



Legislation Details (With Text)

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Title:	Resolution calling upon the New York State Legislature to enact S.1363-B/A.6297-A, which provides special protections to tenants of properties that have been foreclosed upon.				
Sponsors:	Thomas White, Jr., Gale A. Brewer, Leroy G. Comrie, Jr., Letitia James, Michael C. Nelson, David I. Weprin, David Yassky				
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Res. No. 1937

Resolution calling upon the New York State Legislature to enact S.1363-B/A.6297-A, which provides special protections to tenants of properties that have been foreclosed upon.

By Council Members White Jr., Brewer, Comrie, James, Nelson, Weprin and Yassky

Whereas, Large numbers of Americans are now facing the threat of foreclosures due to the unaffordable mortgage loans made in the last several years; and

Whereas, In addition to homeowners, renters living in foreclosed single-family homes and multi-family buildings are also routinely faced with eviction, even though they are in good standing and regularly pay their rent on time; and

Whereas, At the end of a foreclosure process, a landlord may receive an eviction notice from the foreclosing bank to clear the property; and

Whereas, Many times, however, the property is not owner-occupied and therefore, rental tenants are the ones at risk of being evicted; and

Whereas, There have been numerous incidents in which the property owner does not notify the tenant of a foreclosure action and the tenant does not otherwise find out about the foreclosure proceeding until there is a notice affixed to his or her door or the tenant is served with legal process initiating an eviction proceeding; and

Whereas, According to the Mortgage Bankers Association, almost 20% of foreclosures involve rental properties and another study by the National Low Income Housing Coalition found that nearly 40% of recent foreclosures nationwide are likely to be rental homes; and

Whereas, A study by New York University's Furman Center for Real Estate and Urban Policy found that, in New York City, 60% of nearly 15,000 mortgage-related foreclosure filings in 2007 were for multi-family buildings and half of the 30,000 households living in properties that entered the foreclosure process in 2007 were living in rental units; and

Whereas, This is a serious problem since many tenants, especially those in one and two-family buildings, are not protected from eviction after a property is foreclosed upon, leaving these households without stable housing and decreasing the amount of decent, affordable rentals in the City; and

Whereas, Legislation pending in the State Senate, S.1363-B, and in the State Assembly, A.6297-A, would require providing notices to all affected tenants of a foreclosed upon property and supply information about any plans for evicting them; and

Whereas, The legislation specifically requires a new owner to provide written notice to tenants, within thirty days of taking ownership, informing them of the change in ownership; and

Whereas, The tenant is not liable for paying rent to the new owner until the notice is served and acknowledgment of the notice is received; and

Whereas, In addition, a new owner must provide written notice of an intent to evict a tenant thirty days before the start of eviction proceedings and must file a proof of service of the notice; and

Whereas, This legislation only applies to those tenants who were not a part of the eviction proceedings or a member of the owner's family; and

Whereas, While the legislation does not prevent evictions, it ensures that tenants receive the proper notification so that evictions do not happen automatically, therefore, creating necessary safeguards for the large number of renters currently at risk; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to enact S.1363-B/A.6297-A, which provides special protections to tenants of properties that have been foreclosed upon.

CFP
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