



NEW YORK STATE SENATOR

Brian X. Foley

Senator Foley Hosts Second Successful Foreclosure Prevention Event

BRIAN X. FOLEY May 13, 2010

| ISSUE: **BANKS, FORECLOSURE**

| COMMITTEE: **BANKS**



On Saturday, May 1st, State Senator Brian X. Foley (D – Blue Point) hosted a major foreclosure prevention event in Mastic Beach that helped hundreds of homeowners facing home foreclosure. The event, modeled after a similar one held last November in Central Islip, featured major lenders who conducted one-on-one conferences with homeowners and worked towards loan modifications as an alternative to foreclosures.

“The home foreclosure crisis continues to affect thousands of Suffolk County residents,” said Senator Brian X. Foley. “The foreclosure prevention event is an opportunity to provide direct help to homeowners in danger of losing their homes,” said Senator Foley, who chairs the Senate Banking Committee.

For just about every attendee, this event was the first opportunity to meet one-on-one with their lender and attempt to secure a loan modification. Lenders present at the event included Citi, American Home Mortgage Servicing, Bank of America, Chase, GMAC, Ocwen, One West (Indy Mac), and Wells Fargo.

In addition to meetings with their mortgage lenders, constituents were offered free counseling from non-profit housing and support groups including the CDC of Long Island, Community Action Partnership, Long Island Housing Partnership, and Long Island Housing Services.

The foreclosure prevention event comes on the heels of the passage of major foreclosure legislation championed by Senator Foley. Just last month, a new provision in housing law went into effect requiring banks to maintain property that has been foreclosed; a step that will help stabilize neighborhoods and protect communities facing the brunt of the foreclosure crisis. In addition, measures in foreclosure protection legislation (S. 66007) that Senator Foley has helped pass include:

- Safeguarding Distressed Homeowners: Requires that lenders and mortgage servicers provide a foreclosure notice to all distressed borrowers at least 90 days before any legal action may be commenced.
- Expansion of Mandatory Settlement Conference: Expands the number of borrowers who are eligible to receive the benefit of this settlement conference to holders of all types of

home loans for a period of five years. Also requires litigants to negotiate in good faith to try to reach a mutually agreeable resolution.

- Protecting Distressed Homeowners from Rescue Scams: Precludes and licensees or registrants from accepting up-front fees in connection with performing the business of distressed property consulting. Additionally, this provides a mortgage broker with three days to disclose the exact amount and methodology of total compensation that the broker will receive.

“The foreclosure protection measures we have enacted will help homeowners in Suffolk County and throughout New York State,” said Senator Foley. “Together, we must continue to work towards helping homeowners and protecting their American Dream of homeownership.”