



NEW YORK STATE SENATOR

Jeffrey D. Klein

Senate Democrats, Nys Banking Department And Financial Institutions Join Forces To Help New York Borrowers Protect Their Homes

JEFFREY D. KLEIN February 10, 2008

NEW YORK - Thousands of New York homeowners will be able to have their loans reviewed by bank and mortgage servicing company representatives, during “Operation Protect Your Home.” The series of forums, which begins in the Bronx on February 23, is a joint effort between the New York State Senate Democratic Conference, the New York State Banking Department, and various lending institutions. The events are intended to assist borrowers who may be struggling to make mortgage payments or who are at risk of defaulting on their mortgage.

More than 20,000 letters have been sent to homeowners at risk of foreclosure, inviting them to participate in a forum in their respective boroughs. The letter is signed by their Democratic Senators and Richard H. Neiman, Banking Department Superintendent.

Neiman commended the participating financial institutions for their commitment and dedication to working together with local government and non-profit agencies on addressing the crisis in a way that benefits all parties involved. “However, the success of the servicers will be measured on their ability to avoid unnecessary foreclosures and to provide meaningful loan modifications that create sustainable and affordable mortgage solutions for borrowers,” Neiman said.

“These forums complement the ongoing multi-state initiative that encourages a more systemic approach to loan modifications and calls on servicers to provide data to support the stated impact of their modification efforts,” Neiman concluded.

At the workshops, mortgage lenders and counselors will work with individual borrowers on identifying potential ways of preventing unnecessary foreclosures. The meetings are free and open to the public. However, invited borrowers whose mortgages are scheduled to reset or borrowers who are already late on

their payments will have priority.

This past summer, the Democratic Conference worked diligently to confront the foreclosure crisis by conducting a series of hearings throughout the City and State to help homeowners avoid losing their homes. In October, Deputy Minority Leader Jeff Klein (D-Bronx/Westchester) released an analysis giving a clear picture of the magnitude of the foreclosure disaster in New York State. The report revealed that from July 2006 to July 2007 there have been 14,561 foreclosure filings in New York City alone and an additional 5,168 in Westchester and Nassau County. On January 29 of this year, national statistics released by Realty Trac revealed that the number of U.S. homes that slipped into some stage of foreclosure in 2007 was 79% higher than in the previous year.

"We've identified the borrowers and it's now up to the banks to restore faith in the American Dream," Klein said. "I am proud that we've been able to work with our partners in the private sector, to provide New Yorkers with the resources they need to keep them in their homes and out of foreclosure. We will not permit innocent families to sink further into the sands of hopelessness. Help is here." Klein continued.

Participating lenders include Carrington Mortgage Services, Chase, Citigroup, EMC Mortgages, Home Loan Services, Home Eq, HSBC Finance, Litton Loans, Ocwen Financial, Option One Mortgages, GMAC, Saxon, Washington Mutual, Wells Fargo, and Wilshire. Additional lenders have been contacted and may participate.

The list of counseling institutions includes Neighborhood Housing Services, Neighbor Works, NEDAP (Neighborhood Economic Development Advocacy Project), ACORN, Hope Alliance, the NYC Commission on Human Rights and other local counseling agencies. In addition, representatives from Legal Services and other legal organizations will be present.

Operation Protect Your Home is co-sponsored by Senator Charles Schumer (D-New York), New York State Comptroller Thomas DiNapoli, New York City Comptroller William Thompson, New York City Council Speaker Christine Quinn, the Black, Puerto Rican and Hispanic Legislative Caucus, Inc., and the NAACP National.

New York City Comptroller William C. Thompson, Jr. said: "As more and more New Yorkers are facing potential foreclosures, we as a city cannot afford to sit on the sidelines and do nothing. By sponsoring the "Operation Protect Your Home" forums, we are taking action and letting New Yorkers know that there are places that offer both help and hope. Together we can ensure that the dream of home ownership does not become the nightmare of foreclosure."