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Solutions! McMahon Hosts Foreclosure Prevention Forum

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BAY RIDGE — The auditorium in Fort Hamilton High School was not packed by throngs of worried homeowners fearing the loss of their homes, but the information provided by a panel of Brooklyn based services was very helpful.

“It gave me hope,” said a smiling homeowner from Dyker Heights, one of a handful of concerned homeowners attending a Brooklyn Foreclosure Prevention Forum on Monday evening. Forum leader and host Congressman Michael McMahon said, “The problem may not be as severe in this neighborhood, but other Brooklyn communities are having severe problems.”

The first priority for homeowners with mortgage defaults is not to panic but to go to the right place for help, often for free or at low cost. “If you get a foreclosure notice, immediately reach out for help. If you get a summons and a complaint, act right away,” said staff attorney Jennifer Sinton of South Brooklyn Legal Services (www.sbls.org 718-237-5500) based at 105 Court St.

“There is no need to pay for these easily available services,” she said, telling of the decade-old SBLS Foreclosure Prevention Project and its work on stopping predator lenders. The SBLS holds free foreclosure prevention clinics every Tuesday and Thursday from 10 a.m. to 1 p.m. at the Kings County Supreme Court building for people with pending settlement conferences.

Quick action with the right people is critical, said Sinton, who warned of two dangers. “Chapter 13 bankruptcy is not a solution for most people. Refinancing is generally not a solution.” She and the congressman warned of skyrocketing scams.

Scams are widespread on TV, radio, the Internet and in mail, noted Manuel Alvarado, HUD operations specialist, and the FBI is investigating more than 2,000 foreclosure scams. Sinton said, “A lot of solutions out there are deceptive. They look like they come from HUD or your lender.”

Foreclosure Upsurge

Nationally, foreclosures surged since 2006 from over 100,000 to nearly 700,000 late in 2008 and have since stayed at that level, according to foreclosure.com, as reported in The New York Times on Monday. A foreclosure patterns map for Brooklyn from 2008, handed out at the Bay Ridge forum, showed the neighborhoods most affected by mortgage defaults.

Bay Ridge had 29 reported and Dyker Heights had 14. The pattern was similar throughout southern Brooklyn, according to the citywide Neighborhood Economic Development Advocacy Project (NEDAP) map. Brooklyn Heights had one foreclosure.

However, the foreclosure devastation was most evident in central and eastern Brooklyn. Mortgage defaults were in the hundreds in Bedford-Stuyvesant, Brownsville, Crown Heights, East New York, East Flatbush, Canarsie and Flatbush.

In the center of the foreclosure storm with help is the nonprofit Neighborhood Housing Services of East Flatbush, Inc. (www.nhsnyc.org and 718-469-4679) at 2806 Church Ave., with several resource people at the forum.

“We offer regular free seminars and counseling,” said Tyrone McDonald, NHS marketing coordinator. “We work with the community development resources of banks and offer a homeownership program.” In January, NHS launched its “Keep Your Home, Keep Your Loan” Foreclosure Prevention Assistance Campaign,

Angella Davidson, NHS foreclosure prevention program coordinator, told of free foreclosure prevention seminars held every Tuesday at 2 p.m. and on the third Thursday of every month at 6 p.m. “We see where you are with your home and take you through the whole process.”

From HUD came Operations Specialist Manuel Alvarado, giving the background that led to the crisis. “You cannot put people making less than \$100,000 a year into buying a half-a-million dollar house,” he said of past practices. Through Freddie Mac and Fannie Mae there are ways, he said, of “encouraging banks to reduce their interest rates.”

The best national online resource, Alvarado said, is www.makinghomesaffordable.com. Another free service is the Center for NYC Neighborhoods (www.cnycn.org) at 311 or (646) 786-0888 to help people at risk of losing their homes.

Congressman McMahon expressed optimism about President Obama’s foreclosure plan for workable solutions and as a way out of the present crisis. He added, “A sign that the recession is ending will be when the housing market improves.”

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