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MFY Legal Services Will Continue Lawsuit Against Steven J. Baum, PC

MFY Will Monitor Other Firms' Compliance with Foreclosure Rules

NEW YORK, NY, November 23, 2011—MFY Legal Services, Inc. announced that it will continue its class action lawsuit against Steven J. Baum, PC, and on November 18, 2011 MFY amended its complaint to add Steven J. Baum as a defendant in his personal capacity. The suit, which MFY filed on August 4, 2011 together with Harwood Feffer LLP, charges unfair debt collection and deceptive practices in filing thousands of foreclosure lawsuits.

"Homeowners are still bearing the brunt of the Baum firm's duplications practices," said Elise Brown, MFY's deputy director and supervisor of its foreclosure defense unit. "Their cases remain in limbo in the court system because Baum attorneys have not filed affirmations attesting to the accuracy of the paperwork. Without the affirmation, fees and interest pile up and the case can't proceed to the settlement part where homeowners have their best chance of securing a loan modification that will save their homes."

MFY will pursue claims against the firm and Steven J. Baum personally to recover the maximum amount of money damages possible for distressed homeowners.

"We will be carefully monitoring the practices of other firms that may increase their foreclosure docket as a result of the Baum firm's imminent closure," said MFY staff attorney Elizabeth M. Lynch. "The Baum firm is not the only firm that has failed to comply with court rules requiring attorneys to affirm the accuracy of the documents they file. We hope that all firms involved in foreclosure work will play by the rules going forward."

"After the robo-signing crisis, the courts gave homeowners a lifeline by requiring that attorneys attest to the accuracy of paperwork. But that lifeline is severed when attorneys file cases without the affirmation," said MFY senior attorney Adam Cohen. "We hope the Office of Court Administration will take steps to ensure that foreclosure firms are complying with court rules so that homeowners sued in foreclosure have access to settlement conferences with judicial oversight."

MFY Legal Services, Inc. is a not-profit organization providing free civil legal services to low-income New Yorkers in the areas of housing, foreclosure, public benefits, consumer, employment, civil and disability rights, and family law.