

Update

August 2016

Class Action Lawsuit Challenges HUD’s Discriminatory Note Sale Program

Represented by MFY and Emery, Celli, Brinckerhoff & Abady LLP, African-American homeowners whose government-insured mortgages were auctioned by the U.S. Department of Housing & Urban Development (HUD) to the highest bidder [filed a class action lawsuit](http://www.mfy.org/wp-content/uploads/HUD-Case-Press-Release-FINAL.pdf) on August 15, 2016 in federal court, exposing the discriminatory impact of HUD’s Note Sale Program, compelling HUD to review the disparate racial impact of the Program and demanding that HUD give notice – and an opportunity to be heard – before any future Note Sales are conducted. [Read complaint](http://www.mfy.org/wp-content/uploads/Complaint-Washington-et-al-v.-HUD-et-al..pdf). [Read NY Times article.](http://www.nytimes.com/2016/08/15/nyregion/sale-of-federal-mortgages-to-investors-puts-greater-burden-on-blacks-suit-says.html?ref=business&_r=0)

MFY Restores Housing for Hospitalized Tenant after Landlord Locked Him Out

When Mr. R, a Bronx tenant who had a housing benefit from the city’s program for people with HIV/AIDS, was hospitalized, his landlord rented his apartment to another tenant while continuing to collect Mr. R’s housing allowance from the city. When Mr. R returned to find someone else living in his home, he contacted MFY. At a hearing, MFY Staff Attorney Andrew Darcy convinced the judge to restore Mr. R to possession. The judge went a step further, affirming that Mr. R can seek damages in Civil Court.

Environmental Justice Campaign Will Launch in September

MFY is partnering with New York Lawyers for the Public Interest (NYLPI) to launch ***Green Homes: The Pollution Will Not Be Televised***, a campaign to educate Bronx tenants on environmental hazards in the home, especially those that affect tenants’ health. The campaign will kick off with a forum on September 22, 2016 at the Bronx Library Center, also co-sponsored by State Senator Gustavo Rivera.

Carolyn Coffey and Montel Cherry to Be Honored

Carolyn Coffey, MFY’s Director of Litigation for Economic Justice, will receive a 2016 “Rising Star” award from the Partners Council of the National Consumer Law Center at its Consumer Rights Litigation Conference in October. Ms. Coffey led MFY’s multi-year effort to win a $59 million settlement for consumers who were victimized by abusive debt collectors. Montel Cherry, who supervises MFY’s practices in government benefits, immigration and our medical-legal partnership for children with mental illness, will be honored by the New York County Lawyers Association on September 15, 2016 for leadership on disability issues and in promoting the rights of LGBTQ New Yorkers.

MFY in the News . . .

MFY’s class action lawsuit against HUD is receiving widespread attention in the press, with articles in [The Real Deal](http://therealdeal.com/2016/08/15/nonprofit-sues-federal-government-lone-star-over-mortgage-foreclosures/), [DS News](http://www.dsnews.com/daily-dose/08-16-2016/foreclosure-victims-allege-discrimination), [National Mortgage Professional](http://nationalmortgageprofessional.com/news/59882/lawsuit-alleges-racial-bias-note-sale-program), [Nonprofit Quarterly](https://nonprofitquarterly.org/2016/08/19/racial-bias-or-wall-street-greed-the-new-role-of-private-investment-firms-in-federal-housing/), [NY Law Journal](http://www.newyorklawjournal.com/home/id=1202765597094/Lawsuit-Challenges-HUDs-Mortgage-Note-Sales?mcode=1202615069279&curindex=3&slreturn=20160722094145), [ABA Journal](http://www.newyorklawjournal.com/home/id=1202765597094/Lawsuit-Challenges-HUDs-Mortgage-Note-Sales?mcode=1202615069279&curindex=3&slreturn=20160722094145), [Mortgage News Daily](http://www.mortgagenewsdaily.com/channels/pipelinepress/08232016-underwriter-pay.aspx) and others.

The [New York Times’](http://www.nytimes.com/2016/08/17/nyregion/new-york-housing-tenant-blacklist.html) recent article on the tenant blacklist profiles one of MFY’s clients.

The [New York Law Journal](http://www.newyorklawjournal.com/state-court-decisions/id=1202765661912/1802-Associates-LP-v-Arias-LT-5304616?mcode=1202615036338&curindex=43) profiled the decision in *1802 Associates LP v Arias*, in which Staff Attorney Ariana Marmora successfully argued on behalf of an elderly rent-regulated tenant in an eviction holdover case.

Staff Attorney Natalie Webb appeared on [cable TV’s Bronx Talk](http://bronxnet.org/tv/bronxtalk/7857-bronxtalk-08-08-16), discussing the challenges faced by tenants in that borough.

Maia Goodell, Supervising Attorney of MFY’s Workplace Justice Practice, participated in an ABA panel on [Navigating Successful Pro Bono Partnerships](http://www.americanbar.org/content/dam/aba/multimedia/litigation/roundtables/081816_navigating_successful_pro_bono_partnerships_civil_right.mp3).