



Legislation Text

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Int. No. 501-A

By Council Members Dilan, Cabrera, Comrie, James, Lander, Mendez, Palma, Vann, Mark-Viverito, Williams, Jackson, Levin, Dromm, Rodriguez, Gonzalez, Brewer, Crowley, Eugene, Gennaro, Chin, Wills, Mealy, Barron, Garodnick, Sanders Jr. and Halloran

A Local Law to amend the administrative code of the city of New York, in relation to notification by a mortgagee commencing an action to recover residential real property.

Be it enacted by the Council as follows:

Section 1. Title 27 of the administrative code of the city of New York is amended by adding a new section 27-2109.1 to read as follows:

§27-2109.1 Notice by a mortgagee commencing an action to foreclose a mortgage on residential real property. (a) 1. Any mortgagee that commences an action in a court of competent jurisdiction in the state of New York to foreclose a mortgage on residential real property within the city of New York shall provide notice to the department, in a form prescribed by the department, within fifteen days of service of the pleadings commencing such action. If such action was commenced before the effective date of the local law that added this section, and remains pending as of such effective date, notification shall be provided within thirty days of such effective date, provided, however, that no notice shall be required for actions commenced prior to February 13, 2010, regardless of whether such action remains pending as of such effective date. Such notice shall include, but need not be limited to, the following information: (i) the name of the mortgagee plaintiff commencing such action and the mailing address, telephone number and e-mail address of such mortgagee plaintiff, and, when applicable, the name of a principal or corporate officer of such mortgagee plaintiff, and the mailing address, telephone number and e-mail address of such principal or corporate officer; (ii) the name of the defendant in such action; (iii) the identification of such residential real property by street address and block

and lot number, (iv) the date of the commencement of such action, (v) the court in which such action was commenced, and (vi) such other information as the department may require by rule. For the purposes of this section, "mortgagee" shall mean any person that commences an action to foreclose a mortgage on residential real property including, but not limited to, a lender, assignee or mortgage loan service provider that commences such an action.

2. A mortgagee shall notify the department within fifteen days of the discontinuance of an action for which notice pursuant to paragraph one of this subdivision has been received by the department, the issuance of a judgment in such action, or the sale of the real property as a result of such action.

3. The department shall maintain on its website a list of all properties with twenty or more units, identified by block and lot number along with the name, mailing address and telephone number of the mortgagee plaintiff and the name of the defendant for which notice pursuant to paragraph one of this subdivision has been received. Such list shall be updated at a minimum on the first business day of each month. The department shall report on its website each three months: (i) the total number of foreclosure actions commenced during the immediately preceding three months for which notice pursuant to paragraph one of this subdivision has been received by the department, disaggregated by community district; and (ii) the total number of foreclosure actions pending, for which notice pursuant to paragraphs one and two of this subdivision has been received by the department, disaggregated by community district. The department shall provide the information provided to it pursuant to paragraphs one and two of this subdivision to one or more agencies for which the department determines that such information furthers such agency or agencies' duties, including but not limited to the enforcement of section 28-210.1 of this code or related provisions, and to any other city agency upon request by such agency.

b. Any mortgagee who fails to notify the department in accordance with subdivision a of this section shall be liable for a civil penalty enforceable by the department. Such civil penalty shall not exceed one thousand dollars for each week that there is a failure to notify. The failure to notify shall not be deemed to affect

in any way any pending legal proceeding related to such residential real property.

c. The provisions of this section shall not apply to any foreclosure actions brought by a governmental entity.

§2. This local law shall take effect one hundred twenty days after its enactment, except that the commissioner of housing preservation and development shall take such actions as are necessary for its implementation, including the promulgation of rules, prior to such effective date.

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