
- Staten Island
- Manhattan
We served New York’s diverse working- and middle-class families.
  ● Our clients were 52% African-American, 19% Hispanic, 6% Asian, 23% White.
  ● Their median income was $46,600.

We dedicated special efforts to serving senior homeowners.
  ● In the first half of FY 2017-2018, we provided specialized intensive housing and legal services to 488 seniors at risk of losing their home to foreclosure. Services included foreclosure prevention, home repair assistance, reverse mortgage foreclosure prevention, and estate planning. 63 senior homeowners saved their homes so far this program year.
  ● During this period, we reached over 500 vulnerable senior homeowners across the city through a series of events, which included workshops on estate planning, elder abuse, and financial scams targeted to seniors, presentations to senior centers, and tabling at Department of Finance events.
  ● We distributed 4,000 City Council co-branded brochures on senior homeowner services to outreach partners. The brochures are translated into 5 languages. We are about to mail them to every homeowner receiving the Senior Citizen Homeowner property tax exemption.

We brought state and national attention to reverse mortgage foreclosures.
  ● Our 2017 report, Protecting Senior Homeowners from Reverse Mortgage Foreclosure, rang the alarm about an alarming increase in reverse mortgage foreclosures in New York. City Council’s leadership on this issue is acknowledged in the report.
  ● Since its release, we have worked with advocates across the country to call attention to the 646 percent increase in reverse mortgage foreclosures from 2009 to 2016 nationwide.
  ● We are continuing to communicate with advocates and partners in government, including the New York Attorney General, the Department of Financial Services, the CFPB, and HUD to highlight continuing concerns.

For 2018-2019, we are asking for $1.25 million in funding.

This funding will allow us to continue to serve NYC homeowners, with a special emphasis on senior homeowners. In addition to continuing the above-mentioned work, $250,000 in additional funding will allow us to do the following:

Adapt to changing circumstances:
  ● The federal HAMP program has expired, and many NYC mortgages have been purchased by non-bank servicers. As a result, cases have become more complicated to resolve.
With additional City Council support, we can expand intensive legal services and housing counseling services, continuing to serve New Yorkers in foreclosure as well as more complicated cases, such as reverse mortgage foreclosures or affirmative litigation in deed theft situations.

We can also strengthen the Center’s Escalations program, which resolves difficult cases through direct channels with higher-ups at major lenders.

Expand our outreach:

- As a result of state legislative victories by the Center and our partners, lenders will send pre-foreclosure notices to DFS and to seniors in reverse mortgage foreclosure proceedings. With Council support, we could reach out to every senior receiving this notice and offer help to resolve their cases.
- We can expand our efforts to partner with City Council members and community-based organizations to get the word out about foreclosure prevention and avoiding scams.

### Foreclosure Prevention Program Budget, FY 2017-2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Direct Grants:</td>
<td>$725,000</td>
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<tr>
<td>Grants to the Center’s Network Partners to conduct foreclosure prevention outreach, housing counseling, and legal services.</td>
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<tr>
<td>Center Personnel:</td>
<td>$205,000</td>
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<tr>
<td>Center staff time, including program administration, data management, site visits, research, trainings, technical assistance, fiscal and executive oversight and support.</td>
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<tr>
<td>Center Admin:</td>
<td>$55,000</td>
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<tr>
<td>Center administrative and overhead costs, including rent, professional services, telephones and IT services, and other necessary costs. (27.6% rate).</td>
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<tr>
<td>Direct Program Costs:</td>
<td>$15,000</td>
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<tr>
<td>Mailings, homeowner video, design and printing, training-related expenses, professional services, and purchasing program-related data.</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$1,000,000</td>
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