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Testimony of Atty. Amy Eppler-Epstein  
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Supporting SB 1212  
March 25, 2011

I am here today to urge you to support Senate Bill 1212, which prevents tenants from being evicted after foreclosure without good cause.

This bill is necessary because our communities both small and large are being decimated, not just by the foreclosure crisis, ***but by the actions of banks once the foreclosure is over, that are further harming our communities.*** Banks continue their policies of evicting tenants and emptying out rental properties after they foreclose on the owners, leaving vacant buildings that are targets for vandalism, bring blight to the neighborhood, decrease property values for the neighbors, and cost our cities in fire and police protection, code enforcement, and lowered taxes. The testimony of James Tanner, the Zoning Enforcement Officer for the City of Ansonia, submitted today, along with testimony of Ben Gross, on behalf of the City of New Haven, shows that the harms caused by these bank policies afflict not just our major urban centers, but our smaller cities and towns as well.

And it is clear that the bank policies will not change unless the law makes them change. But it is also clear, from the experience in states like New Jersey, and now Massachusetts, that banks are quite capable of renting and maintaining and marketing for sale occupied properties, when the law requires them to do so, as it does in those states. We hope that, by passing SB 1212, Connecticut can join those states and prohibit eviction of good, rent paying tenants, unless there is just cause.

The attached data shows the breadth of the problem. In Bridgeport, Waterbury and New Haven alone, there have been at least 614 post foreclosure evictions, brought by the 5 firms bringing the most of these actions. In New Haven, in the past year, 49% of the 825 foreclosure cases commenced by the filing of a lis pendens, were in multi-unit buildings, meaning that tenants would be affected by the foreclosure.

It is time for our legislature to act, to stop banks from decimating our communities, and protect good tenants who want to keep their homes even if their landlords have lost them to foreclosure. Thank you for your help on this important and far reaching issue.

Judgment for plaintiff via defendant's failure to appear	29	13%
Active	22	9.6%
Withdrawn	20	8.7%
Stipulated judgment	19	8.2%

**Waterbury**

There were 180 total post-foreclosure summary process cases filed in the last eleven months, and 73% of them resulted in a judgment for the plaintiff in the form of an execution order, default judgment, or stipulated judgment. Of the 180 actions, 16% did not have named defendants.

The vast majority of post-foreclosure summary process cases have tenants as defendants (as opposed to the property owner or landlord). In Waterbury, 81% of actions (or 133 cases<sup>1</sup>) were filed against tenants. This figure assumes that unnamed defendants are tenants, as it seems unlikely the defendant would remain unnamed if the claim were against the property owner, whose name is a matter of public record

Twenty-two different financial institutions filed summary process actions, but four of those institutions were the plaintiffs in 66% of complaints.

Financial Institution	Number of post-foreclosure summary process actions filed	% of total post-foreclosure summary process actions in Waterbury
Federal National Mortgage Association	54	30%
Deutsche	26	14%
US Bank	23	13%
Federal Home Loan Mortgage Corporation	16	9%
Other	61	34%

Judgment or status	Number of post-foreclosure summary process actions resolved in this way	% of total post-foreclosure summary process actions resolved in Waterbury
Execution	92	51%
Judgment for plaintiff via defendant's failure to appear	33	18%

<sup>1</sup> In Waterbury, there were 15 cases in which the name of the pre-foreclosure property owner was unavailable. These cases are not included in calculations related to the number of actions filed against tenants or property owners because there is not enough available information to make a reasoned conclusion about those particular cases.

**DATA ON POST-FORECLOSURE EVICTIONS  
IN THREE COURTS IN CONNECTICUT**

**Total for Bridgeport, Waterbury, & New Haven Housing Sessions**

All data is for March 2010 through February 2011. These are only estimates of foreclosure evictions based on analyzing the case list of the major law firms in CT that engage in post-foreclosure eviction work (Bendett & McHugh, Martha Croog, Goldman & Gruder, Glass & Braus, and Hunt Leibert). Thus, the data on these cases is likely underestimated.

Total post-foreclosure summary process cases: **614**

**Bridgeport**

There were **229 total post-foreclosure summary process cases** filed in the last eleven months, and **58%** of them resulted in a judgment for the plaintiff in the form of an execution order, default judgment, or stipulated judgment. Of the 229 actions, **37% did not have named defendants.**

The vast majority of post-foreclosure summary process cases have tenants as defendants (as opposed to the property owner or landlord). In Bridgeport, **79%** of actions (or 181 cases) were filed against tenants. This figure assumes that unnamed defendants are tenants, as it seems unlikely the defendant would remain unnamed if the claim were against the property owner, whose name is a matter of public record.

Thirty-two different financial institutions filed post-foreclosure summary process actions, but five of those institutions were the plaintiffs in 58% of complaints.

Financial Institution	Number of post-foreclosure summary process actions filed	% of all post-foreclosure summary process actions filed in Bridgeport
Federal National Mortgage Association	49	22%
US Bank	34	15%
Deutsche	30	13%
Bank of New York	11	4.8%
Bank of America	10	4.4%
Other	95	42%

Judgment or status	Number of post-foreclosure summary process actions resolved in this way	% of total post-foreclosure summary process actions filed in Bridgeport
Execution	81	35%
Dismissed via DMP	58	25%

Active	29	17%
Dismissed via DMP	15	8.3%
Stipulated judgment	8	4.4%
Withdrawn	3	1.6%

### New Haven

There were **205 total post-foreclosure summary process** cases filed in the last eleven months, and **68%** of them resulted in a judgment for the plaintiff in the form of an execution order, default judgment, or stipulated judgment. Of the 205 actions, **32% did not have named defendants.**

The vast majority of post-foreclosure summary process cases have tenants as defendants (as opposed to the property owner or landlord). In New Haven, **69%** of actions (or 122 cases<sup>2</sup>) were filed against tenants. This figure assumes that unnamed defendants are tenants, as it seems unlikely the defendant would remain unnamed if the claim were against the property owner, whose name is a matter of public record.

Twenty-eight different financial institutions filed summary process actions, but five of those institutions were the plaintiffs in **68%** of complaints.

Financial Institution	Number of post-foreclosure summary process actions filed	% of total post-foreclosure summary process actions in New Haven District, CT
Deutsche	47	23%
Federal National Mortgage Association	32	16%
US Bank	31	15%
Wells Fargo	18	8.8%
Federal Home Loan Mortgage Corporation	12	5.9%
Other	65	32%

Judgment or status	Number of post-foreclosure summary process actions resolved in this way	% of total post-foreclosure summary process actions resolved in New Haven
Execution	78	38%
Active	49	24%
Stipulated Judgment	31	15%

<sup>2</sup> In New Haven, there were 27 cases in which the name of the pre-foreclosure property owner was unavailable. These cases are not included in calculations related to the number of actions filed against tenants or property owners because there is not enough available information to make a reasoned conclusion about those particular cases.

Judgment for plaintiff via defendant's failure to appear	31	15%
Dismissed via DMP	12	6.0%
Withdrawn	4	2.0%