

ALBANY, NY (March 22) - Today, New York State Senator Brian Kavanagh, Assemblymember Linda Rosenthal, Assemblymember Jeffrey Dinowitz, and Assemblymember Charles Lavine joined advocates and homeowners from across the state to urge Gov. Hochul to restore \$40 million to New York's FY2024 budget to fund the Homeowner Protection Program (HOPP), the state's only program that provides free legal help and counseling to homeowners targeted by mortgage fraud, scams, and foreclosures.

Homeowners and advocates also expressed gratitude to the New York State Senate and Assembly for including the \$40 million needed to fully fund HOPP in their one house bills, but called on Gov. Hochul not to forget homeowners in her housing plan as mortgage delinquencies continue to grow. Funding for the HOPP program runs out on July 15, 2023, leaving struggling homeowners with nowhere to turn.

The HOPP network is comprised of 89 non-profit housing counseling and legal service providers across the state that help struggling homeowners keep their homes by fighting deed theft and mortgage fraud scams, helping homeowners apply for loan modifications, representing homeowners in NY's mandatory settlement conferences and in the judicial foreclosure process, explaining the foreclosure process, helping homeowners apply for Homeowner Assistance Fund (HAF), and finding alternative housing when they can no longer stay in their homes.

"The Homeowner Protection Program is essential for families like mine," says **Melessa Anderson**, a homeowner and client of LASNNY. "My 10-year-old twin boys have special needs. When foreclosure was looming and the future was uncertain, the Legal Aid Society of Northeastern New York was able to help. They worked with me and the bank to modify the mortgage and offer payments that I can afford. Now my boys can stay in the home they know, where the school and neighborhood provide so much support. For the first time in years, I can breathe easier, knowing our home is safe."

"I felt like I was drowning," said **Lorenzo Beaman**, a Brooklyn homeowner who was targeted by a scammer. "Trying to keep up the mortgage and the bills was tough enough, but add on the damage caused by the scammer and I didn't know how I was going to hold onto the house. But thanks to Legal Services NYC, we are filing a new loan modification and I am hopeful this is all going to work out."

"Even before the onset of COVID-19, the Homeowner Protection Program was an essential resource for homeowners struggling with housing expenses and the threat of foreclosure, but in the aftermath of the pandemic the need has become even more acute," said **Senator Brian Kavanagh, Chair of the Senate Housing Committee**. "For over a decade, HOPP has consistently benefited our communities and helped mitigate the effects of the affordable housing crisis by helping thousands of homeowners avoid foreclosure and avert the loss of generational wealth that results when homes are lost to scams such as deed theft. Without HOPP funding, the program will cease to function in July 2023, leaving cash-strapped homeowners without the legal representation, counseling services and advice they need when dealing with well represented banks, mortgage servicers, and scammers. I thank the HOPP Funding Campaign and my colleagues in both houses of the legislature who have successfully advocated to include \$40 million in our legislative budget resolutions; I am committed to doing everything I can to ensure that the final budget due next week fully funds this essential program."

"The State cannot thoughtfully tackle its mounting affordability crisis without also protecting homeowners from foreclosure," said **Assemblymember Linda B. Rosenthal (D/WF-Manhattan), Chair of the Assembly Committee on Housing**. "With foreclosures increasing by 268% over the past year throughout New York State, the urgency of this situation cannot be overlooked or overstated. While the Executive budget proposal omitted funding for the Homeowner Protection Program (HOPP), a vital and necessary resource for those on the edge of foreclosure, the Assembly one-house budget allocated \$40 million in funding for this popular and essential program. It must be included in the final budget, and we will fight to ensure it is included."

WHAT'S AT STAKE?

Right now, there are approximately 288,261 New York families with delinquent mortgages (or 7.4% of all New York homeowners) according to [U.S. Census Household Pulse Survey data](#), putting them at risk of losing their homes. This mortgage delinquency rate is over three times the rate of 2.2% in January 2020, right before the COVID pandemic started, and well over the high of 3.8% in January 2009, during the height of the financial crisis and Great Recession.

Homeowners with delinquent mortgages are also disproportionately homeowners of color, making funding HOPP a matter of racial justice. An average of 16.8% of Latino, Hispanic, Black and Asian homeowners reported being delinquent on their mortgages in October 2022, according to [U.S. Census data](#), compared to 5.6% of white homeowners in New York State. Historically, 43% of clients served by HOPP statewide are homeowners of color; in NYC, the number is 75%. In fact, predatory law firms and debt buyers who are pursuing a new wave of foreclosures on predatory second mortgage loans ("zombie second liens") are targeting NY communities of color with homes in neighborhoods with increasing property values.

“The Homeowner Protection Program is a vital resource for thousands of New Yorkers which helps keep people in their homes in the face of deed theft, foreclosure, and other threats to housing stability,” said **Assemblyman Jeffrey Dinowitz**. “This is a program that almost everyone agrees is important, but yet we are here with less than two weeks before the budget deadline and the Executive Chamber has remained silent about continued funding for HOPP. This is a program that the Executive supported last year, and in fact has been funded every year for more than a decade. This is a common sense program and it needs to be included in our final budget due March 31.”

“With longtime Central Brooklyn homeowners- especially Black and Brown people- under siege from deed scammers, rising foreclosure rates and the economic uncertainties of the past few years, we must do everything in our power to protect them,” said **Senator Zellnor Myrie**. “Homeowners have invested years in our neighborhoods when few others would, and have built generational wealth for their families. Fully funding HOPP will help distressed homeowners and strengthen our communities.”

“New York’s Homeowner Protection Program is an initiative that has kept thousands of residents in their homes through dire and unsettling economic times, and I wholeheartedly support its full funding in the State Budget,” said **Senator Pete Harckham**. “Too many residents, especially in underserved communities, are still struggling in the post-pandemic economy. Let’s not turn our backs on them.”

“The Homeowner Protection Program (HOPP) has served as a lifeline for thousands of New York homeowners at risk of foreclosure, and it’s important that we continue to fund this critical program,” said **Senator Roxanne J. Persaud**. “HOPP has proven all the more important throughout the pandemic which has increased economic distress in my community and across our state.”

“The HOPP Program is a vital lifeline for New York State homeowners and communities. I am unwavering in my commitment to protecting New York State homeowners and ensuring that the Homeowner Protection Program is included in the state’s budget “for the sake of homeowners and communities across the state who will suffer dire consequences without this program. I look forward to working with my colleagues to make it happen,” said **Senator Robert Jackson**.

“New York must protect our homeowners after a three-year long pandemic and during the highest inflation in decades,” said **State Senator Brad Hoylman-Sigal**. “The Homeowner Protection Program (HOPP) has a proven track record of helping our struggling neighbors avoid foreclosure, but HOPP is stretched thin and at risk of running out of funding. 75% of NYC homeowners served by HOPP are people of color and without more funding we risk further devastating the communities hardest hit by the COVID-19 pandemic. We need to fully fund this program in the coming budget and keep New Yorkers in their homes.”

“The Homeowner Protection Program (HOPP) is a critical initiative designed to connect homeowners with mortgage relief resources, housing counseling, and legal services to ensure individuals and families are not at risk of losing their home as a result of inaccessibility to these resources. As a representative for Suffolk County, I know all too well the challenges of owning and retaining a home on Long Island. Access to stable housing has been proven to have a positive impact on the well-being of children and has been connected with a reduction in food insecurity and exposure to domestic violence. This program directly benefits residents in our communities, particularly communities of color and young homeowners, while yielding tax and property cost savings. As we work toward addressing the housing crisis across the state, funding this program is undoubtedly necessary,” said **Senator Monica R. Martinez**.

Senator John Liu said, “Time and again, we’ve seen the consequences of neglecting foreclosure prevention. Whether during the 2008 financial crisis, or today’s COVID-19 pandemic recovery, foreclosures left unchecked can destroy lives and devastate economies. The Senate budget resolution included the Homeowner Protection Program in its budget because we know it is a proven safeguard that helps preserve and protect homeownership for struggling homeowners.”

“No one should lose their home because they can’t access legal representation or the basic resources they need. The Homeowner Protection Program has been a key tool in helping homeowners vulnerable to foreclosure stay in their homes. Our neighborhoods and communities rely on the people the HOPP program serves to be pillars of the neighborhood, and we must fund it in this budget,” said **Senator Rachel May**.

“I’ve seen the positive impacts of the Homeowner Protection Program on the quality of life for District 6 residents firsthand. Constituents that benefited from these funds are grateful for the extra boost. I am proud to stand with homeowners, advocates and colleagues to urge continued support for HOPP because failing to reallocate funds for homeowner retention programs would be devastating to those already trying to stay afloat while fighting to keep their homes intact,” said **Senator Kevin Thomas**.

Senator Michelle Hinchey said, “Owning a home is a hallmark of the American Dream, and the Homeowner Protection

Program (HOPP) is a critically-needed source of support for homeowners facing financial hardship. I'm proud to help champion HOPP in the budget this year, and I thank our Housing Committee Chair, Senator Brian Kavanagh, for his partnership in fighting for long-term solutions to help New Yorkers secure safe, reliable, and affordable housing.

"Keeping people in their homes is simply good public policy" it saves money for the state and localities, and it is quite obviously the right thing to do for our people. And while we rightly focus a lot of attention on New Yorkers who rent, we can't forget those New Yorkers who own their homes but are struggling to hold on to them. The Homeowner Protection Program has been a lifeline for New Yorkers in need, and it's vital that it continues to be available as our state continues to recover from the impacts of the COVID pandemic," said **Senator Liz Krueger**.

Senator Gustavo Rivera said, "I urge the Governor to include funding for New York's Homeowner Protection Program (HOPP) in our State's final budget," said State Senator Gustavo Rivera. "HOPP has helped countless homeowners across our State to remain in their homes, especially during financially trying times. It is in the State's best interest to provide assistance to homeowners, who are primarily Black and Brown, to ensure we are building and sustaining generational wealth and keeping our communities intact."

Senator Lea Webb said, "New York's Homeowner Protection Program (HOPP) supports housing stability and has helped thousands of families avoid homelessness since it was implemented over ten years ago. We cannot afford to make cuts to this program at a time when New York is facing a housing crisis. HOPP is a critical safety for homeowners, especially historically marginalized families, providing the only source of dedicated funding focused on homeownership retention for low-income families. The Senate one house bill restores \$40 million in funding for this program. I will continue to work to ensure that in the final budget this critical resource is supported which will keep more families in their homes."

"With the housing crisis impacting small property owners across our state, we must act now to enhance the Homeowner Protection Program (HOPP)," said Senator Leroy Comrie. "Mortgage delinquency and foreclosures lead to a destabilized middle class especially in districts like mine. Providing access to high-quality housing counselors and legal service providers is critical to reversing the damage brought on in large part by the pandemic. I urge my colleagues in government to strongly push for inclusion of HOPP funding from the Executive in the final adopted budget," said **Senator Leroy Comrie**.

"Homeownership serves as a pathway to building intergenerational wealth and stability for entire communities. The Homeowner Protection Program provides much-needed relief for homeowners facing financial challenges and tools to navigate the challenges of homeownership. This need is heightened for Black and brown families that have been historically excluded from homeownership opportunities and disproportionately affected by the foreclosure crisis and widening racial wealth gap. By investing in programs that help protect and preserve homeownership opportunities, we are not only prioritizing equitable access to homeownership, but investing in the economic health and future of our communities," said **Senator Jamaal Bailey**.

"The Homeowner Protection Program helps keep thousands of New Yorkers in their homes each year, and it is crucial that we include it in this year's budget so it can continue its work. \$1 million in funding for HOPP historically yields \$5 million in savings for New Yorkers: that's \$5 million that goes into buying groceries, paying mortgages, and more," said **State Senator Andrew Gounardes**. "At a time of rising costs, HOPP is more crucial than ever, and we must ensure we fully fund it this year."

HOPP SAVES HOMES AND TAXPAYER DOLLARS

For the last decade, HOPP has strengthened communities by helping families stay in the neighborhoods that they've lived in for generations, and by preventing vacant and abandoned properties (aka "zombie homes") from taking over. The HOPP program serves roughly 15,000 struggling New York families a year and has provided services to over 120,000 primarily low and moderate-income families, female heads of households, New Yorkers of color, and seniors.

During the pandemic, HOPP staffed virtual "COVID conferences" in foreclosure cases, providing "friend of the court" assistance to unrepresented defendants, and advocated with the judiciary to ensure best practices. HOPP providers also help New York homeowners apply for the New York State Homeowner Assistance Fund, a federally-funded program dedicated to assisting homeowners who are at risk of default, foreclosure or displacement as result of a financial hardship caused by the COVID-19 pandemic.

HOPP is also an undeniable economic benefit to the state, helping New York save over \$1.2 billion a year in property value preservation, tax savings and additional cost savings to localities. Every \$1 million invested in HOPP yields a return of over \$5 million in tax and property cost savings to localities alone. HOPP also saves the state money through reduced judicial costs associated with the mandatory settlement conferences, preventing deed theft and other scams, and keeping families stable to avoid having to depend on the state's systems for support.

New York State cannot afford to defund this essential lifeline to struggling New York homeowners as delinquency rates increase and as families continue to to restabilize their lives throughout this pandemic.

“With delinquency rates on the rise, New York homeowners need HOPP’s services now more than ever,” said **Jacob Inwald, Director of Foreclosure Prevention at Legal Services NYC**. “More and more, as property values across New York City increase, homeowners of color in gentrifying neighborhoods are the targets of deed thefts, scams, and other frauds with nowhere to turn for help. HOPP is one of the state’s only frontline resources that help homeowners—many of whom have spent years building intergenerational equity and wealth—preserve homeownership. Restoration of this funding in the budget so that New York homeowners have a fighting chance at keeping their homes is essential.”

“The historic investment in HOPP last year is allowing advocates to support homeowners grappling with post-COVID mortgage and tax delinquencies, and helping them access Homeowner Assistance Funds, as well as serving as the front line in preventing deed theft and other scams,” said **Kirsten Keefe, Senior Attorney at Empire Justice Center**. “The current delinquency rates make it clear that funding of \$40 million in the final budget is necessary to support New York homeowners, to preserve affordable one-to-four family home rentals, and to help preserve homeownership in Black and Brown communities. Preserving homeownership and generational wealth is a critical component to achieve our statewide shared affordable housing goals.”

“Low- and moderate-income homeowners turn to programs like ours that are funded by HOPP to save their family’s home. Together we discuss and consider what their interest is in the house, how much they owe, whether they have equity, what emotional attachment they have to the house and the neighborhood, and what assets and income they can use to negotiate a settlement with the Bank. We make sure that families understand their situation, and what options they may have for the house,” said **Stuart Thalblum, Staff Attorney at the Legal Aid Society of Northeastern New York**. “Many homeowners experienced job loss, changes in their family income, loss of a family member or spouse, increased expenses, and changes to their health due to the pandemic, as their incomes and lives are changing they need our support and advice more than ever. Continued funding of HOPP is essential to communities across New York State, especially here in Northeastern New York.”

“Amid a housing crisis that is displacing Black and Brown families, scammers are continuing to take advantage of vulnerable homeowners through predatory schemes. Low-to-middle income families are also facing deed theft, foreclosure, mortgage delinquency and other threats that can lead to displacement. HOPP’s network of legal experts and counselors provide crucial services at no cost to New York families to help them keep their homes. As Governor Hochul and the State Legislature negotiate a final budget, we must fund HOPP to support and protect Black and Brown families, their homes, and their financial security and freedom,” said **Christie Peale, CEO and Executive Director of the Center for NYC Neighborhoods**.

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