

SUSPENSION

A RESOLUTION TO BE SUBMITTED BY LEGISLATOR LORIGO

Re: Support for Reform of NYS Foreclosure Requirements

WHEREAS, over the past several years Western New York has seen its fair share of foreclosures, which occasionally become stuck in the foreclosure process for extended periods of time; and

WHEREAS, foreclosures often impact the lives of more than just the homeowners, since many times homes in foreclosure become vacant early in the process, thereby leaving the mortgage company pursuing the foreclosure action responsible to maintain said properties; and

WHEREAS, property values tend to decrease in surrounding neighborhoods when there is a vacant home, regardless of whether the property is in the foreclosure process or not; and

WHEREAS, the longer a property remains in the foreclosure process, the more often the neighboring homeowners will struggle with a multitude of issues, such as an unattended home becoming a danger to children, a potential place for vagrants and squatters to move in without fear of eviction, as well as unkempt landscaping leading to an increase in unwanted wildlife during the summer months and obstructed sidewalks during the winter months; and

WHEREAS, Assembly Bill A4152-2015 seeks to increase the responsibility of foreclosure plaintiffs, most often large banks holding the mortgage, to maintain properties they hold in foreclosure using a good faith effort to maintain the home until such time as the foreclosure proceeding is completed or the property ownership is transferred; and

WHEREAS, Assembly Bill A4842-2015 furthers the goal of requiring better upkeep of houses in foreclosure by requiring the foreclosing party to disclose contact information for an employee or agent who is responsible for the maintenance of the foreclosed property; and

WHEREAS, each of these bills will help property owners across Erie County and New York State protect the value of their homes by lessening the impact of neighboring homes that are in foreclosure, while ensuring that banks that have started the foreclosure process do not neglect their responsibility to maintain the real property they hold.

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NOW, THEREFORE, BE IT

RESOLVED, that this honorable body hereby supports Assembly Bills 4152-2015 and 4842-2015 and urges the New York State Senate to do the same; and, be it further

RESOLVED, that certified copies of this resolution be sent to the Western New York Delegation for the New York State Senate and Assembly, the Governor of the State of New York, and all parties deemed necessary and proper.

Fiscal Impact: None

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STATE OF NEW YORK

4152

2015-2016 Regular Sessions

IN ASSEMBLY

January 29, 2015

Introduced by M. of A. KEARNS -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in relation to requiring a plaintiff in a mortgage foreclosure action to maintain the subject property in good faith

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Subdivision 1 of section 1307 of the real property actions
2 and proceedings law, as added by chapter 507 of the laws of 2009, is
3 amended to read as follows:
4 1. A plaintiff [in] WHO COMMENCES a mortgage foreclosure action [who
5 obtains], INCLUDING A LENDER, AN ASSIGNEE OR A MORTGAGE LOAN
SERVICER,
6 SEEKING a judgment of foreclosure and sale pursuant to section thirteen
7 hundred fifty-one of this article, involving residential real property,
8 as defined in section thirteen hundred five of this article, that is
9 vacant, or becomes vacant after COMMENCEMENT OF THE ACTION OR the issu-
10 ance of such judgment, or is abandoned by the mortgagor but occupied by
11 a tenant, as defined under section thirteen hundred five of this arti-
12 cle, shall IN GOOD FAITH maintain such property until such time as
13 ownership has been transferred through the closing of title in foreclo-
14 sure, or other disposition, and the deed for such property has been duly
15 recorded; provided, however, that if a municipality or governmental
16 entity holds a mortgage subordinate to one or more mortgages on the
17 residential real property, the municipality or governmental entity shall
18 not be subject to the requirements of this section. AS USED IN THIS
19 SECTION, THE TERM "GOOD FAITH" SHALL BE DEFINED AS HONESTY IN
FACT AND
20 THE OBSERVANCE OF REASONABLE STANDARDS OF FAIR DEALING.
21 S 2. This act shall take effect immediately.

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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STATE OF NEW YORK

4842

2015-2016 Regular Sessions

IN ASSEMBLY

February 9, 2015

Introduced by M. of A. KEARNS -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in relation to notice of contact information of a plaintiff in a mortgage foreclosure action

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Section 1307 of the real property actions and proceedings
- 2 law is amended by adding a new subdivision 9 to read as follows:
- 3 9. A MORTGAGE FORECLOSURE PLAINTIFF WITH A DUTY TO MAINTAIN FORECLOSED
- 4 PROPERTY SHALL PROVIDE THE CONTACT INFORMATION OF THE EMPLOYEE OR AGENT
- 5 OF THE PLAINTIFF RESPONSIBLE FOR MAINTENANCE OF THE FORECLOSED PROPERTY.
- 6 SUCH CONTACT INFORMATION SHALL INCLUDE, BUT NOT BE LIMITED TO, A DIRECT
- 7 TELEPHONE NUMBER AND THE NAME OF THE EMPLOYEE OR AGENT OF THE PLAINTIFF
- 8 RESPONSIBLE FOR MAINTENANCE OF THE FORECLOSED PROPERTY. SUCH CONTACT
- 9 INFORMATION SHALL BE PROVIDED TO THE MUNICIPALITY IN WHICH THE FORE-
- 10 CLOSED PROPERTY IS LOCATED THROUGH WRITTEN NOTICE TO THE CHIEF FINANCIAL
- 11 OFFICER OF THE MUNICIPALITY AND SHALL BE POSTED ON ANY VACANT DWELLING
- 12 OR ANY DWELLING THAT BECOMES VACANT AFTER THE ISSUANCE OF THE JUDGMENT
- 13 OF FORECLOSURE AND SALE.
- 14 S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.