U.S Department of Housing and Urban Development
U.S. Department of the Treasury

Spotlight on the Housing Market in the New York-Newark-Jersey City, NY-NJ-PA MSA

The Obama Administration's Efforts to Stabilize the Housing Market and Help American Homeowners | April 2013

The New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area (New York MSA) includes the five counties that comprise New York City — Bronx, Kings (Brooklyn), New York (Manhattan), Queens, and Richmond (Staten Island) — and 20 other surrounding counties located in southeastern New York state, northern New Jersey and eastern Pennsylvania. The foreclosure crisis in the New York MSA developed later and differently than in other areas of the nation. Home price appreciation during the housing bubble was much more rapid in the New York MSA than in the nation; yet, home prices did not fall as sharply. Investor speculation had little impact on excess housing construction during the bubble as it did in some areas of the country. The share of distressed mortgages in the New York MSA—those 90 or more days delinquent or in the foreclosure process—actually declined from 2003 through 2006, unlike comparable shares in the rest of the nation that generally remained flat or increased slightly. When the rapid rise of distressed mortgages in the nation began in 2007, the share of distressed mortgages in the New York MSA soon followed suit, and rapid increases in local mortgage distress were seen starting in 2007, but did not surpass the national rate until 2009. Although the share of distressed mortgages remains high, the foreclosure completion rate has remained well below the national rate. The states of New York and New Jersey, both states that require a judicial process for a foreclosure, currently rank first and second in the nation for the time it takes to complete a foreclosure, which is a major contributing factor to the high share of mortgages in the foreclosure pipeline. Declining property values after the bubble burst were driven in part by excess housing construction, but mainly by rising defaults, spurred first by unsustainable mortgages, then by a sharp downturn in the economy and rising unemployment. Economic and housing market conditions in the New York MSA are improving, but the local housing market remains fragile with a high concentration of distressed mortgages and relatively low sales. However, the Administration's broad approach to stabilize the housing market has been a real help to homeowners in New York and surrounding cities. This addendum to the Obama Administration's Housing Scorecard provides a summary of trends and conditions in the local economy and the impact of the Administration's efforts to stabilize the housing market and help local homeowners. It also provides a summary of the added impacts on the local housing market from the devastation brought by Hurricane Sandy in October 2012, and how the government response to Sandy is progressing.

Population Growth, Employment, and Housing Market:

With 19.6 million people according to the most recent Census, the New York MSA is the largest in the nation. From 2000 to 2010, the population increased by an average of 62,300 people, or 0.3 percent a year. Although people moved out of the area during the 2000s, natural population growth (births minus deaths), which averaged 119,300 per year, was greater than the number of people leaving the area. An average of 9,000 people moved out of the MSA each year from mid-2000 to mid-2002 during the recession of the early 2000s, with this number increasing to 112,900 people from mid-2002 to mid-2007 as home prices rose sharply.

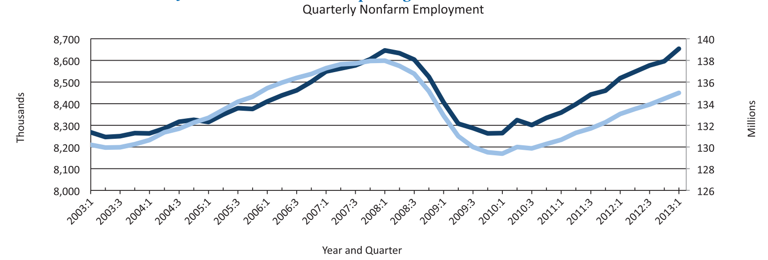
New York Housing Unit Growth Outpaced Population and Household Growth During the Past Decade

Date of Census	4/1/2000	4/1/2010
New York MSA Population	18,944,519	19,567,410
Annual Growth Rate	-	0.3%
New York MSA Households	6,891,287	7,152,840
Annual Growth Rate	-	0.4%
New York MSA Housing Units	7,320,008	7,783,415
Annual Growth Rate	-	0.6%

Source: Census Bureau (2000 and 2010 Decennial)

During the decade spanned by the Census, new housing production exceeded household growth in the New York MSA. Net annual housing unit growth of 0.6 percent was greater than the corresponding population and household growth rates of 0.3 percent and 0.4 percent, respectively. This excess construction, while not as great as in some parts of the nation, nevertheless contributed to an oversupply of housing. According to the Census Bureau, the number of vacant units increased by an average of 20,200 units, or 4.7 percent, annually in New York during the 2000s, slightly more than the national average increase of 4.4 percent during the same period. Investor speculation was not a significant factor in the overbuilding in the years leading up to the housing crisis as it was in other parts of the nation, as a very small share of New York area home purchases were by non-occupant investors. Specifically, from 2000 to 2006 investor home sales rose from 4.6 to 7.7 percent of total sales in the New York-White Plains-Wayne, NY-NJ Metropolitan Division, while the corresponding increase for the nation was from 7.8 to 14.6 percent of sales.

Job Market Conditions Improving for New York and the Nation
Quarterly Nonfarm Employment



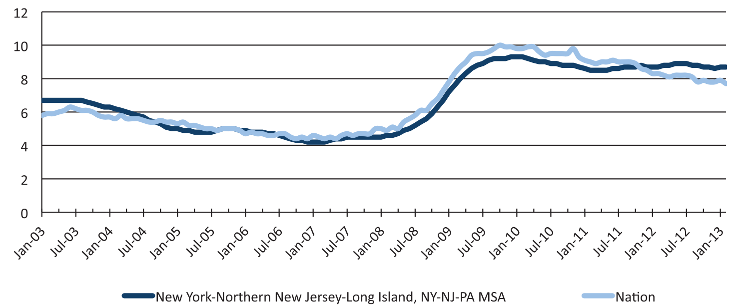
Seasonally Adjusted Data
Source: Bureau of Labor Statistics

Subprime lending, however, is likely to have contributed to the overbuilding in New York. A study by the National Bureau of Economic Research indicates that 19 percent of new mortgages in New York in 2005 were subprime loans compared with 20 percent nationally. Although the level of subprime lending was comparable to the national average in 2005, a conservative estimate based on HMDA (Home Mortgage Disclosure Act) data indicates that subprime originations tripled nationally between 1998 and 2005, while other data sources imply a seven-fold increase in subprime originations during this period. According to a study by the Center for Responsible Lending, approximately 90 percent of subprime mortgages experience increases in monthly payments of 30 to 50 percent within a few years, causing subprime loans to typically default at more than 7 times the rate of other mortgages.

A strong economic recovery is underway in New York. The New York metropolitan area represents the largest job market in the nation. The local economy grew modestly after the 2001 recession, with nonfarm payrolls increasing at an average annual rate of 84,150 jobs, or 1.0 percent from the third quarter of 2003 through the first quarter of 2008. The impact of the 2007-2009 recession had a less severe impact on New York than for the nation. Jobs in the New York MSA declined at an average annual rate of 218,800, or 2.5 percent from the second quarter of 2008 through the end of 2009, compared with a national annual decline of 3.5 percent over the same period. Recovery from the Great Recession has been slightly stronger in New York, with jobs increasing at an average annual rate of 120,400, or 1.5 percent, from the first quarter of 2010 through the first quarter of 2013, compared with a rate of 1.3 percent for the nation.

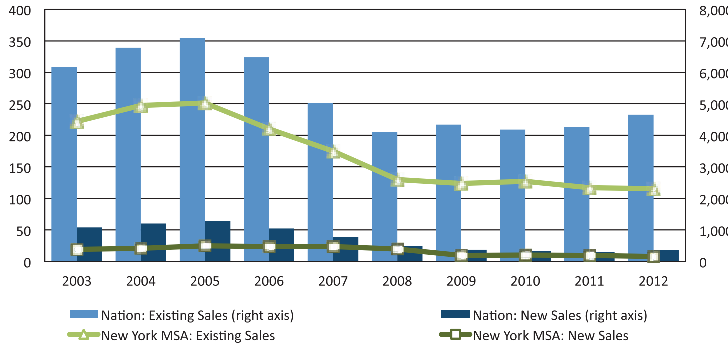
The New York MSA is known as a major center of world financial activities as well as professional and business services, which account for a combined total of 24 percent of local employment. These sectors have an immense impact on local job growth and losses: the two sectors accounted for 70 percent of the jobs lost during the recent recession and 58 percent of the jobs gained during the subsequent recovery. From the second quarter of 2008 through the end of 2009, employment in financial activities declined at an average annual rate of 36,000 jobs, or 4.6 percent, while professional and business services declined at an average annual rate of 32,750 jobs, or 2.5 percent. The recovery in the New York economy was led by the professional and business services sector, which grew at an average annual rate of 29,800 jobs, or 2.4 percent, since the fourth quarter of 2009, accounting for 56 percent of total job growth. The financial activities sector has not recovered as quickly, increasing at an average annual rate of 1,190 jobs, or 0.2 percent, over the same period. The leisure and hospitality and retail trade sectors have also contributed to the recovery, growing at rates of 2.3 and 1.1 percent, respectively. Growth in these sectors more than offset average annual job losses of 2.6 percent in construction, 1.7 percent in manufacturing, and 1.6 percent in the government sector. The unemployment rate for the New York MSA peaked at 9.3 percent in February 2010 and has since fallen to 8.4 percent as of March 2013. The national unemployment rate peaked in October 2009 at 10.0 percent, falling to 7.5 percent by April 2013.

Unemployment Rates Remain High
Monthly Unemployment Rate (Percent)



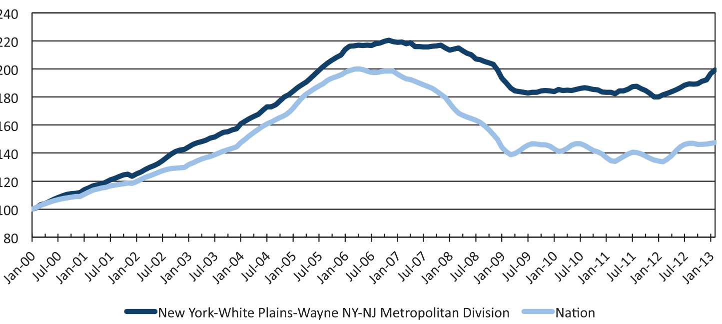
Seasonally Adjusted Data
Source: Bureau of Labor Statistics

New and Existing Home Sales: New York MSA Compared to the Nation
Annual Home Sales (thousands)



Sources: CoreLogic, HUD/Census Bureau, and National Association of Realtors.

New York Home Prices Decline by Less After Rising More Steeply Than the Nation
Repeat-Sales House Price Index (Jan 2000 = 100)

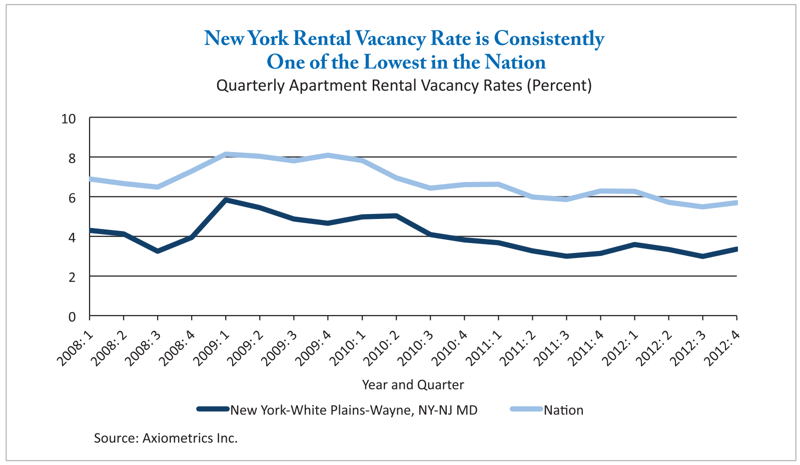


Source: CoreLogic

Existing and new home sales in the New York MSA began a dramatic decline in 2006 but have stabilized since 2008. After reaching a peak of 251,500 units sold in 2005, existing home sales dropped by an average annual rate of 16 percent between 2005 and 2008. Since 2008, the decline in existing home sales has slowed to an average annual rate of less than 3 percent, reaching a low of 115,600 homes sold in 2012. New home sales also peaked in 2005 at 24,600, before falling by an average of 15 percent from 2006 through 2009. New home sales have since stabilized, declining by an average of 700 homes sold per year and reaching a low of 7,700 in 2012.

New York MSA house prices rose more sharply but fell less steeply during the bubble. The CoreLogic repeat-sales house price index (HPI) shows that home prices in the New York-Wayne-White Plains, NY-NJ Metropolitan Division (which includes New York City) rose fairly rapidly during the bubble, increasing 20 percent faster than the pace for the rest of the nation between 2000 and 2006. However, house prices fell by only 17 percent from their peak in November 2006 to their low in July 2009 compared to a national peak-to-low decline of 31 percent. A relatively low level of distressed sales (involving bank-owned properties or short sales) is likely to have played a role in the smaller price decline, as distressed sales—at 7 percent of existing home sales during this period—were half the 14 percent national rate. In the last year, distressed sales averaged 11 percent in New York compared to 25 percent nationally. The lower rate of distressed sales in the New York MSA is likely related to the lengthy foreclosure processing time in New York and New Jersey, which are the highest in the nation. The rise in house prices in New York during the bubble had little to do with investor speculation, as home sales to investors averaged 7 percent between 2003 and 2006—much lower than the 13 percent share for the nation. As described earlier, subprime lending is likely to have spurred demand, however, and fueled home prices. Home prices in New York have since bounced back by 9 percent from their 2009 low, outpacing a 6 percent increase nationally.

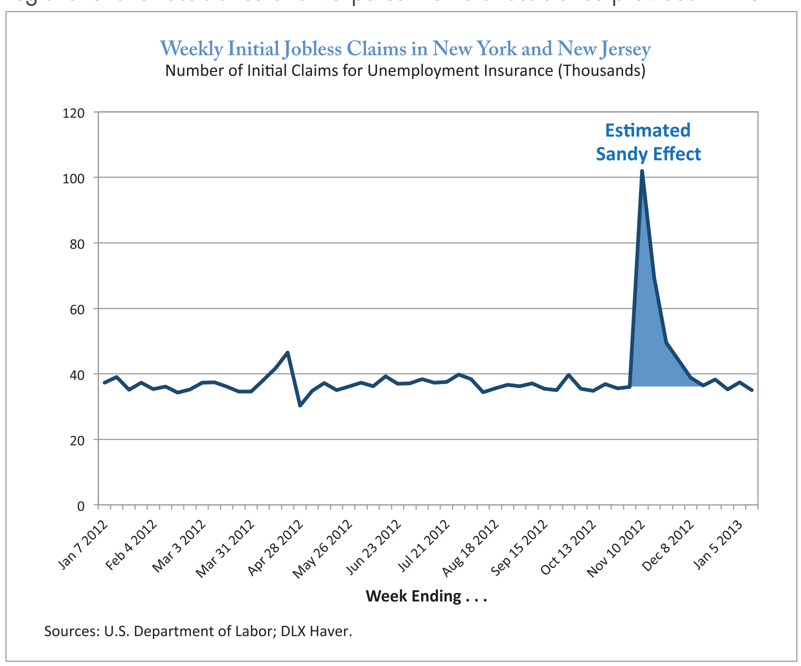
The New York rental market continues to be one of the tightest in the nation. According to Axiometrics Inc., the New York-Wayne-White Plains, NY-NJ apartment vacancy rate was 3.4 percent in the fourth quarter of 2012, up from 3.1 percent a year earlier, but still representing tight market conditions. The slight increase in the vacancy rate was due to a large number of new apartment projects entering the market during the past year. The national apartment vacancy rate declined from 6.3 to 5.7 percent over the same period. During the fourth quarter of 2012, the average apartment rent in the New York-Wayne-White Plains, NY-NJ metropolitan division was $3,260 compared with a national average rent level of $1,076.



Impact of Hurricane Sandy on the New York Metropolitan Area:

Hurricane Sandy made landfall just north of Atlantic City, New Jersey on October 29, 2012, approximately one hour after being downgraded from a Category One hurricane to a post-tropical cyclone. According to the National Hurricane Center, at least 145 direct deaths were recorded in the Atlantic basin due to Sandy. In terms of property destruction and lost economic activity, Sandy was the second-costliest cyclone to hit the United States since 1900 with a preliminary damage estimate of $50 billion according to Moody's Analytics.

The geographies most heavily impacted by Sandy were concentrated in the New York MSA. According to registration and inspection data from Federal Emergency Management Agency's (FEMA) Individual Assistance program, the New York MSA accounted for nearly 90 percent of the more than 500,000 registrations for assistance and 95 percent of total assistance provided in the



Note: From Jaison R. Abel, Jason Bram, Richard Deitz, and James Orr, "The Region's Job Rebound from Superstorm Sandy," Federal Reserve Bank of New York *Liberty Street Economics* blog, March 11, 2013, available at http://libertystreeteconomics.newyorkfed.org/2013/03/the-regions-job-rebound-from-superstorm-sandy.html .

disaster declaration area for Sandy. Using FEMA direct inspection data as of January 2013, HUD estimates that more than 170,000 primary residences in the MSA received some damage, with nearly 110,000 receiving serious damage, primarily due to flooding of one foot or more in the living space. Thousands of second homes were likely also damaged. As Table 1 shows, the damage was most severe in Nassau, Queens, Kings (Brooklyn), and Richmond (Staten Island) counties in New York and Ocean and Monmouth Counties in New Jersey. Not in the MSA, Atlantic County also had significant damage in New Jersey. In the affected counties, most damage was due to storm surge, which largely impacted the homes along the coastline or on inlets to the Atlantic Ocean.

While the impacts on individual homeowners and affected communities were devastating as noted above, the overall economic impacts on the job market and employment in the region show an immediate spike in initial jobless claims and a drop in total employment after the storm, both of which rebounded quickly. According to economists at the New York Federal Reserve Bank, initial jobless claims only remained elevated for two to three weeks. Furthermore, total employment in the New York metropolitan area, which fell by 32,000 jobs in November, increased by 53,200 in December to exceed total employment just before the storm. The Reserve Bank's economists explained that while many people suddenly found themselves out of work in the aftermath of Sandy, some were able to return to work within a few weeks, and others found work created as a consequence of the storm.

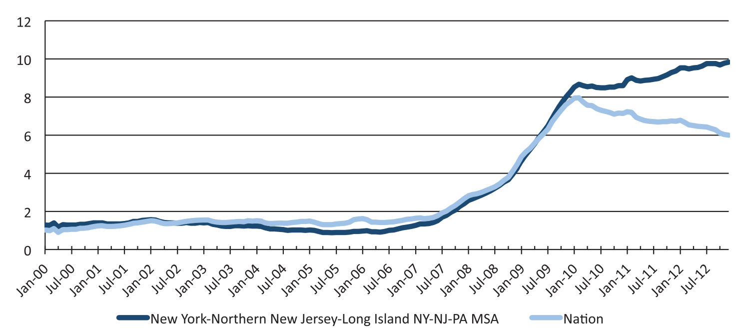
Damage to Primary Residences in NY MSA	Total Damaged	Seriously Damaged
New York City	**58,651**	**38,465**
Queens County	23,031	16,466
Kings County (Brooklyn)	22,299	13,372
Richmond County (Staten Island)	11,275	7,956
New York County (Manhattan)	1,036	393
Bronx County	1,010	278
New York - Outside NYC	**56,126**	**38,761**
Nassau County	41,626	29,954
Suffolk County	12,873	8,397
Rockland County	693	265
Westchester County	934	145
New Jersey	**55,667**	**32,049**
Ocean County	23,529	17,840
Monmouth County	13,157	8,572
Hudson County	5,157	1,933
Bergen County	3,593	1,806
Middlesex County	3,985	1,344
Essex County	2,762	226
Union County	2,747	298
Passaic County	737	30
NY MSA Total	170,444	109,275

Trends in Mortgage Delinquencies and Foreclosures:

New York homeowners continue to struggle with high rates of mortgages at risk of foreclosure. According to LPS Applied Analytics, as of January 2013 New York placed 24th out of 381 metropolitan areas ranked by share of mortgages at risk of foreclosure (90 or more days delinquent or in the foreclosure process). LPS data show that mortgages at risk of foreclosure decreased by 0.3 percent during the last year in the New York MSA, from 200,300 in January 2012 to 199,700 in January 2013, compared with a national decline of 18.8 percent during the same period. CoreLogic data since 2000 indicate that the rate of mortgages at risk of foreclosure in the New York MSA declined from 2003 through 2006, when the average share of distressed mortgages for the nation had remained steady or increased slightly. In 2007, when the foreclosure crisis began for most of the nation, mortgages at risk of foreclosure in the NY MSA followed closely behind the nation—rising from 1.3 percent to 4.2 percent compared with a rise of 1.6 percent to 4.4 percent nationally. In 2007 and 2008, single-family foreclosures were largely driven by unaffordable loan products. Beginning in 2009, foreclosures were increasingly driven by loss of income, unemployment, and strategic defaults as the economy worsened according to research by the Federal Reserve Bank of Chicago. A sharp spike upward in the rate of distressed mortgages occurred in 2009 for both New York and the nation. By early 2010, mortgages at risk of foreclosure reached a peak of 8.0 percent nationally, and have since fallen to 6.0 percent. The share of distressed mortgages in the New York MSA outpaced the national rate in 2009 and has continued to climb to 9.8 percent, although at a slower pace since the beginning of 2010. Research by the New York Federal Reserve Bank notes that, "Households in the New York-Northern New Jersey region were spared the worst of the housing bust and have generally experienced less financial stress than average over the past several years. However, as the housing market has begun to recover both regionally and nationally, the region is faring far worse than the nation in one important respect—a growing backlog of foreclosure is resulting in a share of all active mortgages in foreclosure that is now well above the national average."

A primary reason for the stubbornly high level of mortgages at risk of foreclosure in the New York MSA is the time it takes to foreclosure on a property. According to Realty Trac® Inc., New York and New Jersey, both states that employ the judicial foreclosure process, rank first and second, respectively, for the average time it takes to process a foreclosure among states. In the first

Share of Distressed Mortgages Continues To Increase in New York Since 2009 - Although Less Steeply - While National Rate Declines
Mortgages 90+ Days Delinquent (Percent of All Active Mortgages)



Source: CoreLogic

quarter of 2013, the average foreclosure processing time in New York was 1,049 days—more than twice the national rate of 477 days—but down from 1,056 days during the first quarter of 2012. In New Jersey, a foreclosure took an average of 1,002 days to complete in the first quarter of this year, up from 966 days a year ago. The lengthy foreclosure processing timelines in New York and New Jersey, along with lender processing delays, have resulted in a very high share of mortgages remaining in the foreclosure pipeline. The State of New Jersey passed legislation in December 2012 that would shorten the foreclosure process by allowing lenders to apply for a speedy summary judgment on abandoned properties. The new law, which became operative April 1, 2013, is expected to reduce the average foreclosure process to three or four months.

Realty Trac data indicate that the foreclosure completion rate in the NY MSA has been substantially less than the national rate. As of March 2013, the rate of foreclosure completions since April 1, 2009 in the New York MSA is 0.4 percent compared to a national rate of 2.5 percent. Foreclosure completions have been trending downward nationally and in New York. For the first quarter of 2013, completed foreclosures in New York were down 6 percent from one year ago, while completed foreclosures in the nation fell by 25 percent during the same period. The efforts of numerous state and local entities and financial institutions in partnership with the federal government have helped contain the rate of foreclosures. Lender processing delays and a lengthy judicial process have also contributed to the national decline in foreclosure activity. In the wake of the February 2012 National Mortgage Servicing Settlement, foreclosure activity has started to pick up a bit, primarily in states where the process slowed dramatically in the last two years. CoreLogic reports that 11.9 percent of mortgages in the New York-Wayne-White Plains, NY-NJ metropolitan division were underwater as of the fourth quarter of 2012—far lower than the 21.5 percent nationally—but still representing additional homeowners potentially at risk.

Foreclosure Completion Rates in the New York MSA

Area	First Quarter 2013		Since April 1, 2009	
	Foreclosure Completions	Foreclosure Rate	Foreclosure Completions	Foreclosure Rate
New York MSA	910	0.01%	27,520	0.4%
Nation	139,100	0.11%	3,318,200	2.5%

Note: Foreclosure Rates as Percent of All Housing Units;
Data through March 2013 for foreclosures since April 2009
Source: Realty Trac and Census Bureau

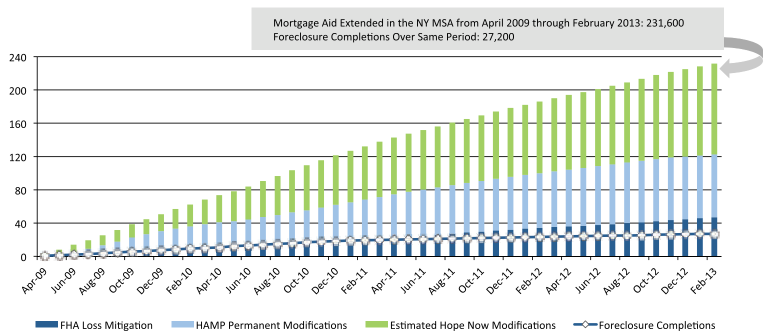
OMB MSA Definition Footnote
Effective February 28, 2013, the Office of Management and Budget released a new definition for the metropolitan area formerly known as New York-Northern New Jersey-Long Island, NY-NJ-PA.

The Administration's Efforts to Stabilize the New York MSA Housing Market:

The Administration's mortgage and neighborhood assistance programs — the Home Affordable Modification Program (HAMP), the Federal Housing Administration (FHA) mortgage assistance programs, the Neighborhood Stabilization Program (NSP), and the Hardest Hit Fund (HHF) program – combined with assistance from the HOPE Now Alliance of mortgage servicers and the National Mortgage Servicing Settlement have helped stabilize the New York MSA housing market.

From the launch of the Administration's assistance programs in April 2009 through the end of February 2013, nearly 231,600 homeowners received mortgage assistance in the New York metropolitan area. More than 122,500 interventions were completed through the HAMP and FHA loss mitigation and early delinquency intervention programs. An estimated additional 109,100 proprietary mortgage modifications have been made through HOPE Now Alliance servicers. While some homeowners may have received help from more than one program, the number of times assistance has been provided in the New York MSA is more than 8 times the number of foreclosures completed during this period (27,200). This relatively high ratio of mortgage assistance to foreclosures in the New York MSA since April 2009 (8.5 to 1 compared to 2 to 1 for the nation) is likely related to a relatively stronger local economy and lower unemployment rates over this time, making it easier to effect mortgage assistance. Under the landmark National Mortgage Servicing Settlement, over 19,000 New York homeowners had benefitted from nearly $2 billion in refinancing, short sales and completed or trial loan modifications, including principal reduction on first and second lien mortgages provided as of December 31, 2012. In New Jersey, over 17,000 homeowners had benefitted from more than $1.5 billion in consumer relief. Nationwide, the settlement has provided nearly $46 billion in consumer relief benefits to more than 554,000 families. That is in addition to the $2.5 billion in payments to participating states and $1.5 billion in direct payments to borrowers who were foreclosed upon between 2008 and 2011.

Mortgage Aid Provided Nearly 231,600 Times to Mitigate Rising Foreclosures
New York MSA: Cumulative Offers of Aid by Source Compared with Foreclosures Since April 1, 2009 (Thousands)



Note: Data on HOPE Now proprietary mortgage modifications are not available at the metropolitan area level. However, HOPE Now Alliance reports 183,500 non-HAMP modifications since April 1, 2009 in New York and New Jersey of which 59 percent are estimated by HUD to have occurred in the New York MSA. This chart excludes HAMP trial modifications not made permanent.

Sources: Departments of HUD and Treasury, HOPE Now Alliance, and Realty Trac.

Given over three rounds, the Neighborhood Stabilization Program has invested $7 billion nationwide to help localities work with non-profits and community development corporations to turn tens of thousands of abandoned and foreclosed homes that lower property values into homeownership opportunities and the affordable rental housing that communities need.

NSP1 funds were granted to all states and selected local governments on a formula basis under Division B, Title III of the Housing and Economic Recovery Act (HERA) of 2008; NSP2 funds authorized under the American Recovery and Reinvestment Act (the Recovery Act) of 2009 provided grants to states, local governments, nonprofits and a consortium of nonprofit entities on a competitive basis; and NSP3 funds authorized under the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 provided neighborhood stabilization grants to all states and select governments on a formula basis.

In addition to stabilizing neighborhoods and providing affordable housing, NSP funds have helped save jobs. Each home purchased, rehabilitated and sold through the NSP program is the result of the efforts of 35 to 50 local employees.

Overall, a total of $109.8 million has been awarded to 9 NSP grantees in the New York MSA. Approximately 366 households have already benefited from NSP, and activities funded by the program are expected to provide assistance to an additional 633 owner-occupied and renter households. Examples of how these funds have been put to use are provided below.

- The **City of New York** was awarded a total of $24.3 million in NSP1 funds, $20.1 million in NSP2 funds, and $9.8 million in NSP3 funds. The City's NSP1 program primarily focused on establishing financing mechanisms for the purchase and redevelopment of foreclosed and abandoned residential properties, while the City's NSP2 program provides assistance for a down-payment and rehabilitation of foreclosed homes, mixed-used housing, and stalled or vacant site development. The City's NSP3 program was designed to provide affordable rental housing to families earning 50 percent or less of area median income ($41,500 for a family of four) and the projects must be certified by Enterprise Green Communities. Neighborhoods targeted for assistance under all three programs are primarily lower income communities with both high rates of foreclosed and abandoned properties and subprime lending.

  A portion of the City's NSP1 grant has been used to leverage the purchase and rehabilitation of 14 foreclosed buildings located throughout the Bronx. The properties had become extremely dilapidated, and with the use of NSP funds the City was able to support their purchase and renovation by a local developer. The City used $6.5 million of NSP2 funds to leverage the acquisition of a 27-building scatter site development containing 216 units in central Brooklyn. The City also loaned $3.4 million of NSP3 funds through its Loan Participation Program to acquire and refurbish five buildings in the Hunts Point-Longwood section of the Bronx. A total of $9.28 million was raised through the sale of Low Income Housing Tax Credits to cover construction costs for the project. Many of these foreclosed properties were in the City's Alternative Enforcement Program, an initiative that annually targets 200 of the City's worst properties. To date, the City has restored 81 apartments in this project.

New York MSA NSP Activity (Housing Units)	Projected	Completed
NSP1 Total	**470**	**358**
Clearance and demolition	6	9
Construction of new housing	167	125
Homeownership assistance to low-and moderate income	6	3
Rehabilitation/reconstruction of residential structures	291	221
NSP2 Total	**377**	**8**
Construction of new housing	221	-
Homeownership assistance to low-and moderate income	17	8
Rehabilitation/reconstruction of residential structures	139	-
NSP3 Total	**152**	**-**
Clearance and demolition	8	-
Construction of new housing	88	-
Rehabilitation/reconstruction of residential structures	56	-

- The **City of Newark, New Jersey** was awarded a total of $3.4 million in NSP1 funds, $20.8 million in NSP2 funds, and $2.0 million in NSP3 funds. The City of Newark used $3.16 million of the NSP2 grant to construct the 56-unit Clinton Hill Apartments, a new community in Newark's South Ward neighborhood which serves military veterans and low-income families. The Clinton Hill Apartments includes 56 permanent affordable apartments and will house a minimum of 14 disabled veterans.

  The development was a joint venture by the HELP Development Corporation, a national non-profit organization founded by Andrew Cuomo in 1986 to help the homeless and low-income families, and the Make It Right Foundation, a non-profit founded by actor Brad Pitt in response to Hurricane Katrina. The New Jersey Housing and Mortgage Finance Authority (HMFA) awarded Clinton Hill $1.6 million in federal tax credits which generated $11.7 million in equity for the development. HELP also received fourteen Section 8 vouchers from the Newark Housing Authority and will work with the East Orange VA Medical Center to make these units affordable to low-income veterans. The Make It Right Foundation contributed its architectural design and sustainability expertise to ensure that green features were incorporated into the building's development and construction.

  Clinton Hill's four-story building features 14 one-bedroom, 20 two-bedroom, and 22 three-bedroom units with rents affordable to residents earning no more than 50 percent of area median income. The building includes a rooftop garden designed for tenants to grow vegetables, as well as a solar power array and meets LEED Platinum standards. The development contains a community center with a computer room, a fitness center, and meeting rooms. The community center is used by residents, HELP's Mentoring USA program, and other social service programs.

The Administration allocated $300.5 million from its **Hardest Hit Fund** to the state of New Jersey. The New Jersey Housing and Mortgage Finance Agency (NJHMFA) administers these Hardest Hit funds through the **New Jersey HomeKeeper Program**, which was launched statewide in May 2011. HomeKeeper offers mortgage payment and reinstatement assistance for New Jersey homeowners who are unemployed or underemployed through no fault of their own and are at high risk of default or foreclosure. Through the program, NJHMFA provides twenty-four months or up to $48,000 in monthly mortgage payment assistance paid to the servicer on behalf of the qualified homeowner; the program also provides up to $48,000 in reinstatement assistance for recently re-employed homeowners to cure delinquent payments, escrow shortages, and/or delinquent property taxes to avoid foreclosure. The number of homeowners benefitting from the program has steadily increased since 2011, due to strong demand and continued economic and disaster recovery challenges for New Jersey homeowners. For additional information, see https://www.njhomekeeper.com/.

The Government's Response to Hurricane Sandy:

Multiple agencies at all levels of government have been involved in the recovery efforts for Hurricane Sandy. The response to Hurricane Sandy began while the massive storm was still gaining strength in the Atlantic Ocean. By the time it made landfall along the East Coast, FEMA teams and resources were already in place to begin helping the millions of people that would be affected by the storm's immediate impact. Recovery and clean-up efforts have only intensified since then. According to FEMA, as of mid-April 2013 over $1.3 billion has been provided in Individual and Household assistance in New York and New Jersey, the Flood Insurance Program has paid claims of $6.6 billion, the Small Business Administration has approved disaster recovery loans of over $2.1 billion, and more than $1 billion in Public Assistance Grants have been approved. The Insurance Information Institute reports that private insurers are projected to pay out an additional $15.9 billion in New York and New Jersey above what is covered by the National Flood Insurance Program. In April, state regulators indicated that 93 percent of the insurance claims in New York and New Jersey had been settled. More information on the government response to Hurricane Sandy in New York and New Jersey is available from the FEMA website at http://www.fema.gov/disaster/4085 and http://www.fema.gov/disaster/4086.

On top of assistance already provided, the Disaster Relief Appropriations Act of 2013 was signed into law on January 29, 2013, which provides an additional $50 billion in funding that is spread out across a variety of federal departments and agencies primarily to support recovery from Hurricane Sandy. To help coordinate the long-term recovery of the region impacted by Hurricane Sandy, President Obama created through Executive Order the Hurricane Sandy Rebuilding Task Force to "…ensure that the Federal Government continues to provide appropriate resources to support affected State, local, and tribal communities to improve the region's resilience, health, and prosperity by building for the future." The Secretary of Housing and Urban Development, Shaun Donovan, chairs the task force, which was officially launched on February 5 and includes representatives from most federal agencies. The Task Force is working with stakeholders in the region to deliver a comprehensive regional rebuilding plan within six months, cut red tape and reduce regulatory burdens, monitor progress, and provide communities with technical assistance and tools to help them realize their vision for redevelopment and revitalization.

In addition to direct funding, the Federal Housing Administration (FHA), the Federal Housing Finance Agency (FHFA), Fannie Mae, and Freddie Mac put in place foreclosure and eviction moratoriums, in effect until April 30, 2013, on the initiation or commencement of foreclosure actions against homeowners whose properties were damaged or destroyed due to Hurricane Sandy. On April 12th, FHA announced additional forbearance relief for affected borrowers which would allow borrowers to suspend up to 12 months' worth of mortgage payments while they repair their homes, and potentially be eligible for an FHA streamlined loan modification to avoid large lump sum payments after the end of the forbearance period. FHA and FHFA's immediate responses to Hurricane Sandy are particularly important since the most affected NYC metro area households were more likely to live in a unit that had a foreclosure action taken in the 18 months prior to the storm. HUD analysis shows that households whose property was damaged in the storm (as measured by FEMA registrations) were 1.5 times more likely to have been 'in foreclosure' when the storm hit than all households in the MSA; thus the foreclosure moratoriums are providing much needed relief for many affected families.

The Hurricane Sandy relief effort has involved cooperation at all levels of government, and that while there is much work yet to do, the response to Sandy has been broad-based and comprehensive.