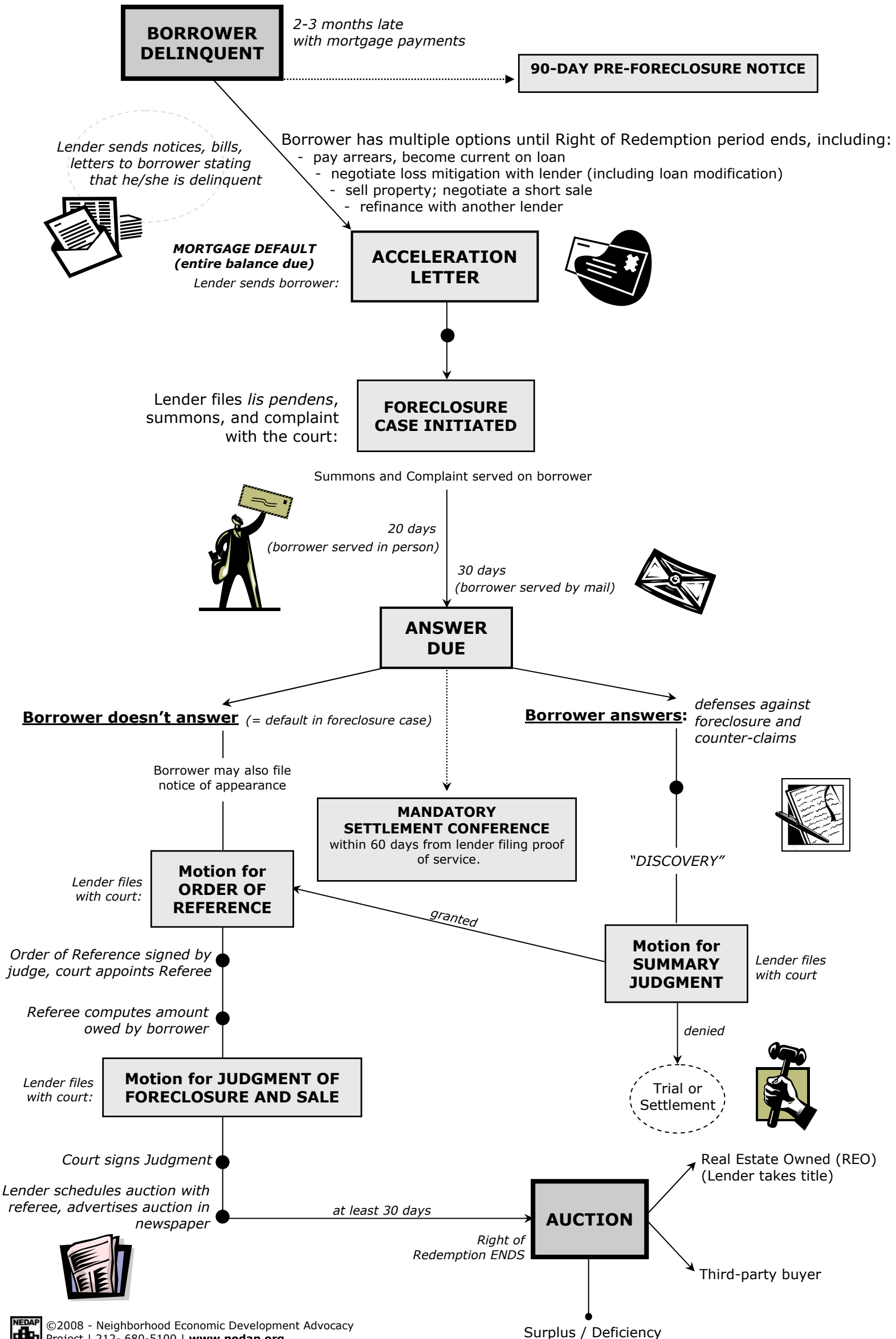


PATHS OF A FORECLOSURE IN NEW YORK STATE



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Summary of Provisions of NY State Law Pertaining to 90-day Pre-Foreclosure Notices and Mandatory Settlement Conferences

90-Day Pre-Foreclosure Notice (RPAPL §1304)

Mortgage loan servicers are required to send all homeowners a notice at least 90 days prior to the commencement of a foreclosure case. Notices must be sent to the last known address of the borrower by registered or certified mail, in addition to first-class mail.

The language of the notice is set forth in the statute, and must state the number of days in default, the amount owed and the telephone number of the lender or servicer. The servicer must attach a list of at least five government approved housing counseling agencies in the homeowner's geographic region that provide free or low-cost counseling. The notice also directs the homeowner to call the Banking Department's Toll-Free Helpline or go to their website for more information.

Mandatory Settlement Conferences (CPLR §3408)

Effective February 15, 2010, for all residential foreclosure actions on owner-occupied homes, the court must hold a mandatory settlement conference within sixty days after the date proof of service of the foreclosure is filed with the county clerk. The court may also hold the conference on an adjourned date agreed to by the parties. If the defendant appears *pro se* at the conference, the court may assign counsel. A representative of the plaintiff/lender who is fully authorized to settle the case must appear for the conference with certain required documents, which would include the payment history, the amounts required to bring the loan current or to pay it off and the mortgage and note. The court may allow this representative to participate by telephone or video conference.

