
Mortgage scams still a threat

Housing experts tell Council that SE Queens remains vulnerable

By Ivan Pereira

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City Councilmen James Gennaro (l.), Leroy Comrie (c.) and John Liu (r.) hear updates on the foreclosure crisis in the borough. Photo by Ivan Pereira

Even though plans have been implemented to help curb the foreclosure crisis in inner city neighborhoods, people in southeast Queens are still being targeted by mortgage scammers, housing experts told the City Council at a special hearing last Thursday.

Councilman Leroy Comrie (D-St. Albans), chairman of the Consumer Affairs Committee, held a Council hearing at York College to get an update on the foreclosure situation. Last year Queens had nearly 5,500 foreclosure filings, the majority of which took place in neighborhoods like Jamaica, St. Albans and Queens Village, according to Comrie.

"Given the topic, I requested to hold this meeting in my county," the councilman said.

Comrie, who was joined by fellow Queens Councilmen James Gennaro (D-Fresh Meadows) and John Liu (D-Flushing), heard from several groups on the issue, including NYU's Furman Center for Real Estate and Urban Policy, the nonprofit mortgage help group Money Match and the Legal Aid society.

Although the organizations said desperate homeowners are getting help on their mortgages, several have complained they are being duped by scammers who offer them shady loans in the guise of the federal stimulus package.

"There are a lot of [un]scrupulous companies that are dealing with these folks," said Money Match president David Aviles.

In March, President Barack Obama signed into law a measure that pumped billions of dollars into several lending institutions, including Freddie Mac and Fannie Mae, that would allow selected American homeowners to refinance their mortgages.

Aviles, whose group offers southeast Queens residents help with mortgage problems at the offices of U.S. Rep. Gregory Meeks (D-Jamaica), said scammers used television, print and radio advertisements to lure ill-advised homeowners to refinance their home loans with subprime mortgages and other offers that would put them in further debt. Aviles urged the Council to promote financial literacy so the homeowners could avoid being victims of these new forms of fraud.

The committee also heard from some borough members who have been targeted. Laurelton homeowner Veronica Adams urged anyone who is having mortgage problems to seek counseling immediately.

Adams, who was on the verge of foreclosure a few months ago from a subprime loan, said she had lost all hope, but by contacting various home loan help agencies she was able to avoid losing her home.

"After I went to get help, [the bank] said they're going to remodify my mortgage," she said.

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