



NEW YORKERS FOR RESPONSIBLE LENDING

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STATEWIDE COALITION TESTIFIES IN SUPPORT OF GOVERNOR PATERSON'S BILL TO ADDRESS NEW YORK STATE FORECLOSURE CRISIS

Statement by New Yorkers For Responsible Lending

At a New York State Senate Banks Committee hearing today, members of New Yorkers for Responsible Lending (NYRL) stated their strong support for Governor Paterson's legislation to address the New York's foreclosure crisis.

NYRL members from around the state testified that the Governor's bill provides a strong, comprehensive framework that would protect New York homeowners, curb abuses in the subprime market, and help prevent foreclosures. NYRL underscored the urgent need for the Governor and Legislature to pass responsible lending legislation before the end of the legislative session.

NYRL members also called on the Governor and Legislature to make several key changes to the bill to ensure its effectiveness and strengthen protections for borrowers.

Recent abuses in the subprime market have been exacerbated by the proliferation of exploding adjustable rate mortgages, and an array of other unaffordable mortgages products which will only lead to even higher rates of mortgage defaults in the next two years. If the foreclosure crisis is not addressed effectively it will undoubtedly continue to have great negative impacts on the New York's economy.

Without the passage of strong legislation, the high rates of default and foreclosure will continue now and in the future and cause the displacement of families and the destabilization of neighborhoods throughout the State.

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New Yorkers for Responsible Lending (NYRL) is a state-wide coalition established in 2000 to promote access to fair and affordable financial services and the preservation of assets for all New Yorkers and their communities. NYRL is committed to fighting predatory practices in the financial services industry through policy reform, education and outreach, research and direct services. NYRL's 139 members represent community financial institutions, community-based organizations, affordable housing and first-time homebuyer groups, advocates for seniors, legal services organizations, and community reinvestment, fair lending, and consumer advocacy groups.