



For Immediate Release

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Hinchey Announces \$430,000 Federal Award For Housing Projects In Newburgh, Ithaca And Binghamton

Newburgh, NY - Congressman Maurice Hinchey (D-NY) today announced that the Federal Home Loan Bank of New York (FHLBNY) is awarding a total of \$430,000 for the creation of 49 units of affordable housing in Newburgh, Ithaca, and Binghamton. The recipients of the Affordable Housing Program (AHP) grants are the Regional Economic Community Action Program (RECAP), Habitat for Humanity of Greater Newburgh, Ithaca Neighborhood Housing Services, Inc., and Broome County Habitat for Humanity.

"Developing and sustaining quality affordable housing is vital to the well-being of our communities," said Hinchey. "The Federal Home Loan Bank of New York, in partnership with its member institutions, has played a critical role in advancing these goals to meet the growing housing needs in our area. FHLBNY's efforts demonstrate how this type of public-private partnership can make a positive impact in our communities in New York State."

AHP provides member institutions with direct subsidies that are passed on to qualified households through sponsoring local nonprofit organizations. AHP financing is combined with other funding sources to create housing for moderate, low and very low-income families. Program awardees receive this funding through semi-annual competitive rounds. Each competing project must be sponsored by a financial organization that is a member of the Bank in partnership with a community-based sponsoring organization.

"The Federal Home Loan Bank of New York is very pleased to lend a hand in building communities by helping to meet special housing needs," said FHLB of New York President Alfred DelliBovi. "Not only are we providing affordable homes, but we are making contributions to the revitalization, economic development, stability and the overall quality of life of these communities. This success would not be possible without the support and leadership of members of Congress like Maurice Hinchey."

Details of the four local projects are as follows:

Newburgh Family Supportive Housing Project: \$120,000; Sponsor: Regional Economic Committee Action Program (RECAP); Lender: Provident Bank -- The Newburgh Family Supportive Housing Project involves the construction of three buildings which will contain six apartments for low-income families, all of which were formerly homeless. The project will consist of three-bedroom units with handicapped adaptable units on the first floor. The residents are expected to be families with children and/or disabled family members. The Federal Home Loan Bank Affordable Housing Program subsidy will be used to partially finance construction costs. Additional financing will be provided by a U. S. Department of Housing and Urban Development Supportive Housing Program grant and a New York State Division of Housing and Community Renewal Small Project Initiative grant.

Habitat for Humanity of Greater Newburgh: \$30,000; Sponsor: Habitat for Humanity of

Greater Newburgh; Lender: Manufacturers and Traders Trust Company -- Habitat for Humanity of Greater Newburgh 2007 will create three homeownership opportunities for very low-income families. Habitat has purchased one abandoned, boarded-up house and a vacant lot from the City of Newburgh. The house will be totally gutted and rehabbed and two homes will be constructed on the vacant lot. All three homes will be in one of the poorest tracts in the county where homeownership has declined to only 30 percent of the housing in the area. Each prospective homeowner family will be required to complete 250 hours of sweat equity and a series of classes on financial management, financial literacy, home maintenance, neighborhood responsibilities, safety, and the legal aspects of homeownership.

The Cedar Creek Project: \$270,000; Sponsor: Ithaca Neighborhood Housing Services, Inc.; Lender: Manufacturers and Traders Trust Company -- The Cedar Creek project will create 39 apartment units that will serve low- and very low-income families. Cedar Creek is designed to serve a mix of family types with a range of one-, two-, and three-bedroom units. Six of the units have been set aside for victims of domestic violence with referrals and services provided through a local social service agency. Fourteen of the units are handicapped accessible or adaptable. The project site is approximately four acres in size, an in-fill lot located in an urban neighborhood close to shopping, employment and recreational opportunities. All municipal utilities, including water, sewer, electricity, natural gas, telephone and cable are available at the site. The AHP subsidy will be used to partially finance construction costs. Construction financing will be provided by Neighborhood Housing Services of America, Enterprise Community Investment, a City of Ithaca Housing Development Grant, NeighborWorks® America Funds, Low Income Housing Tax Credits, and the New York State Housing Trust Fund.

The Mary Street Project: \$10,000; Sponsor: Broome County Habitat for Humanity; Lender: Manufacturers and Traders Trust Company -- The Mary Street project involves the construction of a single-family house for a very low-income family. The prospective homeowner family, which has already been selected, will be moving from an overcrowded apartment in a deteriorating neighborhood to a home in a more affluent neighborhood. The family includes five children. The family must contribute a minimum of 300 hours of sweat equity toward building their own home and working on other Habitat projects. In order to prepare the family for the responsibility of homeownership, the sponsor will conduct mandatory homeownership counseling; which will include credit counseling, creating and adhering to a budget, and all aspects of the home buying process in order to minimize the risk of foreclosure. Financing will be provided by Habitat for Humanity of Broome County and public, private and religious donations. The AHP subsidy will be used towards the construction costs.

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