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Hudson River Housing Receives \$2.5 Million in Neighborhood Stabilization Funding to Remediate Effects of Foreclosure in Poughkeepsie

Poughkeepsie, NY – Today Hudson River Housing (HRH) announced that it will receive a total of \$2,547,246 in Neighborhood Stabilization Program funding to provide direct assistance to City of Poughkeepsie neighborhoods suffering from high rates of foreclosures. The award consists of \$2,147,246 from the New York State Housing Finance Agency, and \$400,000 from the New York State Affordable Housing Corporation. The aim of the funding is to offer help to communities most severely affected by the foreclosure and subprime crisis. HRH will use the money to purchase foreclosed, bank-owned properties that are vacant and rehabilitate them for sale or as rental units. A portion of the funds will also be used to provide financing mechanisms and specialized counseling to households seeking to purchase foreclosed properties. HRH is calling the effort the City of Poughkeepsie Community Stabilization Program.

“This funding will allow us to take an important step towards remediating the effects foreclosure has had on our neighborhoods,” says Gail Webster, Executive Director. “We don’t want to have properties sitting vacant, which can then become sources of blight. We want to keep people in these neighborhoods and continue working towards a stronger, more vibrant community.”

Data collected by HRH shows that approximately 15% of households in the City of Poughkeepsie have been affected by foreclosure. As of today, foreclosures.com indicated 199 bank-owned properties in the City.

HRH plans to acquire at least 10 of these properties, including single- and two-family homes and multi-family buildings. The properties will be rehabilitated, and the single- and two-family homes will be sold to income-eligible, first-time homebuyers. The multi-family properties will be retained by HRH as affordable rental units.

All of the properties will be located in Census tracts 2203, 2004, and 2205 (approximately Columbus Drive to Pershing Avenue, between Montgomery Street and Cottage Street) in the City of Poughkeepsie, which have been given a foreclosure risk score of 10+ (on a scale of one to ten) by the US Department of Housing and Urban Development. It is a requirement of the funding that properties be located in these areas.

In total, the Neighborhood Stabilization Program will distribute \$64.5 million throughout New York State. The funds are part of the Housing and Economic Recovery Act of 2008. HRH was the only

applicant for Neighborhood Stabilization Program funding in Dutchess County, and received the total possible award amount based on a pre-determined county allocation.

The City of Poughkeepsie Neighborhood Stabilization Program will complement HRH’s other current initiatives to address the foreclosure crisis in the Hudson Valley. HRH is the lead agency of Hudson Valley Foreclosure Prevention Services, which provides free foreclosure prevention and loss mitigation counseling services to households in Dutchess, Ulster, Orange, and Sullivan Counties. Households in the City of Poughkeepsie represent the largest percentage of customers served through the program.

“It is clear that the national crisis is affecting us locally,” says Ms. Webster. “The City of Poughkeepsie Neighborhood Stabilization Program is the next step toward addressing the issue of foreclosure in our own communities, and a tangible example of how the economic recovery efforts being put forth by state and federal government are working here in Poughkeepsie.”

Hudson River Housing, Inc. (HRH) is dedicated to creating and sustaining affordable housing throughout Dutchess County. HRH works to ensure that decent, cost-appropriate housing is available for all people in our community. We develop, rehabilitate, and operate emergency, transitional, and permanent housing for homeless and low-to-moderate income individuals and families. We also provide a full range of support services provided by dedicated professionals that help our clients and customers become self-sufficient and gain maximum influence over their lives. Through our work, we touch the lives of over 5,000 individuals each year. Since the agency’s formation in 1982, HRH has developed 39 affordable homeowner units, over 500 rental and short-term housing units, and 9 commercial spaces. For more information, please call (845) 454-5176 or visit www.hudsonriverhousing.org.

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