



Legislation Text

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Int. No. 956

By Council Members White Jr., Garodnick, Avella, Brewer, Comrie, Fidler, Jackson, James, Liu, Palma, Sears, Stewart, Vann, Weprin, Nelson, Gentile, Eugene, Gerson, Yassky, Mark-Viverito, Mendez, de Blasio and Vacca

A Local Law to amend the administrative code of the city of New York, in relation to responsibilities of notification to tenants by entities commencing action to recover real property in foreclosure actions.

Be it enacted by the Council as follows:

Section 1. Article 2 of subchapter 4 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new section 27-2109.2 to read as follows:

§27-2109.2 Requirement of notice to tenants of a foreclosure action. Any entity or individual which initiates an action for foreclosure of a home with between one and five dwelling units must notify all tenants residing in such property of such foreclosure proceeding within ten days of the bringing of such action. Such notification shall be done by mail, return receipt requested. However, if the names of any such tenants are unknown, such notification shall be done by affixing such notice in a prominent place at such building. The commissioner shall promulgate rules with regard to what is required to be written on such notice and the precise location where such notice may be placed. However, at a minimum, such notification shall include a copy of the notice of default in payment of the mortgage being foreclosed upon that was served on the owner of such building, along with a copy of the summons filed in the foreclosure action regarding such building. In addition, such notification shall also include at a minimum, a statement of the rights of the tenants under all laws relating to mortgage foreclosures, and at least one appropriate governmental entity to which tenants may direct any questions. The commissioner shall promulgate rules to determine precisely which rights shall be listed and what governmental entity shall be listed on such notice.

b. Any individual or entity who fails to provide notice as required by this section shall be subject to a civil penalty not to exceed one thousand dollars for each day that there is such failure. However, a failure to provide such notice shall not in any way be deemed to affect an action to foreclose a mortgage pending in a court of competent jurisdiction, and any orders of such a court shall be deemed to take precedence over this section.

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

§2. This local law shall take effect immediately after enactment.

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LS #6794  
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