

HELP NYC HOMEOWNERS APPLY FOR FORECLOSURE PREVENTION GAP LOANS!

Community Advocates:

NEDAP IS ACCEPTING APPLICATIONS FOR ITS NYC FORECLOSURE PREVENTION GAP LOAN PROGRAM. Low interest Gap Loans up to \$25,000 are available to low income NYC homeowners facing foreclosure.

TO APPLY, A HOMEOWNER MUST WORK WITH A FORECLOSURE PREVENTION COUNSELOR, ATTORNEY OR OTHER ADVOCATE. The advocate will work with the homeowner to ensure that the Gap Loan is part of a sustainable mortgage plan, compile required documentation, and communicate with NEDAP through the loan approval and closing process. Loan terms are flexible and will be determined based on each borrower's circumstances and capacity to repay.

Gap Loans may be used, for example, to:

- Make an up-front payment needed to qualify for an affordable loan modification;
- Close a gap to enable a senior citizen to pay off an unaffordable mortgage with a reverse mortgage;
- Pay off a high-interest second mortgage, in order to facilitate an affordable loan modification;
- Pay off arrears on a primary mortgage loan, where a borrower has fallen behind due to hardship but has the ability to afford the mortgage moving forward.

THE GAP LOAN PROGRAM IS DESIGNED TO COMPLEMENT OTHER FORECLOSURE PREVENTION EFFORTS IN NYC. Please see attached Program Guidelines. For more information or to request an application, contact Alexis Iwanisziw at (212) 680-5100, x209 or alexis@nedap.org, or visit www.nedap.org.

[3/09]



Neighborhood Economic Development Advocacy Project
73 Spring Street, Suite 506, New York, NY 10012
Tel: (212) 680-5100 / Fax: (212) 680-5104 / www.nedap.org

NYC FORECLOSURE PREVENTION GAP LOAN PROGRAM GUIDELINES

Q. Can a homeowner with an Individual Taxpayer ID Number (ITIN) apply for a loan?

A. Yes. Homeowners with ITINs may be eligible for loans.

Q. Does a homeowner have to join LESPFUCU to apply for a loan from the Program?

A. Yes. Under federal regulations credit unions may make loans only to members. Loan applicants must join the Lower East Side People's Federal Credit Union (LESPFCU) by opening a share (savings) account at the credit union with a minimum deposit of \$75 (the minimum deposit for seniors is \$25). There is a \$5 annual fee for LESPFUCU membership during the term of the loan.

Q. Are there any other fees associated with the Program?

A. No.

NEDAP's Pre-Application Process

Q. Why are there two applications?

A. The pre-application ensures that the Gap Loan Program is the right loan for the applicant's situation. If she or he does not qualify, we can suggest other organizations that might be able to help. The loan application itself allows the LESPFUCU to determine if the loan will be affordable to the applicant and to set up appropriate loan terms.

Q. Who should I contact if I have questions about the Gap Loan Program?

A. Please contact Alexis Iwanisziw of NEDAP at 212-680-5100, or email alexis@nedap.org.

Q. Where should I send the application?

A. Please send all applications to NEDAP, by fax: 212-680-5104, or by email to Alexis at alexis@nedap.org. You may also mail the application to us at NEDAP, 73 Spring Street, Suite 506, New York, NY 10012. No walk-ins please.

Credit Union Loan Application Process

Q. What is a reliable and verifiable source of income for the LESPFUCU Loan Application?

A. You should bring proof of each source of income listed on the application to your appointment at the LESPFUCU. Acceptable documentation includes:

- Pay stubs (3 most recent) and/or a letter on letterhead from employer.
- Proof of Public Assistance, SSI, SSD, Pension, Child Support, or other income or benefits.
- Notarized letters from any household member(s) who contribute(s) income to the applicant.
- If the applicant is self-employed, please bring the two most recent tax returns.

Q. What other documents do I need to apply for the loan?

A. You will need to provide the following documents with the LESPFUCU loan application:

- Proof of address, such as a utility bill (e.g. Con Edison, telephone or cable bill).
- Reference form that appears at the end of the LESPFUCU loan application.
- Any other documentation requested by the LESPFUCU.



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NYC FORECLOSURE PREVENTION GAP LOAN PROGRAM PRE-APPLICATION

The **NYC Foreclosure Prevention Gap Loan Program** is an initiative to assist low and moderate income New York City homeowners facing foreclosure. To have your client considered for a gap loan, please complete this application form and send to Alexis Iwanisziw at alexis@nedap.org or fax (212) 680-5104.

If the applicant meets eligibility criteria for a gap loan, NEDAP will forward a loan application from the Lower East Side People's Federal Credit Union.

AMOUNT REQUESTED _____	Date of Application _____
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Is the property applicant's primary residence? YES <input type="checkbox"/> NO <input type="checkbox"/>
Does applicant (and co-applicant) have reliable and verifiable source(s) of income? YES <input type="checkbox"/> NO <input type="checkbox"/>
Will applicant(s) be able to afford mortgage and Gap Loan Fund payments? YES <input type="checkbox"/> NO <input type="checkbox"/>

APPLICANT
First _____ MI _____
Last _____
Address _____ _____
City/State/Zip _____
Phone (H) _____
Phone (W) _____
Cell _____
Fax _____
Email _____
Gross Annual Income _____
Net Monthly Income _____
Source(s) of Income _____ _____
Number of adults in household _____
Number of dependents _____
Birth Date _____

CO-APPLICANT
First _____ MI _____
Last _____
Address _____ _____
City/State/Zip _____
Phone (H) _____
Phone (W) _____
Cell _____
Fax _____
Email _____
Gross Annual Income _____
Net Monthly Income _____
Source(s) of Income _____ _____
Number of adults in household _____
Number of dependents _____
Birth Date _____
Relationship to Applicant _____

COUNSELOR/LEGAL SERVICE PROVIDER

Name _____ Organization _____

Phone _____ Fax _____ Email _____

PROPERTY

Address _____

Do you owe outstanding property taxes? YES NO Do you owe a balance for water service? YES NO

PRIMARY MORTGAGE

Primary mortgage amount _____ Current balance _____

Loan status as of ___ day ___ mo ___ yr: FORECLOSURE DEFAULT DELINQUENT CURRENT OTHER

Original Lender _____ Servicer _____ Interest rate _____

Type of mortgage: FIXED RATE ADJUSTABLE RATE MORTGAGE PAYMENT OPTION ARM INTEREST ONLY OTHER

Other relevant mortgage terms (i.e. 2/28, balloon) _____

SECOND MORTGAGE

Second mortgage amount _____ Current balance _____

Loan status as of ___ day ___ mo ___ yr: FORECLOSURE DEFAULT DELINQUENT CURRENT OTHER

Original Lender _____ Servicer _____ Interest rate _____

Type of mortgage: FIXED RATE ADJUSTABLE RATE MORTGAGE PAYMENT OPTION ARM INTEREST ONLY OTHER

Other relevant mortgage terms (i.e. 2/28, balloon) _____

ASSETS

Please list all assets and their current values in the table below.

Assets	Dollar Value of Assets	Owner	Pledged as Collateral to a Loan (Y/N)
Home			
Total Value of Assets			



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DEBTS

Please write in any housing or other outstanding monthly debt obligations.

Debts and Other Obligations	Monthly Payment Amount	Total Amount Outstanding (if applicable)
Mortgage		
Property Taxes		
Insurance		
Water/Sewer		
Credit Card(s)		
Personal/Consumer/Student Loan(s)		
Medical		
Auto Loan(s)		
Total Debts		

[OPTIONAL] The following requested information will not be used to determine your eligibility for the Gap Loan Program. It is used solely for tracking purposes.

APPLICANT

PLEASE CHECK ALL THAT APPLY

Race/Ethnicity: ASIAN/PACIFIC ISLANDER BLACK LATINO NATIVE AMERICAN WHITE OTHER

Country of Origin _____ Gender _____

Language(s) spoken in household other than ENGLISH _____

CO-APPLICANT

PLEASE CHECK ALL THAT APPLY

Race/Ethnicity: ASIAN/PACIFIC ISLANDER BLACK LATINO NATIVE AMERICAN WHITE OTHER

Country of Origin _____ Gender _____

Language(s) spoken in household other than ENGLISH _____

COUNSELOR/LEGAL SERVICE PROVIDER

Please describe:

1. Why current mortgage payments are unaffordable.
2. Purpose of loan (i.e. upfront payment needed to qualify for loan modification).

Attaching an estimated monthly budget is helpful but not required.



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