



# **NEW YORKERS FOR RESPONSIBLE LENDING**

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## **NEWS RELEASE**

**For immediate release:**

Thursday, November 19, 2009

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### **NYS RESPONSIBLE LENDING COALITION PRAISES GOVERNOR AND LEGISLATURE FOR TIMELY PASSAGE OF FORECLOSURE PREVENTION BILL**

#### **New Law Will Decrease Foreclosures, Protect Tenants, and Reduce Blight**

New Yorkers for Responsible Lending, a statewide coalition of 149 non-profit groups, hailed swift action by the New York State Legislature, which passed landmark legislation on Monday that will help reduce foreclosures; protect tenants in foreclosed properties; and relieve local governments from maintaining properties when foreclosures occur.

The legislation, presented by Governor David A. Paterson, keeps New York State at the national forefront in addressing the foreclosure crisis. Upon the bill's signing, New York will become the first state in the nation to provide for mandatory settlement conferences for all homeowners in foreclosure.

“The new law will go a long way toward reducing foreclosures in New York State, by giving all homeowners a fair shake in the foreclosure process, and by directing all homeowners in default on their mortgages to non-profit assistance early in the process,” said Kirsten Keefe of the Empire Justice Center.

“Tenants have been caught in the crosshairs of the foreclosure crisis, and many have been displaced due to a lack of protection in the process,” said Josh Zinner, co-director of NEDAP. “The new law provides vital protections by ensuring that tenants have the right to remain in their homes after a foreclosure for the term of their leases, or for at least 90 days from notice after a foreclosure sale.”

The law also requires that foreclosing banks maintain properties that have been abandoned. “This provision will deter lenders from allowing properties in foreclosure to fall into disrepair, and will help prevent neighborhood deterioration and subsequent loss of housing values for entire communities,” said Kathleen Lynch, staff attorney with the Western New York Law Center in Buffalo.

“Older homeowners have been hit hard by the mortgage crisis. Unfortunately, when older people lose their homes, it is a financial loss from which many will not recover,” said Lois Aronstein, AARP New York State Director. “This legislation will not only help older New Yorkers but all homeowners in this state.”

According to the second quarter 2009 data, more than 239,000 New Yorkers were past due on their mortgages. Communities across the state have been heavily impacted by the foreclosure crisis, with Queens, Nassau and Suffolk Counties the three hardest hit counties in the state.

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