

2015 ANNUAL REPORT



Stronger Homeowners. Stronger Communities.

Impact

*More than **45,000 homeowners** served since our founding in 2008. Over **13,000 homeowners** supported by the Center for NYC Neighborhoods and our network of more than 30 housing counseling and legal services partners.*

 facebook.com/CNYCN

 twitter.com/CNYCN

 instagram.com/nyneighborhoods

 youtube.com/CNYCNeighborhoods

Mission

The Center for NYC Neighborhoods promotes and protects affordable homeownership in New York so that middle- and working-class families are able to build strong, thriving communities. Established by public and private partners, the Center meets the diverse needs of homeowners throughout New York State by offering free, high quality housing services.



The State of Affordable Homeownership

AFFORDABLE HOMEOWNERSHIP REMAINS VITAL TO NEW YORK

Hundreds of thousands of middle- and working-class New Yorkers rely on homeownership for a stable future and to build wealth. Their homes are also an essential source of affordable rentals for many more New Yorkers.

NEIGHBORHOODS ARE STILL RECOVERING FROM THE FINANCIAL CRISIS

Nearly a decade after the financial crisis of 2008, homeowners in some of the hardest-hit

neighborhoods of New York City are still being targeted by predatory investors and scams and are beset by high rates of foreclosure.

THE RACIAL WEALTH GAP CONTINUES TO WIDEN

New York has the nation's greatest gap in homeownership rates between households of color and white households. Disproportionately high foreclosure and mortgage denial rates among blacks and Hispanics threaten to widen this racial wealth gap in the years ahead.

RISING COST OF HOMEOWNERSHIP IS LEADING TO DISPLACEMENT

With incomes stagnant for most New Yorkers and housing prices skyrocketing in many neighborhoods, middle- and working-class families are increasingly being priced out of communities their families have lived in for years.

THE FLOOD RISK IS REAL — AND RISING

The cost of flood insurance and flood risk in New York continues to rise, and it's getting far more difficult for homeowners to prepare for and to recover from storms like Hurricane Sandy.



HILLAIRE REAL ESTATE
**PROPERTY
FOR SALE**
718-385-7000

PART ONE

Neighborhood Stabilization

EVEN AS THE FINANCIAL CRISIS HAS FADED FROM THE headlines, middle- and working-class homeowners in New York have continued to face high rates of foreclosure and displacement, which can destabilize entire neighborhoods. Since its inception, the Center has helped New York families to stay in their homes through key partnerships with City and State government and by supporting the work of community-based housing and legal services organizations. In 2015, the Center expanded that work and achieved significant wins on behalf of homeowners.

SPOTLIGHT ON ESCALATIONS

The Center's Escalations program takes on the most complex mortgage lending cases. When housing counselors or attorneys cannot come to satisfying resolutions on behalf of homeowners who are fighting mortgage servicers or banks to lower their mortgage payments to affordable levels, they turn to the Center's Escalations team. The staff has solved

more than 1,000 cases, and their work has also helped spur reforms of numerous mortgage servicing policies and practices by the country's largest lenders. The Escalations Program staff has also assisted regulators with identifying egregious mortgage servicing issues affecting homeowners that require intervention.

NEARLY

\$12M

DISTRIBUTED TO LOW- AND MODERATE-INCOME HOMEOWNERS THROUGH THE NEW YORK STATE MORTGAGE ASSISTANCE PROGRAM

Since 2014, the program has saved **\$153 million** in homeowner property value statewide.



OVER **40,000** PEOPLE ASSISTED BY THE HOMEOWNER HUB ON ISSUES LIKE FORECLOSURE, SCAMS, PROPERTY TAXES, AND STORM RECOVERY AND RESILIENCY.



Homeowner
Hotline

855-HOME-456

The Center's Homeowner Hub serves as a statewide hotline connecting homeowners to critical services, from foreclosure prevention to recovery and resiliency.



10,000 HOMEOWNERS BENEFITED FROM ONE-ON-ONE ADVICE FROM OUR LEGAL AND HOUSING COUNSELING PARTNERS, THANKS TO **\$11M IN GRANT FUNDING** FOR FORECLOSURE PREVENTION AND RECOVERY AND RESILIENCY.

NIAGARA FALLS, NY

Meet the Neighbors: Pamela



Finding hope with foreclosure relief

For Pamela Litzsey-Thomas, going into foreclosure on her Niagara Falls home was another in a series of financial setbacks. “I just kept feeling like I was being slapped in the face,” she said. But Litzsey-Thomas refused to give up the house where she lived with her young son, even as her attempts to obtain a loan modification were frustrated.

After taking medical leave because of a difficult pregnancy in 2011, she was laid off from her job upon returning to work; temporary jobs weren’t enough to patch together a sustainable income. She could not get caught up and was impossibly behind on her mortgage.

Like hundreds of homeowners across the state, help finally came from the Center for NYC Neighborhoods: She turned to our New York State Mortgage Assistance Program.

“When the MAP program came along, I was like, ‘Wow.’ I said, ‘Okay, that was my blessing, my godsend, after all my patience,” she said. “I don’t have to worry about where we are going to sleep. I don’t have to worry about that. I have weathered the storm.”

“I have weathered the storm.”

In 2014, the Office of Attorney General Eric Schneiderman helped develop and support the New York State Mortgage Assistance Program, funded through bank settlements, to keep families out of foreclosure. Schneiderman’s office turned to the Center to ensure the funds were distributed to

those most in need. In less than three years of operation, the program has loaned \$18 million to homeowners and prevented more than 650 foreclosures.

Litzsey-Thomas secured a loan through the program in 2015 that helped her to reinstate her affordable mortgage after receiving help from Legal Services for the Elderly, Disabled or Disadvantaged of Western New York, Inc.

For Litzsey-Thomas, getting the loan was transformational. “I can breathe again,” she says.

PHOTO CREDIT: NEW YORK STATE ATTORNEY GENERAL’S OFFICE



PART TWO

Recovery and Resiliency

THREE YEARS AFTER HURRICANE SANDY, HOMEOWNERS in New York's coastal communities are still rebuilding their lives. The Center, in conjunction with the Mayor's Office of Housing Recovery Operations and partner organizations, continues to counsel homeowners whose houses were damaged by the storm. These services help homeowners secure construction assistance and overcome tough recovery challenges, including foreclosure, the need for temporary housing, and insurance. Many of these homeowners would have been unable to fully recover or make their homes more resilient against future storms without the Center's resources.



Over **3,500 cases** resolved through the Center's **Build it Back** counseling for homeowners affected by Hurricane Sandy

FLOOD INSURANCE

The Center has become a leading voice on the threat that increasing flood insurance costs and climate change pose to affordable homeownership. In August 2015, the Center was selected by the Governor's Office of Storm Recovery to spearhead the creation of a \$7.5 million Residential Technical Assistance Pilot Program in seven flood-prone communities in New York City.

The program, which is free for eligible homeowners, sends professional engineers to assess a home's vulnerability to future storm damage and to recommend options for mitigating risk. Homeowners receive free financial counseling to help them understand how changing flood maps may affect them, as well as a free elevation certificate. Homeowners can apply for the program through FloodHelpNY.org.

floodhelpny.org

A resource for all New Yorkers to learn about the rising risk of flooding and flood insurance.

ROCKAWAY, QUEENS

Meet the Neighbors: Linda



Rebuilding a life and home after Hurricane Sandy

Linda Gold's husband died the night of Hurricane Sandy trying to save their home from the storm. "I had lost my husband and my house was in ruins," she says. Even while facing unimaginable loss, Gold was about to begin a nightmarish journey to try to rebuild her home and her life.

Gold, with her husband Richard, had saved for a decade to purchase their two-story, two-bedroom home in the Belle Harbor section of Rockaway, Queens in 1979. The house was just one block from the waterfront.

Over their years together in the home, she and her husband had weathered many storms, but Gold decided to stay with a friend in Brooklyn as Hurricane Sandy advanced toward the city in October 2011. Her husband made the fateful decision to stay behind to secure their house and help others.

While struggling with her grief from the loss of her husband, she was unsure how to cope with the challenge of rebuilding her home. "My husband had always paid the bills, taken care of the insurance, and those type of things," Gold says.

"I'm hopeful and optimistic"

The reconstruction of Gold's home was halted mid-way through excavation of her basement due to a complication with a permit. Officials told her she might need to forfeit her basement apartment, which she depended on for income — without it, she would have surely be unable to pay her mortgage and possibly fall into foreclosure.

She turned to NYLAG, a partner in the Center for NYC Neighborhoods' legal counseling program for homeowners affected by Sandy. With help from her legal counselor at NYLAG and support from the Center for NYC Neighborhoods, Gold won her appeal and obtained a special permit to kick-start the reconstruction of her home.

The challenges of rebuilding her life have left her undeterred. "I'm hopeful and optimistic, while still waiting to see the end of all this chaos," she says.



PART THREE

Education and Advocacy

THE CENTER IS A CHAMPION FOR HOMEOWNERS.

Through our policy work, the Center has advocated for the creation of a community land trust and expanding foreclosure relief through the purchase of distressed mortgage notes. With support from the New York City Council, the Center launched a senior initiative to help the oldest New Yorkers age in place. The Center also worked with the New York State Office of the Attorney General to educate homeowners about the risk of foreclosure scams through a public awareness campaign.

COALITION FOR AFFORDABLE HOMES

THE CENTER CAME TOGETHER WITH 25 OTHER HOUSING NON-PROFITS, COMMUNITY ASSOCIATIONS, LOCAL DEVELOPMENT CORPORATIONS AND LEGAL SERVICES TO CREATE THE COALITION FOR AFFORDABLE HOMES.



Coalition for Affordable Homes
New Yorkers United for Affordable Homeownership

READ THE POLICY AGENDA AT
COALITIONFORAFFORDABLEHOMES.ORG

140,000 VISITS TO AGSCAMHELP.COM, OUR ONLINE RESOURCE FOR EDUCATING NEW YORKERS ABOUT HOMEOWNER SCAMS.



OVER **5,000 HOMEOWNERS** WERE EDUCATED BY OUR SENIOR INITIATIVE



NEARLY **300 PEOPLE** — ELECTED OFFICIALS, POLICYMAKERS, THOUGHT LEADERS AND MEMBERS OF THE PRESS — ATTENDED OUR CONFERENCE IN SEPTEMBER ON THE FUTURE OF AFFORDABLE HOMEOWNERSHIP

SPOTLIGHT ON THE COMMUNITY RESTORATION PROGRAM

The Community Restoration Program is a national model for purchasing distressed properties and mortgage notes. Its goal is to help homeowners retain ownership through loan modifications and refinancing or to preserve abandoned property for affordable housing. In 2015, the Center helped to develop the model, convene partners and obtain initial funding commitments from the New York City Council and private funders.

CRP partners: New York City Department of Housing Preservation and Development, MHANY Management, Inc., Neighborhood Restore Housing Development Fund Corporation, and the National Community Stabilization Trust.

QUEENS VILLAGE, QUEENS

Meet the Neighbors: Thomas



Letting go of a home to move forward

Thomas Gillespie spent 20 years as a New York City sanitation worker, saving as much of his salary as he could to place a down payment on a home in St. Albans, Queens in 1994. He thought his family's financial future was secure.

But like many of the senior homeowners the Center for NYC for Neighborhoods advocates on behalf of, Gillespie was retired and living on only his pension and social security when he got into financial trouble with his home.

At first, he worked things out. Gillespie refinanced his home twice to keep up with the cost of living and to raise funds to help his son move to Georgia. His monthly payment was initially \$1,500, but his mortgage was repeatedly bought and sold by different financial institutions. His monthly payment rose to \$2,800 — then soared to \$3,300.

That was it for Gillespie. "I simply couldn't afford the monthly payment anymore," the 71-year-old says. His home fell into foreclosure and he sought assistance.

Represented by an attorney from JASA, a partner of the Center for NYC Neighborhoods that has a mission of serving older adults, Gillespie fought for his home in court; but hearings were routinely postponed because the bank's legal team often was unprepared or didn't show up.

A real estate broker specializing in heading off foreclosures helped organize a short sale. The Center was also called in to help negotiate debt cancellations through its Housing Mobility Program, which works closely with mortgage lenders to ensure homeowners who can no longer afford their homes get assistance with relocation. With additional

financial help from the Center, Gillespie moved in with his son in Queens Village.

"It's like I'm two inches taller"

Today Gillespie says he feels a great sense of relief after his legal battle and the sale of his home. "It's like I'm two inches taller because I got the monkey off my back," he says.

Our Network

The Center has funded and coordinated a citywide network of housing and legal services organizations since its inception.

LEGAL SERVICES PROVIDERS

Citywide

- City Bar Justice Center
- Common Law
- MFY Legal Services
- New York Legal Assistance Group
- Legal Aid Society

Bronx

- Legal Services of NYC- Bronx

Brooklyn

- Bedford Stuyvesant Community Legal Services
- Brooklyn Legal Services Corporation A
- Brooklyn Volunteer Lawyers Project
- CAMBA
- Grow Brooklyn
- South Brooklyn Legal Services

Staten Island

- Staten Island Legal Services

Queens

- JASA – Legal Services for the Elderly in Queens
- Queens Legal Services
- Queens Volunteer Lawyers Project

HOUSING COUNSELING PROVIDERS

Citywide

- Brooklyn Housing and Family Services
- MHANY Management, Inc.
- Neighborhood Housing Services of New York City
- The Parodneck Foundation

Bronx

- Neighborhood Housing Services of North Bronx
- Neighborhood Housing Services of South Bronx

Brooklyn

- Bridge Street Development Corporation
- CAMBA
- Cypress Hills Local Development Corporation
- Greater Sheepshead Bay Development Corporation
- Grow Brooklyn
- Neighbors Helping Neighbors,
An Affiliate of Fifth Avenue Committee
- Neighborhood Housing Services
of Bedford-Stuyvesant
- Neighborhood Housing Services of East Flatbush
- Pratt Area Community Council

Staten Island

- Neighborhood Housing Services of Staten Island
- Northfield Community Local
Development Corporation

Queens

- Chhaya Community Development Corporation
- Margert Community Corporation
- Neighborhood Housing Services of Jamaica
- Neighborhood Housing Services of Northern Queens
- Rockaway Development
and Revitalization Corporation

Board & Staff

BOARD

Herbert Sturz, *Board Chair*
Ronay Menschel, *Board Secretary*
Colvin Grannum, *Board Treasurer*
Vicki Been (*ex officio*), *HPD Commissioner*
Donovan Richards (*ex officio*), *Council Member, District 31*
Deborah Boatright
Judi Kende
Cathie Mahon
Sam Marks
Jonathan Mintz
Mathew Wambua
Joe Weisbord

LEADERSHIP TEAM

Christie Peale, *Executive Director*
Herman De Jesus, *Director of Lending*
Michael Hartwyk, *Director of Human Resources and Administration*
Lisa Lofdahl, *General Counsel*
Caroline Nagy, *Deputy Director of Policy and Research*
Natasha Pallan, *Chief Financial Officer*
Lucy Raimes, *Director of Network Programs*
Cristian Salazar, *Deputy Director of Communications*
Joseph Sant, *Director of Homeowner Services*
Sarah Kate Wagner, *Chief of Staff*

STAFF

Candybelle Acevedo
John Baker
Todd Baker
Bobbi Barnett
Danielle Bayuelo
Eugene Bell
Adrienne Bess
David Brice
Anthony Brito
Tara Brown
Carolyn Canahuate
Jacqueline Castillo
Tiffany Chambliss
Collin Clarke
Veronica Delli Carpini
Acacia Edmondson
Rachel Elmkies
Salima Etoka
William Fairhurst
Leo Goldberg
Dakarai Griffin

Hilman Guillory
Joanie Imlay
Lukas Johnson
Jennifer Leisure
Braden Listmann
Meredith McNair
Sara Melomedov
Marc Morales
Aaron Ochylski
Andrew Pasquier
Melissa Rosario
Maya Sambolah
Christopher Sevigny
Lauren Suiter
Rudy Ulin
Caitlin Valley
Patricia Vera
Clair Weatherby
Kevin Wolfe
Courina Yulisa
Nicole Zajdman



ANNUAL REPORT CREDITS

Photography by Abe Halpert
Design by Natalie Mertz
Profiles of Linda Gold and Thomas Gillespie
written by Stephanie Schroeder

Funders

The Center is grateful to our funders for helping us reach and serve vulnerable New Yorkers every day. Their commitment to the Center and our work will have a lasting impact on New York's residents and communities.

Altman Foundation

American Red Cross

Bank of America

Capital One

Citibank

Deutsche Bank

Fannie Mae

Freddie Mac

Goldman Sachs

HSBC Bank USA

JPMorgan Chase

Local Initiatives Support Corporation

M&T Bank

Mizuho USA Foundation

NeighborWorks America

New York City Council

NY Community Bank

New York Community Trust

New York Foundation

New York State Office of the Attorney General

**NYC Department of
Housing Preservation & Development**

NYC Housing Recovery Office

Ocwen

Rand Corporation

Santander Bank

Seachange Capital

Seth Sprague Educational and Charitable Foundation

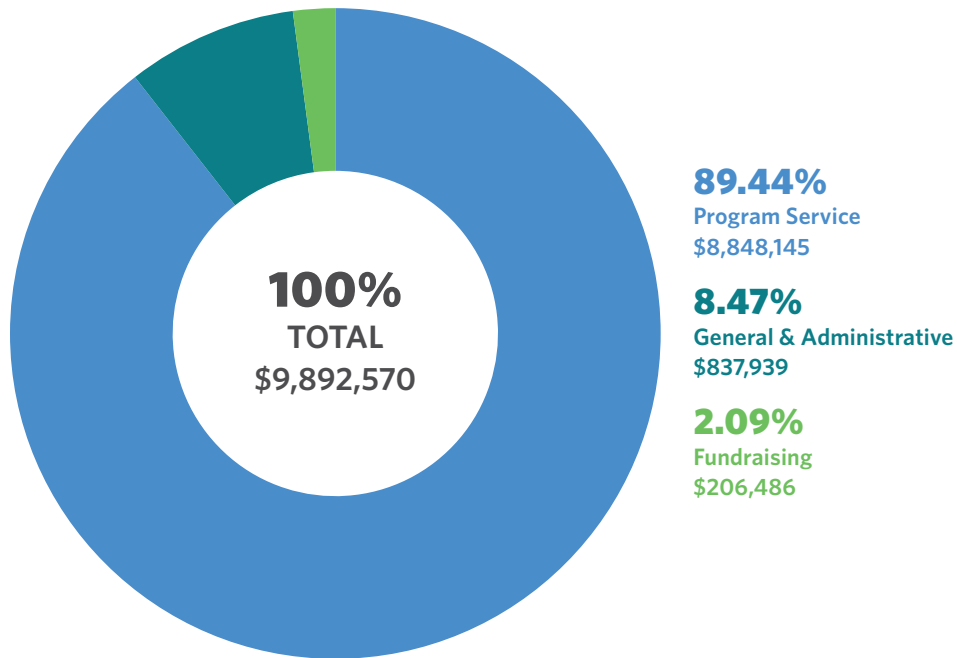
State Bank of India

The New School

Wells Fargo

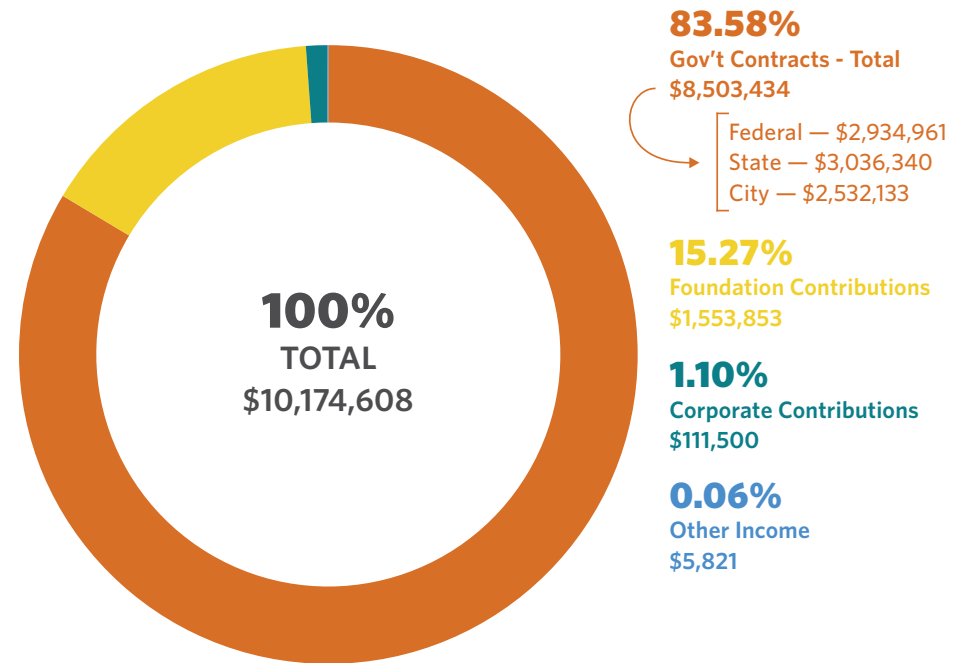
Financials

2015 FUNCTIONAL EXPENSES



2015 INCOME*

* Unrestricted revenue only



Net Operating Surplus (Loss)
\$282,038



Strong homeowners. Strong communities.