

**MARKET SNAPSHOT**

U.S.	EUROPE	ASIA	
<b>DOW</b>	13,234.10	+29.48	0.22%
<b>S&amp;P 500</b>	1,401.07	+1.09	0.08%
<b>NASDAQ</b>	3,062.33	+11.72	0.38%

4 0.2587% **Nasdaq** 3,062.33 +0.38% **Dow** 13,234.10 +0.22% **S&P 500** 1,401.07 +0.08% **FTSE 100** 5,771.03 +0.39% **STOXX 50** 2,340.54 +0.77% **DAX** 6,

[Our Company](#) | [Professional](#) | [Anywhere](#) |

[Register](#) | [Sign In](#)

Search News, Quotes and Opinion

# Brooklyn Shelters Homeowners With Longest Foreclosures

By John Gittelsohn - Apr 27, 2012 12:01 AM ET

1 COMMENT

Q QUEUE

New York's Kings County, also known as Brooklyn, wears the crown as the U.S. community where it takes longest to foreclose on a delinquent homeowner.

Lenders took an average of 1,187 days -- more than three years -- to repossess a home in Kings County during the last three months of 2011, according to data compiled by Bloomberg. The protracted process led to just 32 fourth-quarter foreclosure completions in a borough where more than 27,000 homes got delinquency notices last year, New York Department of Financial Services data show.

Enlarge image



Brooklyn residents watch community activists and Occupy Wall Street movement members march to draw attention to foreclosed homes. Photographer: Spencer Platt/Getty Images

Attachment: [Ranking of Foreclosures](#)

The 10 U.S. counties with the longest foreclosure timelines were all in New York and [New Jersey](#). While delays give some struggling homeowners time to renegotiate loan terms and limit supply on the market, they eventually depress housing values by postponing the inevitable for borrowers who can't pay their mortgages or maintain their properties, said [Jonathan Miller](#), president of New York appraiser Miller Samuel Inc.

"You aren't doing anybody any favors in the long run," he said in a telephone interview. "In markets where it takes longer for the foreclosure process, it takes longer to recover."

New York and New Jersey are two of the 26 states that require judicial review before lenders can seize a property. New York's Nassau, Bronx and Suffolk counties followed Brooklyn, with Queens ranking No. 8, according to a Bloomberg Rankings analysis of the data from RealtyTrac Inc., a real estate information service based in [Irvine](#), California. New Jersey's Essex, Somerset, Passaic, Hudson and Mercer counties filled out the top 10.

## Foreclosure Time Triples

For the top eight counties, foreclosures averaged more than 1,000 days after a default filing, also known as a lis pendens, was recorded with the courts against a borrower, according to the data. In the quarter ended March 31, the average U.S. foreclosure took 370 days, triple the amount of time in 2007, according to RealtyTrac. Fourth-quarter data is the latest available for individual counties.

The New York statewide average to repossess a home was 1,056 days in the first quarter, while New Jersey averaged 966 days, according to an April 12 report by RealtyTrac.

### More Stories

[Economy in U.S. Expands at 2.2% Annual Rate, Less Than Forecast](#)

Q

[House Defies Obama Veto Threat in Passing Cyber Measure](#)

Q

[Manhattan Apartment Building Prices at Peak as Rents Jump](#)

Q

[U.S. Stock Futures Are Little Changed; Starbucks Slides](#)

Q

[Rate These Stories](#)

[More News »](#)

Advertisement

### Most Popular Stories

[Son of Bo Xilai Says Father's Ouster 'Destroyed My Life'](#)

Q

[Cooling Job Market Takes Toll on U.S. Confidence: Economy](#)

Q

[Singapore Girl's Charms Fade as Airline Battle Heats Up](#)

Q

Updated 4 hours ago

[Economy in U.S. Grew Less Than Forecast in First Quarter](#)

Q

Updated 55 minutes ago

[S&P 500 Caps Biggest Three-Day Advance Since February](#)

Q

[Texas](#), where court approval isn't required, has the shortest foreclosure timeline. During the first quarter, banks seized homes an average of 87 days after the first foreclosure notice was filed. In Guadalupe County, Texas, banks repossessed 49 homes in the fourth quarter, seizing them an average of 46.6 days after the filing of the first notice, the fastest pace of any U.S. county, according to data compiled by Bloomberg.

## Northern New Jersey

Court foreclosure filings in the New York metropolitan area, which includes northern New Jersey and [Long Island](#), fell 41 percent in the first quarter from a year earlier, RealtyTrac reported yesterday. One in 981 New York metro area homes received a filing, such as a notice of default or sale at auction, compared with the U.S. average of one in 230. Stockton, California, had the highest filing rate of any metro area, at one in 60 homes.

New York state's time to foreclose has quadrupled since 2007. A 2009 state law required court-refereed settlement conferences for homeowners to negotiate payment modifications, which usually take six to eight meetings over 12 to 16 months, said Meghan Faux, director of the foreclosure prevention project at South [Brooklyn](#) Legal Services.

Loan servicers often drag out the process by misplacing paperwork and refusing to offer affordable mortgage modifications, driving homeowners deeper into debt, she said.

"They're not negotiating in good faith," Faux said in a telephone interview. "Delays aren't good for most homeowners."

## Making Home Affordable

Homeowners in the greater New York City area have received 49,949 payment plan modifications as of February under the U.S. Making Home Affordable program, making it second only to the Los Angeles area, according to an April 6 report by the Treasury Department.

[Bank of America Corp.](#), which has the most housing-related writedowns of any [U.S. bank](#), strives to "provide our customers timely and accurate decisions so they can move forward with their lives," Sheila Sellers, senior vice president for lender's National Mortgage Outreach program, testified at a March 19 Congressional [hearing](#) on mortgage servicing and foreclosures that was held in Brooklyn.

"Our goal will be to help them stay in their home whenever possible," she said. "Where that is not possible, we will explore all other options available to help them avoid foreclosure."

## Short Sales

Bank of America has agreed to sell more homes for a loss through short sales than any U.S. lender, according to RealtyTrac. In March, the Charlotte, North Carolina-based bank announced a pilot program to enable 1,000 delinquent borrowers to stay in their homes as renters after it reclaims the title. Bank of America will start the program in [Nevada](#), [Arizona](#) and New York, states with the first, third and 46th highest rates of foreclosure filings, respectively, according to RealtyTrac.

"New York is the judicial state and the other two are non-judicial," [Rick Simon](#), a spokesman for Bank of America, said in a telephone interview from his office in Calabasas, [California](#). "We wanted to try it in diverse areas."

Homeowners in Brooklyn last year received 27,311 pre-foreclosure delinquency notices,

[More Most Popular Stories »](#)

## Key Rates

**MORTGAGE** HOME EQUITY SAVINGS AUTO CREDIT CARDS

See today's average mortgage rates across the country. Source: [Bankrate.com](#)

Type	Today	1 Mo
30-Year Fixed	3.82%	4.02%
15-Year Fixed	3.06%	3.24%
5/1-Year ARM	2.71%	2.88%
3/1 Year ARM	2.64%	2.73%
1-Year ARM	2.78%	2.80%
30 Year Jumbo	4.44%	4.62%
15-Year Fixed Jumbo	3.65%	3.78%
5/1-Year ARM Jumbo	2.90%	3.02%

[View rates in your area »](#)

Rates may include points.

Sponsored Links

### [Reverse Home Mortgage](#)

Free reverse mortgage estimate & GUIDE. Competitive rates. Must be 62+ [fnb.bbroholdings.com/FirstNational](#)

### [Lennox Mortgage Rates](#)

Free Quotes from Local Lenders. Secure & Instant Pre-Approvals Now. [Lennox.guidetolenders.com](#)

### [Dividend Paying Stocks](#)

Dividend ETFs w/o Financial Stocks. Read The Case for Ex Financials Now [www.WisdomTree.com/Dividend-ETF](#)

AdChoices

## Job Search

[Post a Job »](#)

**Manager - Small Business**  
ParenteBeard - New York, NY

**Systems Administration - 3**  
ApTask - Long Island City, NY

**Financial Advisor**  
Edward Jones - New York, NY

**Analyst 2, Finance**  
T-Mobile - Parsippany, NJ

**Senior Financial Analyst - NA Supply Chain...**  
Avon Products, Inc. - New York, NY

Search All Jobs

jobs by

job title or company location

Advertisement

Advertisements

which alerted borrowers their lender plans to file a lis pendens after 90 days, according to an analysis by the Neighborhood Economic Development Advocacy Project, a Manhattan-based advocacy group. Those notices outnumbered eventual default filings 14 to 1, according to the study.

## Judge's Ruling

The number of court filings dropped after an October 2010 ruling by New York State Chief Judge Jonathan Lippman required bank lawyers to affirm they have documents to prove their right to seize a house, said Alexis Iwanisziw, a researcher at the advocacy group.

"The decline in foreclosure filings is largely attributable to banks' inability to produce documentation required to initiate foreclosure cases, as New York courts heighten their scrutiny of banks' foreclosure filings," Iwanisziw and her colleague Sarah Ludwig wrote in a January report on New York City foreclosures.

Almost two-thirds of the 2,201 Brooklyn homes affected by foreclosure filings in the fourth quarter were investor-owned, not owner-occupied, according to estimates in a March 28 report by the Furman Center for Real Estate & Urban Policy at [New York University](#).

"There are definitely downsides to the delays," Josiah Madar, a research fellow at the Furman Center, said in a telephone interview. "Any blight the property is causing is likely to continue."

## Brooklyn Home Prices

Brooklyn's median home price fell to \$450,000 in the first quarter, down 5.3 percent from a year earlier, [Miller Samuel](#) reported on April 19. By contrast, prices in cities such as [Miami \(SPCSMIA\)](#) and Phoenix, where the inventory of foreclosed homes has shrunk, have begun to recover. Miami's median price was \$141,300 in the first quarter, up 1.1 percent from a year earlier, while the median price in Phoenix rose 2.8 percent, according to an April 25 report by [Zillow Inc. \(Z\)](#)

The Phoenix metropolitan area had the ninth-highest foreclosure rate, Miami ranked 13th and New York was 181st in the three months ended March 31, according to RealtyTrac.

"Most of the efforts that have been done on the state and local level have actually extended the crisis," said Miller of appraiser Miller Samuel. "In New York, you can have someone who stops paying their mortgage for three years. How does that help the housing market recover? It doesn't."

To contact the reporter on this story: John Gittelsohn in [Los Angeles](#) at [johngitt@bloomberg.net](mailto:johngitt@bloomberg.net)

To contact the editor responsible for this story: Kara Wetzel at [kwetzel@bloomberg.net](mailto:kwetzel@bloomberg.net)



Sponsored Links

**Pre-war condos in the UWS with elegant finishes and modern upgrades.**

**More News:** [Municipal Bonds](#) · [Real Estate](#)

1 COMMENT

Q QUEUE

**ADD NEW COMMENT**

[Login](#)

Type your comment here.

Bloomberg moderates all comments. Comments that are abusive or off-topic will not be posted to the site. Excessively long comments may be

moderated as well. Bloomberg cannot facilitate requests to remove comments or explain individual moderation decisions.

## SHOWING 1 COMMENT ON Brooklyn Shelters Homeowners With Longest Foreclosures

Jesse Sewell 2 hours ago

Prediction: 'Oh this is a Brooklyn zip code..., I'm Sorry, that zip code does not qualify for our Premier Mortgage, I will have to call you back'.

Don't hold your breath.

### Videos you may like:

The \$15M Yacht Controlled By an iPad

Carson City Brothel Workers 'Pimping for Paul'

Micron CEO Steve Appleton Dies in Airplane Crash

by Taboola

### Sponsored links

#### [Mortgage Restructuring](#)

Mortgage Relief And Assistance - Free Webinar, Sign Up Now.

[AmFamSeminar.org](http://AmFamSeminar.org)

#### [Foreclosed Land For Sale](#)

Free to Browse & Free to Bid. These Land Foreclosures Must Sell!

[www.Auction.com/Land\\_For\\_Sale](http://www.Auction.com/Land_For_Sale)

#### [Mortgage Modification](#)

Don't Wait Until Its Too Late Free Consultation Available Here

[LoanHelpSite.com/Modify](http://LoanHelpSite.com/Modify)

AdChoices 

### Sponsored Links

#### [QUAN - Hot Stock Pick](#)

New Investment Opportunity Could Explode, Buy Shares Now!

[www.QuantumInnovators.com](http://www.QuantumInnovators.com)

#### [Worried About the European Debt Crisis?](#)

Avoid Int'l Bank Stocks Risk w/ a Dividend ETF w/o Bank Stocks. Learn More!

[WisdomTree.com/DividendExFinancials](http://WisdomTree.com/DividendExFinancials)

#### [Get a FREE Risk Management Guide today!](#)

With your guide you'll also receive personal advice from an experienced broker!

[www.rjofutures.com](http://www.rjofutures.com)

#### [American Express – Savings](#)

0.75% APY Savings Account. No Fees, No Minimums. Easy To Open

[AmericanExpress.com/PersonalSavings](http://AmericanExpress.com/PersonalSavings)

#### [Wells Fargo Advisors Estate Planning Kit](#)

Download a free toolkit and understand the essentials of planning your estate.

[WellsFargoAdvisorsInfo.com](http://WellsFargoAdvisorsInfo.com)

[Buy a link >](#)

[BLOOMBERG.COM](#) [News](#) | [Opinion](#) | [Markets](#) | [Personal Finance](#) | [Tech](#) | [Sustainability](#) | [TV](#) | [Video](#) | [Radio](#) | [Archives](#)

[ABOUT](#) [About Bloomberg](#) | [Careers](#) | [Advertising](#) | [Press Room](#) | [Trademarks](#) | [Terms of Service](#) | [Privacy Policy](#)

[SUPPORT AND CONTACT](#) [Customer Support Contact](#) | [Feedback](#) | [Help](#) | [Sitemap](#)

[STAY CONNECTED](#) [Twitter](#) [Facebook](#) [Linked In](#) [google+](#) [StumbleUpon](#)

### BLOOMBERG TERMINAL

[Professional](#)

[Anywhere](#)

### RELATED BLOOMBERG SITES

[Bloomberg Businessweek](#) | [Bloomberg Markets Magazine](#)  
[Bloomberg Institute](#) | [Bloomberg Open Symbology](#)  
[ブルームバーグ\(日本語\)](#) | [Bloomberg Link](#)  
[会社概要\(日本語\)](#) | [Bloomberg Blog](#)

### BLOOMBERG PREMIUM SERVICES

[Bloomberg Briefs](#) | [Bloomberg New Energy Finance](#)  
[Bloomberg Government](#) | [Bloomberg Sports](#)  
[Bloomberg Law](#)  
[Bloomberg BNA](#)

### MOBILE APPS

[Bloomberg](#)  
[Bloomberg Radio+](#)  
[Bloomberg TV+](#)  
[Bloomberg Businessweek+](#)

关于彭博中国

Bloomberg Press

©2012 BLOOMBERG L.P. ALL RIGHTS RESERVED.

Jobs by Indeed |  Rate this Page | Made in NYC | Ad Choices

Q

[What is the queue?](#)

[More »](#) Items In Your queue

**This is your Bloomberg Queue**

The queue will help you find news, save stories for later and take them with you

[Learn More](#)[Close](#)

[More »](#) New Suggestions