



NEW YORK STATE OFFICE

of the

**ATTORNEY
GENERAL**

NEW YORK STATE MORTGAGE ASSISTANCE PROGRAM

NYS – MAP

IMPACTS IN

NEW YORK STATE

MAY 2016



INTRODUCTION

When Attorney General Eric Schneiderman was first elected to office in 2011, the nation was in the middle of the worst housing crisis in the history of the United States. Families across the country lost \$7.4 trillion in home equity in 2008 alone. Simply put, the housing market in New York collapsed and the state lacked the resources needed to help families struggling through this crisis. When President Obama appointed Attorney General Schneiderman to co-chair the working group overseeing the historic settlements with the big banks, the primary focus became how to help families recover from this crisis. Over the past five years, the Attorney General's working group has generated more than \$5 billion for New York State. Recognizing the extent of the housing crisis, the Attorney General has worked tirelessly to develop a series of inter-related programs that are restoring housing stability for New York families and communities.

The first program, launched in 2012, created a network of legal services providers and housing counselors — the Homeowner Protection Program (HOPP). HOPP supports 90 agencies across New York that offer high quality, no-cost representation to at-risk homeowners as they struggle to avoid foreclosure and remain in their homes. Now in its fourth year, HOPP agencies have helped almost 60,000 families across New York, and nearly a third of those families now have mortgage modifications either pending or already approved.

At the same time, the Office of the Attorney General also recognized that foreclosures were not only harming individual families, but also surrounding communities. Numerous studies have shown that homeowners who were current on their mortgage, but who lived next door to a foreclosed property, also ended up losing equity and value in their homes.

In response, in 2014, the Attorney General launched a program to invest in land banks — nonprofit entities that enable communities to purchase and rehabilitate abandoned properties that are a blight on communities across our state. Already, 16 land banks in communities from Niagara Falls to Suffolk County are working to return vacant properties to productive use and help revive communities in the process.

And finally in 2014, the Office of the Attorney General launched the New York State Mortgage Assistance Program (NYS-MAP). As described in this report, this loan program is keeping families out of foreclosure, and protecting neighboring property values for thousands of families. Since MAP began, the program has loaned \$18 million to struggling homeowners and prevented more than 650 foreclosures. As a result, more than \$153 million in property values have been preserved for nearby homeowners.

The Office of the Attorney General is proud to announce that, as a result of recent bank settlements negotiated by AG Schneiderman, mortgage assistance efforts like MAP will get an infusion of \$100 million in new capital. Experts expect that this expansion will help more than 3,000 New York families avoid foreclosure. Moreover, the new \$100 million commitment will save an additional \$722 million in neighboring property values, leading to a grand total of \$875 million in preserved property values for all New York communities by the time every loan has been disbursed.

WHAT IS NYS-MAP?

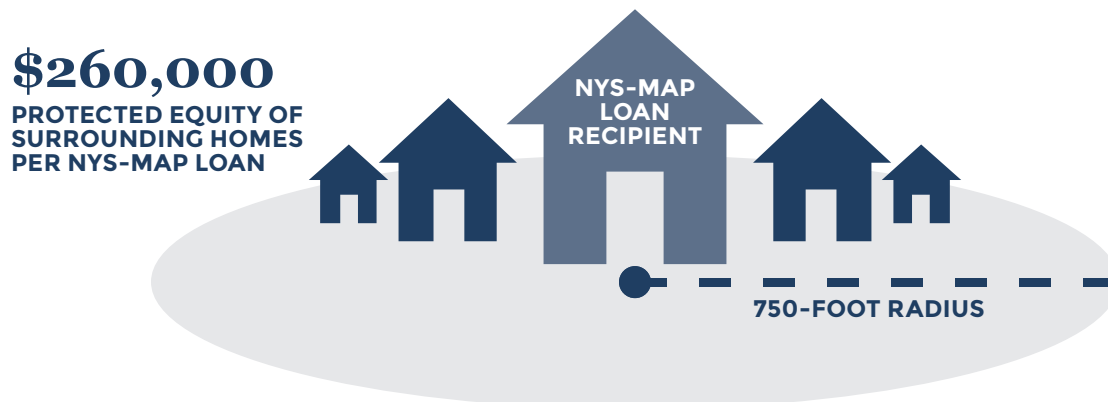
The New York State Mortgage Assistance Program (NYS-MAP) provides home-saving loans to families who are at risk of foreclosure. NYS-MAP has helped hundreds of families across New York State to keep the homes they worked so hard to buy and to stay in the communities they love. By averting foreclosure, the program also protects surrounding property values and preserves neighborhood stability. Applicants for NYS-MAP loans must connect with a free counselor or lawyer in the Homeowner Protection Program (HOPP) network, which has already served almost 60,000 New York families. To connect, call 855-HOME-456 or visit AGScamHelp.com.

IMPACT OF NYS-MAP STATEWIDE



THE RIPPLE EFFECT OF NYS-MAP

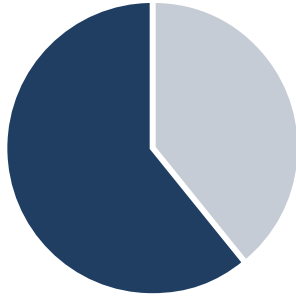
Since 2014, NYS-MAP has distributed loans to 654 families in need. These loans, which averaged \$27,456 per family, each preserved approximately **\$260,000** in neighborhood property values. In total, NYS-MAP's **654** loans preserved **\$153 million** in neighborhood property values statewide, and helped state and local governments save millions more in tax revenues typically lost during the foreclosure process.



SOURCES U.S. Census American Community Survey 2014; Zillow Home Value Index; The Federal Reserve Bank of Atlanta ANALYSIS/ILLUSTRATION Center for NYC Neighborhoods (for a complete methodology, please visit cnycn.org/method.pdf)

STATEWIDE LOAN RECIPIENTS

61%
LOW TO
MODERATE
INCOME



39%
MIDDLE
INCOME

\$53,311
AVERAGE ANNUAL
HOUSEHOLD INCOME

3
AVERAGE
HOUSEHOLD SIZE

PROGRAM OVERVIEW

When State Attorney General Eric Schneiderman announced the NYS-MAP on June 26, 2014, he described it as “providing a lifeline to families still in need.” Nearly two years later, the program has indeed become that lifeline, serving hundreds of households across the state.

NYS-MAP is a foreclosure-prevention loan fund that helps homeowners who are unable to get assistance from other sources. It is one component of the Attorney General’s Homeowner Protection Program, a network of housing and legal services nonprofits across the state, connected via “Anchor Partners” Center for NYC Neighborhoods and the Empire Justice Center.

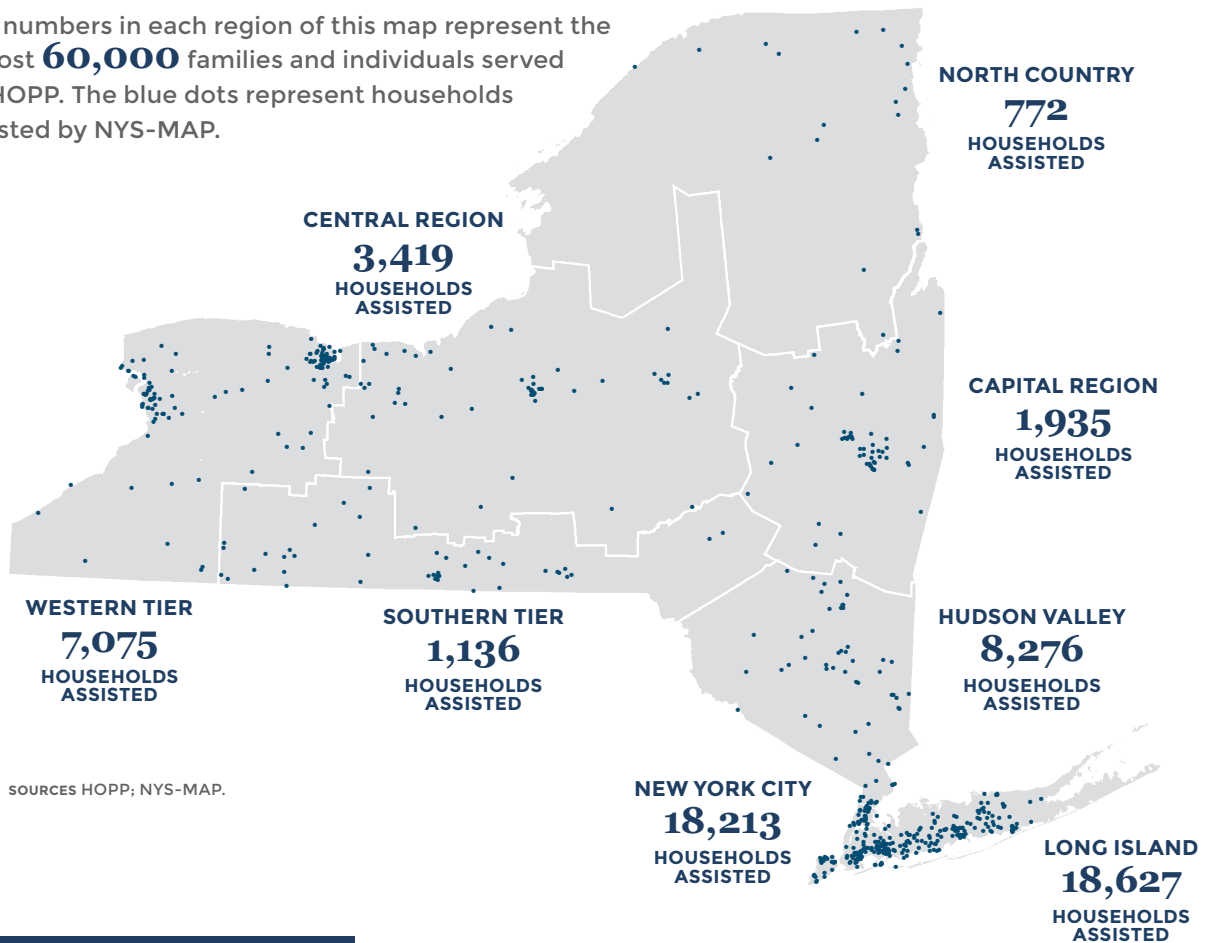
NYS-MAP has helped turn around the lives of homeowners like Jacqueline Austin, 64, of Henrietta, a retiree living on a limited income after her husband died of cancer. Behind on her mortgage payments on the home she and her husband had invested a lifetime of memories in, she was certain she would lose it until she received a NYS-MAP loan. “I don’t know what we would have done without it,” she said.

The program also helped Pamela Litzsey-Thomas of Niagara Falls to keep her house. Loss of income and medical bills from an accident led her to fall behind on her mortgage payments. But a NYS-MAP loan brought her back to financial stability. “I can breathe again,” she says now.

These are but two examples from hundreds of cases that NYS-MAP has helped resolve. As Schneiderman said upon launching the program, “It’s hard to imagine a better investment in communities and families still feeling the effects of the housing crisis.”

HOMEOWNER PROTECTION PROGRAM (HOPP)

The numbers in each region of this map represent the almost **60,000** families and individuals served by HOPP. The blue dots represent households assisted by NYS-MAP.



SOURCES HOPP; NYS-MAP.

ACKNOWLEDGEMENTS

The Office of New York Attorney General wants to thank our “Anchor Partners” who have made this successful program possible by managing the day-to-day operations: the Center for NYC Neighborhoods and the Empire Justice Center.

The Office would also like to thank the legal services providers and housing counseling agencies operating across New York State that are part of our Homeowner Protection Program (HOPP), working to inform families in need and helping them through this process. To find a HOPP partner near you, please visit AGScamHelp.com.

