

Fannie Mae, Freddie Mac Suspend Foreclosure, Eviction Proceedings

Mortgage giants Fannie Mae and Freddie Mac have directed their network of servicers to halt all foreclosure and eviction proceedings from late November to January 9, 2009, meant to give a recently announced rescue plan time to work.

The Streamlined Modification Program, launched December 15th, enables delinquent borrowers to get a modified mortgage that lowers payments to no more than 38 percent of their gross income.

That's accomplished by reducing mortgage rates, extending the term of the loans, or deferring mortgage principals, or a mix of all three.

"Until the Streamlined Modification Program is fully implemented, we felt it was in the best interest of both borrowers and Fannie Mae to take this extra step to ensure that homeowners with the desire and ability to prevent a foreclosure have an opportunity to stay in their homes,"

said Fannie Mae president and CEO Herb Allison.

Freddie Mac has told its servicers to contact immediately the 6,000 borrowers who already have auction sales or evictions scheduled for between those dates to tell them the sales are postponed. Fannie Mae estimated that 10,000 of its borrowers will be affected.

The action is the latest in a series of foreclosure rescue efforts that include expanding authority of servicers to do more mortgage modifications, increasing the cash incentives paid to servicers for successful workouts, and enlisting and funding non-profit organizations to help in reaching out to at-risk borrowers.



Finance Agency Approves \$64.2M For 426 Units

New York State recently approved \$64.2 million in financing to preserve and create 426 affordable housing units throughout the state. The approvals were made by the NYS Housing Finance Agency (HFA) and its subsidiary, the NYS Affordable Housing Corporation (AHC).

Priscilla Almodovar, President and CEO of HFA and AHC, said, "I am proud that we are able to continue financing affordable housing in these difficult economic times. Our projects will help create and preserve homes and improve communities all over our state, from New York City to Buffalo."

The projects are:

To **NYC Housing Partnership Development Corp.**, \$720,000 for 18 condo units in Harlem; and \$1.32 million for 11 3-family homes in Ocean Hill/Brownsville, Brooklyn.

In **Westchester County**, \$37.7 million for 152-unit mixed-income rental apartment building in Yonkers; and \$13.5 million for capital improvements at Wesley Hall, a senior citizen Mitchell Lama project in Peekskill.

In **Ulster County**, \$10.3 million to construct 67-unit senior citizen development.

To the **Friends of the North Country**, for eight single-family homes in Clinton County.

To **Old 1st Ward Community Assoc.**, for improvements to 30 affordable rental units in Buffalo.



LEGISLATIVE ACTION DAY

Tuesday, Feb. 24, 2009

Meeting At 11 A.M.

Emmanuel Baptist Church Hall

275 State St., Albany, NY

(a short 1/2 block west of LOB)

**Then march to LOB for your
Legislative appointments**

***Save the date! Come to Albany to support the
Coalition's Legislative Agenda!!***