



NEW YORK STATE SENATOR

Antoine M. Thompson

Senate Bill Guaranteeing Protections for Tenants of Foreclosed Buildings Signed into Law. "Senator Thompson: Prior Law Allowed Tenants to be Forced from Homes without Notice."

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Senator Thompson: Prior Law Allowed Tenants to be Forced from Homes without Notice

(Buffalo, NY) Senator Antoine M. Thompson (D- Parts of Erie and Niagara counties) announced that a new law guaranteeing greater protections (S7139) for tenants of buildings in foreclosure has been signed into law. Under the Senate's new law, rent-regulated tenants are now required to receive a notice of their housing rights, along with a notice of the building owner's foreclosure. The bill takes effect 30 days from the date of signing.

A review of the state's prior notification requirement for renters revealed that existing law failed to effectively communicate to rent-controlled and rent-stabilized tenants that their housing rights are unaffected by a foreclosure proceeding.

"This is a significant victory for rent regulated and stabilized tenants, setting up a fairer and more understandable system," said Senator Thompson. "Tenants should not automatically

assume they have to leave because their building is under foreclosure. This bill ensures all tenants are prepared with the appropriate information about their rights.”

To empower tenants and curb misleading behavior, this law also requires the foreclosing entity to provide a name, address and phone number on the notice so affected parties know who they are receiving information from and can contact for additional questions and concerns; previously, tenants had great difficulty accessing this information.

The senator noted that most non-regulated or stabilized tenants with leases may potentially stay in their dwelling for the remainder of the lease term, despite foreclosure. Rent-stabilized tenants and rent-controlled tenants are protected with respect to eviction and lease renewals, and their rights are unaffected by a building entering foreclosure status.

The legislation is the latest in the Majority’s efforts to curb foreclosures and their adverse effects on residents of New York, while also empowering people to remain in their homes. Starting in 2007, Senate Democrats began a comprehensive statewide initiative to help thousands of struggling homeowners refinance their properties to avoid foreclosure. In the last two years, the Majority has passed several bills, including S7798A, which empowers homeowners to take action against lenders who fail to enter into good-faith foreclosure negotiations, as well as legislation helping members of the armed forces avoid the foreclosure process while serving our country.

Senator Thompson has been on the forefront in aiding homeowners maintain their properties in the midst of an economy that has left so many homeowners struggling to keep their homes. Four years running, he has sponsored home foreclosure prevention workshops called “Operation Protect Your Home”. Homeowners struggling to keep up with mortgage payments meet face to face with major lenders to arrange new payment plans, free of charge. To date, hundreds of homeowners have attended, and 150 homeowners have

received the help they needed to modify their mortgages as a result of the workshops.

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