

New York Law Journal



VOLUME 245—NO. 57 | \$3.00

WWW.NYLJ.COM

FRIDAY, MARCH 25, 2011

An ALM Publication

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Letters to the Editor

Foreclosure Prevention Funds Still Necessary

The News in Brief item regarding New York State Comptroller Thomas DiNapoli's recent report on foreclosures in New York City misses the mark and obscures the second wave of foreclosures that will hit New York City by the end of this year "Report Charts Statewide Drop in Foreclosure Filings," (NYLJ March 22). The anomalous decrease in foreclosure filings in New York City is solely attributable to Chief Judge Jonathan Lippman's October 2010 requirement that plaintiff's counsel submit an affirmation verifying the accuracy of its

foreclosure filings or be subject to sanctions (see http://www.courts.state.ny.us/press/pr2010_12.shtml).

The New York University Furman Center for Real Estate & Urban Policy, which tracks the number of notices of pendency filed in New York City in its quarterly housing update, showed a steady increase in foreclosure filings in the first three quarters of 2010 (see <http://furmancenter.org/>). However, the number of filings in the fourth quarter of 2010, when the affirmation requirement went into effect, saw a 30 percent decrease.

Two hundred fifty thousand pre-foreclosure notices were sent to delinquent homeowners in New York State in 2010, yet only 14,253 foreclosures

were filed. This discrepancy presages that as soon as bank attorneys figure out a strategy to deal with the affirmation requirement, foreclosures will be filed at an unprecedented pace. This inevitable wave of new foreclosure filings is just one of the many reasons it is imperative that the Legislature renew the \$15 million in foreclosure prevention services funding for legal services attorneys and housing counselors who fight to keep families in their homes. Without such funding, homeowners will be left completely vulnerable to an arcane system that is already skewed too much in favor of the banks.

Elizabeth M. Lynch

The author is staff attorney with MFY Legal Services