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September 18, 2024

Alexandra Araujo
Grants Coordinator
Albany County Department of Management and Budget
112 State Street, Room 1210
Albany, NY 12207

Dear Ms. Araujo:

I am writing on behalf of the Albany County Land Bank to request a 6-month extension on the grant administered by NYSHCR to allow us additional time to complete the sale of 48 Second Avenue and 50 Second Avenue in the City of Albany. This important investment has encountered some challenges that prevented its completion in the time provided, but I am confident that our team can wrap this up.

The Land Bank successfully rehabilitated these two historic buildings in Albany's South End as affordable homeownership opportunities, yet there have been several challenges in the sales process that have led to this request:

- **Market Conditions:** The current real estate market has presented unique challenges, affecting buyer confidence and financing options. With interest rates remaining high as the Fed seeks to counteract the impact of inflation, the added cost of capital has been a deterrent.
- **Buyer Withdrawals:** We've experienced instances where pre-qualified buyers have lost funding or become hesitant during the contract signing phase, primarily due to the program's necessary restrictions. While buyers can be prequalified, during the underwriting process, circumstances may arise that could not be anticipated or buyers while working with the benefit of an attorney better understand the requirements of the sale.
- **Financing Complexities:** The specific financing requirements of our Affordable Homebuyer Program have led to extended closing processes that under normal conditions can take two to four months to complete.

In response to these challenges, I have directed our team to take certain actions to ensure the successful completion of this grant including the sale of these properties to qualified buyers. These actions include:

- New marketing strategies to reach qualified buyers more effectively, including engaging a real estate agent.
- Enhanced our educational initiatives to better prepare potential buyers for the responsibilities and benefits of the program.
- Strengthened partnerships with local financial institutions to streamline the mortgage approval process.

We believe these measures will significantly improve our ability to sell these properties, and that a 6-month extension, rather than the standard 3-month extension, would be more appropriate for the following reasons:

- Adequate Marketing Time: This will allow us to fully implement and assess the effectiveness of our new marketing strategies.
- Buyer Education and Preparation: Extra time will ensure potential buyers fully understand and are comfortable with the program's requirements and restrictions.
- Closing Process Allowance: Given the complexities of financing in our program, this extension accounts for potentially lengthy closing processes.

We are confident that with these additional six months, we will successfully sell and complete the closing of these buildings. Our team is committed to the goal of providing affordable homeownership opportunities, and we believe this extension will allow us to fulfill this mission more effectively.

Thank you for your continued support of our efforts to promote affordable homeownership in Albany County.

Regards,

A handwritten signature in black ink, appearing to read "Sean M. Maguire", written in a cursive style.

Sean M. Maguire, AICP CECd
Executive Director