



NEW YORK STATE SENATOR

Jeffrey D. Klein

## Senators Stewart-cousins And Klein Sponsor Public Forum On Predatory Lending

JEFFREY D. KLEIN July 30, 2007



In the second of several state wide public hearings on predatory lending practices, which have exploded across the Metro area causing thousands to loose their homes, Senator Andrea Stewart-Cousins (D-Yonkers) and Senator Jeff Klein (D-Bronx/Westchester) were joined by their colleague Senator Diane Savino (D-Staten Island/Brooklyn); Richard Neiman, Superintendent of the New York State Department of Banking; Lorraine Cortés-Vázquez, New York Secretary of State; Michael D. Mitchell, Esq., Vice President of Fair Lending at the

National Community Reinvestment Coalition; Tim Idoni, Westchester County Clerk to hear testimony from a variety of witnesses including; Samuel Bornstein, Professor of Accounting at Keane University, Westchester County Legislator Lois Bronz, mortgage brokers and victims of predatory lending practices among others.

In some cases, sub-prime borrowers are drawn in by a low introductory rate, which then sharply increases within a few years, making it difficult if not impossible to keep up with monthly payments. Unless they can refinance their loan or sell the house, the borrower can lose their home to foreclosure.

**HALT** Task Force, created in March, to address the crisis in the sub-prime mortgage market.

Staten Island, due to lowered interest rates and tax abatement programs, rates for first time homebuyers have skyrocketed over the last ten years, the highest in history. The bad news is that far too many are victims of predatory lenders who