



NEW YORK STATE SENATOR

Jeffrey D. Klein

Klein Calls for Action to Renew Funding for Foreclosure Prevention Services

JEFFREY D. KLEIN March 18, 2011

| ISSUE: **BANKS, HOUSING, FORECLOSURE, LOANS**



Elected Officials and Foreclosure Prevention Providers push for immediate action in the 2012 Executive Budget

BRONX, NY – State Senator Jeff Klein (D- Bronx/ Westchester) and Senator Gustavo Rivera (D-Bronx) joined Foreclosure Prevention Providers at the Bronx County Courthouse on Friday to call for the renewal of funds for the Foreclosure Prevention Services Program in

the 2012 Executive Budget.

Funding for the program, which provides access to housing counselors and legal assistance, is scheduled to run out December 31st, 2011. This funding directly affects more than 120 community organizations and foreclosure prevention services as well as more than 43,000 homes in New York State.

Currently, there are 3,447 loans in foreclosure in Bronx County, which is ranked 9th overall in number of pre-foreclosure notices sent out and 2nd in New York State for percentage of mortgages in default in the county

“More than a year ago, we fought for laws that would make settlement conferences available for all homeowners facing foreclosure, so that New Yorkers would be able to sit down with their bank and find a way to stay in their home. Legal assistance programs and foreclosure counseling programs are a key component to this legislation and it is imperative we include funding in this year’s budget to make sure these programs survive,” said Senator Jeff Klein (D-Bronx/ Westchester).

"We know the foreclosure crisis isn't over because our neighbors, family and friends are feeling squeezed and struggle with issues of foreclosure every day in the Bronx. But if that weren't enough, experts are telling us that we are only one third of the way through the foreclosure crisis. It is irresponsible to cut funding for successful foreclosure prevention programs serving tens of thousands of families throughout New York. I stand with my colleagues from the Senate in asking our fellow legislators to fund foreclosure prevention and to prevent the interruption of these critical services throughout our state," said Senator Gustavo Rivera (D-Bronx).

“The loss of this critical state funding would force many programs to shut down, and others to substantially reduce services, leaving homeowners without advocates in the bewildering foreclosure process. Without this funding many homeowners will be unable to obtain an affordable loan modification or will needlessly lose their homes to foreclosure. The critical homeowner protections established over the past two years, like 90-day notices and settlement conferences, will be rendered meaningless without foreclosure defense attorneys,” said Justin Haines, Director of the Foreclosure Prevention Unit with Legal Services NYC – Bronx.

“With 80,000 pending foreclosure actions, this is not the right time to step away from foreclosure prevention services in New York State,” said Michael Hickey, Executive Director of the Center for NYC Neighborhoods. “I want to thank Senator Klein for his commitment and leadership on this issue, and I can only hope that his Senate colleagues will follow his example to insure funding is restored to help our neighbors keep their homes.”

* * *