



New York City Comptroller
John C. Liu

NEWS RELEASE

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BANKS MEET SEPTEMBER FIRST DEADLINE ON FORECLOSURE RELIEF

NEW YORK, NY - New York City Comptroller John C. Liu today announced that talks have officially begun between his office and five of the City’s largest banks on steps the banks can take to reform the loan modification process, improve customer service and help save more New Yorkers from foreclosure.

In July, Comptroller Liu led a coalition looking for answers from Bank of America, Citibank, HSBC Bank, JP Morgan Chase and Wells Fargo. The deadline for a response was September 1.

“I am pleased today that all five institutions have responded, and we have begun to engage in a dialogue. Now, banks must step up and work with us to figure out the best way to keep New Yorkers in their homes,” Comptroller Liu said. “Foreclosures not only force families from their homes, but also have a devastating effect on the regional economy.”

According to RealtyTrac, one in every 397 U.S. housing units received a foreclosure filing in July. Statistics from the Mortgage Bankers Association also show about 6.8 million homeowners are either in foreclosure or delinquent on their mortgage payments.

“This important first step creates an opportunity to address an issue critical to New York's economy.” State Comptroller Thomas P. DiNapoli said. “Tens of thousands of New Yorkers lost their homes last year. We need a systematic and sustained effort to protect New York families who continue to struggle with the lingering effects of the recession. Comptroller Liu has been a driving force behind the effort to keep New Yorkers in their homes. We will continue to work with Comptroller Liu to protect families from foreclosure.”

Timeline of key actions taken by the coalition led by Comptroller Liu for foreclosure reform:

- July 15, 2010: Comptroller Liu and labor leaders send a letter to the City’s five largest banks to request information on their loan modification processes.
- August 5, 2010: State Comptroller Thomas DiNapoli sends a letter to the same banks echoing the call for information regarding efforts to help New Yorkers who are facing foreclosure.
- August 10, 2010: 65 NYC elected officials (including all five borough presidents, Public Advocate Bill de Blasio, City Council Speaker Christine Quinn) and 53 NYC clergy leaders send letters to the five banks, reinforcing the call for loan modification reform.
- September 1, 2010: Deadline for banks to begin dialogue on what they are doing to address the foreclosure crisis.

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