



Community Home Purchase Process Initiative

**Identifying and Eliminating
Barriers to Home Buying**

(formerly known as the Long Island Home Purchase Process Initiative)



In 1996, representatives from different areas of the real estate and related industries formed the Long Island Home Purchase Process Initiative because they shared the same vision – identifying and eliminating barriers to home buying on Long Island.

The Federal Reserve Bank of New York created the coalition as part of a larger Federal Reserve System project to examine allegations of discrimination in the home buying process. Among the five Federal Reserve Bank projects developed, however, the Long Island Initiative was unique because it was the only one that reviewed a suburban site.

Made up of professionals from the banking, appraisal, community development, real estate brokerage, education, and government sectors, the Initiative's board has deepened its knowledge of its counterparts' housing responsibilities and, at the same time, shared its expertise to produce a wealth of resources that serve potential home buyers.

Thus far, the group has developed an adult education curriculum to teach first time buyers about the home purchase process, printed and distributed consumer education materials, and encouraged New York State to require that appraisers take continuing education courses on fair lending. In 1999, the Initiative merged with an existing nonprofit and is now called the Community Home Purchase Process Initiative.

For its efforts to eliminate the barriers to home ownership on Long Island, the Initiative was recognized by the U.S. Department of Housing and Urban Development with its 1999 "Best Practice Award" in the area of fair housing.

Since it was created, the Community Home Purchase Process Initiative (formerly known as the Long Island Home Purchase Process Initiative) has achieved a number of its goals. This brochure provides a summary of the Initiative's accomplishments and a look at what it hopes to achieve in the years ahead.

Consumer Information

The Initiative's board found that a lack of information regarding the home purchase process is a barrier to home ownership, especially for low- to moderate-income families or those with no family history of owning a home. As a result, the board produced the following educational materials:

Guide to Purchasing a Home

This 45-page booklet, which has been translated into Spanish, breaks down the home buying process into six units and reviews:

the benefits of home ownership;
budgeting for a home;
finding a home;
agreeing on a contract;

financing the home;
title clearance and title insurance, and;
the closing process.

The Initiative's board has distributed over 30,000 copies of the guide at home buying fairs and to libraries on Long Island.

Adult Education Curriculum

The adult education curriculum is based on the "Guide to Purchasing a Home" booklet and is divided into seven units featuring:

financial worksheets;
a sample contract;
articles about home ownership, and;
attachments that explore each aspect of the home purchase process.

The curriculum was successfully piloted in 1999 by the Eastern Suffolk Board of Cooperative Education

Services (BOCES) on Long Island. Beginning in 2000, the curriculum will be used in different educational venues, including English as a Second Language sessions, G.E.D. courses, and educational programs offered by a variety of community groups on Long Island and in other parts of the state.

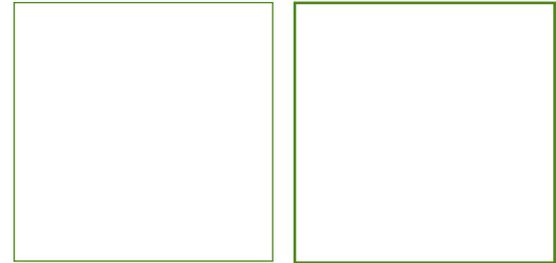
As an added benefit, instructors refer potential home buyers to housing agencies and counselors that can assist them with the home buying process. Already the curriculum is being credited with getting a student into a home.

"I got involved in the Initiative because I don't like the fact that because people are not educated in the home buying process they can be taken advantage of with a higher mortgage rate than they would have been charged had they shopped around. We have achieved a lot, but there is more to accomplish. The Community Home Purchase Process Initiative is a very worthy endeavor and we are making a difference. We would welcome the expertise and involvement of new volunteers." – Michelle DiBenedetto, of Citibank and chair of the Community Home Purchase Process Initiative's board.

Breaking the Barriers to Home Ownership Brochure

The three-fold brochure, which also has been translated into Spanish, identifies how to find:

fair housing resources;
credit rating agencies;
home buying guides;
Web sites that provide home buying tips, and;
local affordable housing programs.



Appraisal Training

In response to a proposal by members of the Initiative's board, the New York State Appraisal Board now requires real estate appraisers to attend a seven and a half hour fair lending seminar as part of their continuing education.

The additional training is designed to address the concern that the potential bias of appraisers could affect property values in low- to moderate-income and minority areas.

Merger with Long Island Thrift Mortgage Initiative

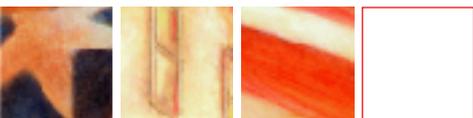
In the fall of 1999, the Long Island Home Purchase Process Initiative merged with the Long Island Thrift Mortgage Initiative, a 501c3 nonprofit agency, to form the Community Home Purchase Process Initiative. The new name reflects the expansion of the coalition's reach beyond Long Island.

The original mission of the Long Island Thrift Mortgage Initiative was to offer thrifts in its consortium an opportunity to review mortgages that other

thrifts had rejected. Such services are no longer necessary now that lenders are conducting extensive internal reviews of mortgages; however, the need to prepare home buyers for the process continues.

The merger has brought with it several benefits. First, the Initiative is now a nonprofit organization, and second, the merger will help the Initiative broaden its base because it brings with it participation from lenders in Brooklyn and Queens.

"The Initiative's greatest achievement has been the development of an educational curriculum that has multiple parts detailing different aspects of the home buying process. For potential home buyers the curriculum helps eliminate the mystery of buying a home." – Roy Garbarino, of Yonkers Savings & Loan Association and Initiative board member.



Board Membership

The Initiative's board counts as members a dedicated group of volunteers from different areas of the real estate and related industries, including the banking, appraisal, community development, real estate brokerage, education, and government sectors.

Board members agree that having input from real estate professionals working in different areas of

the industry has been an asset because it has encouraged creative solutions to housing barriers that might not have developed otherwise.

The Initiative's leadership welcomes the continued participation of its current members and invites representatives from all real estate and related industries who have a commitment to eliminating barriers to home ownership to join its efforts.

Looking Ahead

As part of its strategic plan, the Initiative plans to reconvene old committees such as, education, real estate, Web site, and insurance. In addition, the Initiative will form new committees, which include membership, public relations, expos, and a speakers' bureau.

In the future, the Initiative's committees plan to:

re-examine the housing barriers that were identified when the group was first formed;

work to eliminate the existing barriers;
expand the Initiative's Web site;
hold housing expos for home buyers, and;
target new communities on Long Island and throughout New York State in which to distribute educational materials.

For more information about getting involved with the Community Home Purchase Process Initiative, please call (516) 867-8269.

"The Initiative has almost been like a think tank. It brings people from different professions together. All of us are in the housing area, but we have different views. I come from a social work background, but I am an equal to the representatives from the banks." – Eileen Anderson, of the Community Development Corporation of Long Island (a private, nonprofit, housing agency) and Initiative board member.

"It was difficult being on a cross-industry group at first, but it's a huge benefit because it has enabled new ideas to develop. I've learned a lot from the others. Three years into this I'm amazed and totally encouraged at all that has been accomplished. We are still in existence and still participating, with the greatest achievement being getting people into their own homes." – John Bendick, of John G. Bendick & Associates (an appraisal firm) and Initiative board member.

Board Members

Steve Bush—Apple Savings Bank

Harry Oster—Astoria Federal Savings Bank

Anthony Mancusi—Bank of New York Mortgage Company

Nancy Manfredonia—Central Islip Civic Association

Michelle DiBenedetto—Citibank

Eileen Anderson—Community Development Corporation of Long Island

David E. Cohen—David E. Cohen, P.C.

Noelia March—Dime Savings Bank

Kimberly Teuschler—Emigrant Savings Bank

Elaine Dovas—GreenPoint Bank

Myrna Bryan—Independence Savings Bank

Kathy Duffy—Independence Savings Bank

John Bendick—John G. Bendick & Associates

Martin Murphy—Long Island Staff Development Consortium

Merna Braunshweiger—Maspeth Federal Savings

Stacey Cooper—North Fork Bank

Felice Shapiro—Old Republic National Title Company

Leonard Saltzman—Consultant

Edward O'Brien—Ridgewood Savings Bank

Dan Martin—Roosevelt Savings Bank

Richard J. Murphy—Roslyn National Mortgage Corporation

Joseph Galgano—Roslyn Savings Bank

Robert Kuri—Town of Islip Community Development Agency

Andrew Thaw—Whitman, Thaw & Associates

Roy Garbarino—Yonkers Savings & Loan Association



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