



NEW YORK STATE SENATOR

Frank Padavan

Padavan and Brennan Call For Action On Bill To Help Homeowners Facing Foreclosure

FRANK PADAVAN March 6, 2008

New York State Senator Frank Padavan (Queens) and Assemblymember Jim Brennan today called for swift action on their mortgage foreclosure moratorium legislation in the State Legislature. Brooklyn Borough President Marty Markowitz and Executive Director of ACORN, Bertha Lewis along with numerous state lawmakers joined with Padavan and Brennan in support of this important legislation on the steps of Brooklyn Borough Hall.

The bipartisan legislation was introduced at the beginning of the legislative session in January.

The Padavan/Brennan bill would impose up to a one year moratorium on court-ordered mortgage foreclosures. Under the legislation, the court must require that at-risk homeowners provide a minimum payment that would be fair and equitable and would not alter the financial position of all parties involved.

"Owning and maintaining a home is the foundation of the American dream," Senator Frank Padavan said. "For many that dream is becoming a nightmare with the startling rise in home foreclosures throughout New York City and the state. The legislation we are presenting today will give at-risk homeowners an opportunity to get out from under the tidal wave that

has become the subprime mortgage foreclosure crisis. It is imperative to act on this common-sense legislation immediately in order to provide peace of mind to at-risk homeowners and help restore stability in the local housing market and strengthen the health of our economy,”

“We owe the protection of this bill to the people we represent. The current crisis is the result of greed, deceptive lending practices, and a government that has reneged on its responsibility to regulate banking practices. We are all hurt by the predatory practices that led us to this perilous position,” said Assemblymember Brennan.

Queens and Brooklyn have been the hardest hit boroughs in New York City in the growing subprime mortgage foreclosure crisis. According to RealtyTrac, a real estate industry website, there were 59,000 foreclosure filings throughout New York state in 2007. Recently, RealtyTrac released a report that indicated there were 2,172 foreclosures in New York City in January 2008. Queens was the hardest hit borough with 985 foreclosure filings, an increase of 28 percent from December 2007. In Brooklyn, there were 644 foreclosure filings in the first month of 2008 representing an increase of 11 percent from end of 2007.

“Every day a new report is issued indicating the deepening of the subprime mortgage crisis,” Padavan said. “With adjustable rates on subprime mortgages constantly increasing, this crisis has no near end in sight. While the City, state and federal governments have taken steps to address this crisis, it’s clear with each passing day that the State Legislature must act quickly on this legislation and help at-risk homeowners continue the dream of owning a home.”