



CASE STUDY

Equitable Retention Mortgage Assistance

Donation Type:

Equity-Like Investment / Revolving Fund

THE PROBLEM

Vulnerable New Yorkers Risk Foreclosure

Thousands of low-income seniors and people with disabilities face foreclosure in New York City each year due to arrears or a temporary inability to pay property taxes, insurance, water/utility bills, or other charges. The Center for New York City Neighborhoods (CNYCN), the go-to citywide nonprofit focused on affordable homeownership, developed a successful program to address this issue, but it required an infusion of loan capital to continue onboarding new program participants.

Overview of the Transaction

The Opportunity

The Equitable Retention Mortgage Assistance Program (ERMA) has a proven track record of helping 150+ low- and moderate-income New Yorkers avoid foreclosure. The program pairs 0% interest loans up to \$50,000 with free housing counseling and legal services. As homeowners eventually sell or refinance their homes, the no-cost loans are repaid, allowing the same dollars to be recycled to other distressed homeowners.

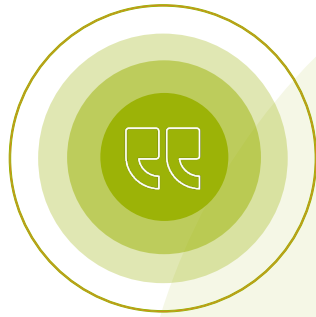
FJC's Approach

An anonymous donor reprogrammed a \$400,000 "term endowment" from another nonprofit serving seniors, which had substantially changed its mission, to CNYCN. The donor then added an additional \$600,000, and these funds were placed in a fiduciary account at FJC, allowing for ongoing oversight over the life of the project.

Result

Dozens of New Yorkers have avoided losing their homes because of this \$1 million investment in the program, and hundreds more will be served as these loan funds are repaid and recycled to support other distressed homeowners.





TESTIMONIAL

“This much needed additional investment in ERMA brings additional capacity to a program designed to stabilize the housing and finances of our most vulnerable neighbors. This critical funding will help seniors and people with disabilities stay in their homes and remain connected to community networks and resources.”

Christie Peale

Executive Director, CNYCN



One component of FJC's mission is to inspire more donors to use their philanthropic funds in ways that meet the critical business needs of nonprofits. We welcome the opportunity to work with your donor to arrange a customized solution that works for both the donor and your organization.

For more information, please contact:

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