

## UNHP Multifamily Research and Action Center (MFRAC) Report 2023- 2024

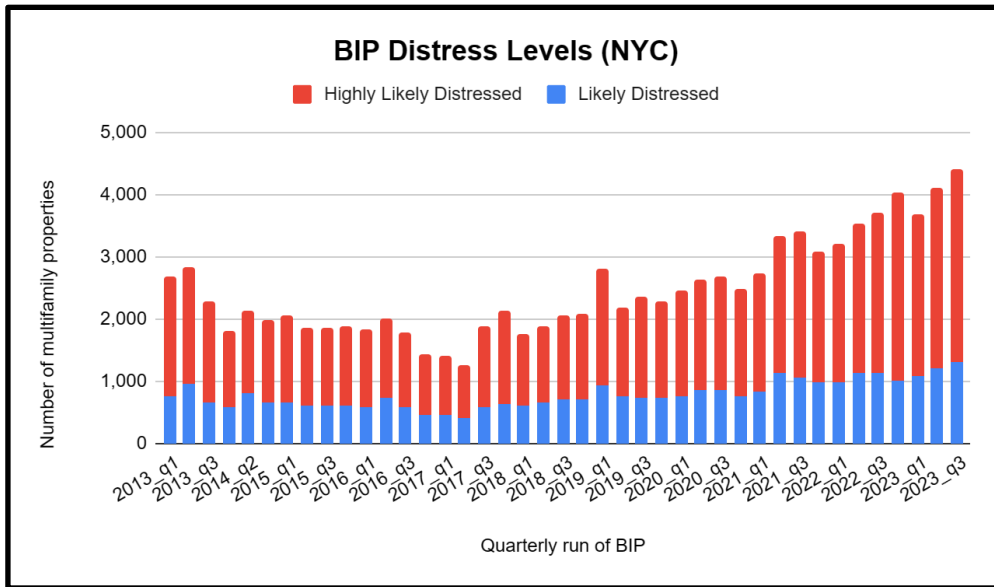
[UNHP's Multifamily Research and Action Center](#) made significant strides in 2023 and 2024 towards our mission-driven work to create and preserve affordable multifamily rental housing in the Bronx and NYC.

- UNHP has continued its [long history](#) of keeping lending institutions responsive to community needs. Following the collapse of Signature Bank, UNHP has been an important part of the conversation around the fate of the Bank's multifamily housing portfolio and the fate of families and individuals that reside in these properties. On April 3rd, U.S. Representative Ritchie Torres (NY-15), a member of the House Financial Services Committee, was joined by Jim Buckley, Brendan Cheney, and Shakti Robbins-Cubas of UNHP and The New York Housing Conference's Rachel Fee, to call on the FDIC to work with local housing officials and organizations to ensure the long-term preservation of the Signature Bank portfolio. The FDIC issued a [press release](#) later in the day announcing the sale of the Signature portfolio and committed "to reach out to state and local government agencies, as well as community-based organizations, to inform them of the FDIC's efforts and to seek their input as the FDIC develops its marketing and disposition strategy."
- In a FDIC [September 2023 press release](#), the regulator recognized their "statutory obligation, among other factors, to maximize the preservation of the availability and affordability of residential real property for low- and moderate-income individuals". To support this obligation, the FDIC placed the rent stabilized or rent controlled loans in one or more joint ventures (JV) with the FDIC retaining a majority equity interest in the JV. In addition, the JV operating agreement will provide certain requirements that facilitate the financial and physical preservation of these loans and underlying collateral. To close out an especially rewarding year in terms of UNHP's long-standing reinvestment and multifamily preservation work the FDIC announced several of the [Joint Venture transactions](#) in December. It is UNHP's hope that this bold move by the FDIC will improve the living conditions for low-income tenants, preserve the long-term affordability of the properties and serve as a model for future distressed buildings. UNHP will remain engaged with tenants, the FDIC, and community organizations, focusing on more than 470 buildings in the Bronx that provide homes for the over 19,500 low to moderate income families.
- The UNHP [Building Indicator Project \(BIP\)](#) has remained relevant and was highlighted in the FDIC Congressional hearings latest [N.Y. Housing Conference newsletter](#). In its current form, BIP has aggregated more than a decade of data for all 70,000+ rental buildings in NYC, tracking more than 120 data-points for each building. BIP also employs a scoring system, developed in collaboration with financial institutions, advocates, property managers, and researchers in order to identify buildings likely or highly likely to be in distress. The BIP database is updated quarterly and includes 47



community organizations and advocacy groups, 7 agencies and 41 financial institutions, and significant bank regulators. UNHP collects and shares the data and information with banking and community group partners to offer training, undertake specific research, and further share information.

- UNHP continued to draw attention towards increasing building distress in the affordable housing market. UNHP tracked changes through 2023 and reported an increase in the distressed and highly



distressed units - a 224 % increase since 2017. Similarly, we witnessed a consistent rise in violations in relation to NYC Housing Preservation and Development (HPD) and Department of Buildings (DOB).

- UNHP

collaborated with organizations for research efforts in affordable housing. One such example is a report entitled [Gambling with Homes, or Investing in Communities](#), written in collaboration with the Local Initiatives Support Corporation. This research employed over a decade of BIP data to identify the effects on speculative housing investments on building quality and tenant stability.

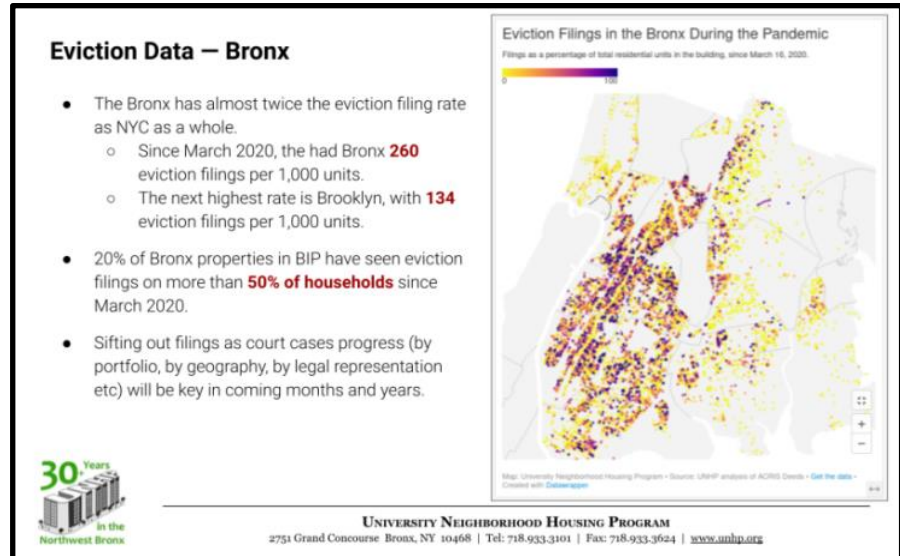
- UNHP also engaged banking BIP subscribers around shared data. We increased our list of BIP subscribers to 58 different community groups and 43 different lenders. In addition to ongoing communications with lenders around the multifamily buildings in their portfolio, UNHP engaged with 35 banking regulators at OCC and FDIC to discuss and advocate for changes in the administration and enforcement of Community Reinvestment Act (CRA) policies.



- The UNHP Board Tour in September of 2023 highlighted upcoming challenges for multifamily properties in our portfolio. Picture right, Jacob Udell, shared an update regarding over-financing multifamily properties. The Wilton, one of the buildings in UNHP's portfolio, was one of the many buildings that were over-financed and later foreclosed on by Freddie Mac in the 90s. The reemergence of Freddie Mac nationwide as an active lender in rental properties creates concern about over-financing and property maintenance with the Government-Sponsored entity (GSE). According to the available data, there are indications that NYC tenants living in GSE-financed rental housing live in worse conditions than the citywide average for properties with active mortgages. The need for responsible investment (not redlining/not speculative

investment) continues to be an underlying issue connected to the lack of decent affordable rental housing for the Bronx and other low-income areas in NYC and nationally.

- UNHP continued to track and utilize expertise in eviction data first made available in 2021 by the NYS Office of Court Administration (OCA). A multi-year collaboration with organizations such as JustFix, ANHD, BetaNYC, and Manhattan BP's office, Right to Counsel, and others, helped us obtain and share this data while protecting its misuse.



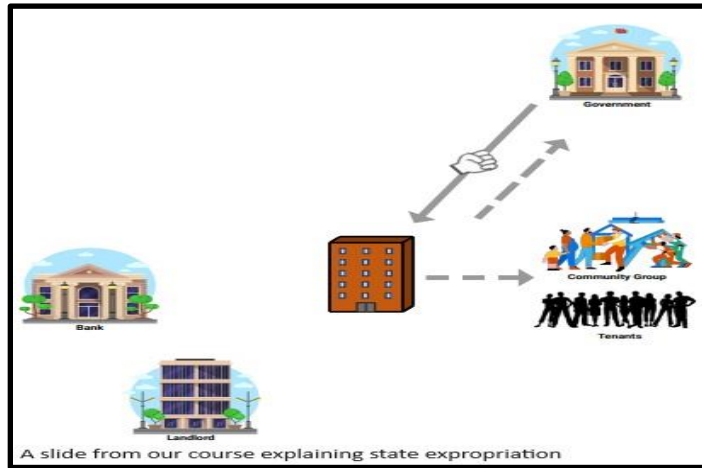
UNHP is one of the few organizations with access to this data that is categorized by geographical zip codes, and is an important indicator of housing stability and the state of NYC's low-income tenants. We further use auto-updating Google Sheets to organize information about eviction filings in the Bronx and estimate the degree of threat of eviction faced by low-income tenants. Bronx tenants are at the highest risk of eviction, with twice the eviction filing rate as all of NYC.

- UNHP has successfully brought the Local Initiatives Support Corporation (LISC) on as a signatory to the OCA data agreement. The national foundation would add capacity for data management. UNHP is collaborating with LISC on a project that includes looking closely at evictions in Government Sponsored Enterprises (GSEs)-financed properties in NYC. Through this initiative we are engaging more than 10 groups and academic institutions from across the country. UNHP is also working with People's Action / Homes Guarantee (PA/HG) on their national campaign for rent regulation in GSE-financed rental properties. providing research and technical assistance, shared data access lessons with group leadership, led the creation of property profiles using data from Freddie Mac and Fannie Mae investor portals, a presentation to over 50 HG tenants and organizers from around the country on how to access GSE data and [gathered property lists](#) for 11 organizing groups around the country. UNHP also helped LISC structure a database to prepare for a number of research projects. Their database will include the UNHP BIP server, OCA eviction data, and the Fannie and Freddie investor portal data.
- In March 2023, UNHP hosted a Bronx Building Operators meeting with 15 for-profit and nonprofit organizations that oversee more than 15,000 units, to discuss issues of Rent Collections, Insurance, Water and Sewer, and Solar incentives. This focus on rising insurance premiums was featured as part of a July 2023 article from the Gothamist entitled [Insurance Companies Routinely Deny NYC Buildings with Subsidized Tenants](#). Our Director of Real Estate, Brendan Mitchell, spoke out against rising insurance costs for rent stabilized buildings and how paying the increased premiums “ just means you're foregoing something else,” Mitchell said. “If you're seeing a 30% increase in insurance, the first thing to go is putting solar panels on your roof. The next thing to go is non-emergency repairs.” UNHP's 2022 report called, [All Roads Lead to Increased Premiums](#) shared the crux of the insurance problem as rates rose 48% from 2018 to 2021 and since 2021 have continued to escalate by 20% in 2022 and again in 2023 seriously jeopardizing that long-term viability of multifamily properties designed to provide housing for low- and moderate-income Bronx residents. Bronx Building Operators

with support from UNHP have explored other insurance models, shared the issue with community development lenders, national housing foundations, local agencies and provided research and data to the NYS Department of Financial Services. UNHP is currently collecting the loss runs from the group of Bronx building operators and working collectively to explore alternative insurance options and collaborating with other groups including, Enterprise Community Partners, ANHD and the Housing Conference.

- In 2023, UNHP launched a new initiative out of our research work, Bronx Housing Research Network (BHRN) focused on using our

research, data and experience to support tenants, organizing efforts and affordable housing creation and preservation. The first work for BHRN was the creation of a short course for the community organizers working with the organizing groups Northwest Bronx Community and Clergy Coalition (NWBCCC), Moms on the Move, and Banana Kelly. This 3-part course explored multifamily finance and how tenant associations



can strategize to acquire their buildings in the context of organizing campaigns. The course ran from March to May 2023 and was well-received by organizers. Our work to empower tenants and community groups with data and research regarding the Signature Bank portfolio as well as our efforts to support community organizing groups nationally by providing data on lending practices of Government sponsored entities (GSE's) is part of this new initiative. In the wake of the collapse of Signature Bank, the BIP has played an important role in providing critical information about the 3,000 multifamily buildings with over 80,000 units with a Signature mortgage to the bank regulator, FDIC, legislators and community organizations with a stake in the preservation of the units for the long-term and in any future loan disposition plan.

- The UNHP [Community Resource Guide](#) (CRG) was updated and relaunched in beta form. It will serve as

a guide to New York City Community Based data through five categories: The Building Indicator Project Guide, Data & Maps, Tenants and Owners, Multifamily housing and research guide, and resources and materials. The information helps individuals understand ACRIS, landlord research, and multifamily finance.



Through this relaunch we have come closer to our goals of increasing the accessibility of information and providing support to those advocating for tenants.

- Developed a Toolkit on Bank Organizing in collaboration with the Equitable Reinvestment Coalition (ERC). This toolkit helps organizers work with or target banks in tenant organizing campaigns. UNHP Research and Data Director