

(/).

# The Worst Evictors and the Banks that Love them

By: Jaime Weisberg (/node/460)

May 6, 2019

Evicted. Sued. Served. Court date. These words are powerful. Simply the thought of eviction elicits fear. The problem is, it happens every day. And when it does, family's lives are upended, disrupted, torn apart.

For decades, tenants have been at a distinct disadvantage, typically showing up to housing court alone, while their landlords – the ones evicting them – had legal representation. Right to Counsel (<https://www.righttocounselnyc.org/>). (RTC) is changing that dynamic. RTC is a law passed in New York City in 2017 that gives tenants within 20 neighborhoods (<https://www.righttocounselnyc.org/faq>) the right to an attorney in housing court and the legislation is set to expand citywide by 2022. The best part is, RTC is working! New York City reports that over 250,000 New Yorkers have

received legal assistance in eviction cases

(<https://www.wnyc.org/story/free-housing-court-lawyers-are-driving-down-eviction-rates-city-says/>) since the Right to Counsel law passed. However, the work is far from over – 345,000 families live in the 20 RTC neighborhoods and many of them don't know about the new law, who the worst actors are, or how to protect themselves.

Thanks to the newly released Worst Evictors List

(<http://www.worstevictorsnyc.org>), we now know more about who these evictors are. This new resource was created by the Right to Counsel NYC Coalition, together with JustFix.nyc (<https://www.justfix.nyc/>) and the Anti-Eviction Mapping Project (<https://www.antievictionmap.com/>). The list is comprised of the landlords who evicted the most tenants in 2018 in zip codes where the Right to Counsel (RTC) law is in effect AND the lenders that support them. The Coalition is organizing multiple events this week as part of their Worst Evictors Week of Action ([https://www.righttocounselnyc.org/upcoming\\_events](https://www.righttocounselnyc.org/upcoming_events))!

These landlords cannot operate alone. They need money to purchase and operate their buildings, which almost always includes a loan from a bank or non-bank entity. Many of the landlords listed have a long history of alleged tenant harassment and displacement. Without proper safeguards, lenders are simply fueling displacement with their lending.

## **The Top 5 Evictors Within the RTC Zip Codes:**

**#1 Ved Parkash: 66 Evictions** in the Bronx

**Top Lenders:** Signature, NY Community Bank, Peapack Gladstone, Capital One

**#2 E&M Associates: 62 Evictions** in the Bronx & **8 Evictions** in Manhattan

**Top Lenders:** Arbor Realty Trust, Signature, NY Community Bank, Investors Bank

**#3 The Pinnacle Group: 27 Evictions** in Brooklyn & **9 Evictions** in Manhattan

**Top Lenders:** NY Community Bank, Chase, Apple Bank, Investors Bank, Santander

**#4 Steven Finkelstein / FTRE Realty: 33 Evictions** in the Bronx

**Top Lenders:** People's United Bank, BankUnited, Cantor Commercial, Capital One

**#5 Chestnut Holdings: 32 Evictions** in the Bronx

**Top Lenders:** NY Community Bank, Santander, Chase, Signature, Apple Bank

It is critical all lenders adopt and adhere to strong responsible multifamily lending guidelines. In fact, New York State chartered banks are required (<https://anhd.org/blog/new-york-state-lenders-you-are-accountable-multifamily-displacement-lending>) to follow these practices. All lenders – banks and non-banks – should adopt them as well:

1. **Responsible underwriting** based on current rents and realistic maintenance costs;

2. **Appropriate vetting of borrowers** to avoid lending to known bad actors; and
3. A commitment to **respond to issues** in buildings when problems arise.

We appreciate NYCB (<https://anhd.org/wp-content/uploads/2017/11/NYCB-CRA-Pledge-2017-19.pdf>) and Signature (<https://www.signatureny.com/about-us/community-development-0717>) for adopting these policies, but it doesn't undo the damage already done by bad lending. NYCB has made loans to 4 of the 5 worst evictors and recently made a loan to the notorious Steve Croman (<https://patch.com/new-york/west-village/slumlord-buys-white-horse-building-loan-bank-he-scammed>), a landlord well known for his prior tactics to evict tenants. Both banks have loans to many of the landlords on the list, as do other prolific lenders such as Chase, Capital One, and Investors. These and all banks must scrutinize loans to landlords on the list and ensure that all their loans moving forward are not fueling displacement by incorporating responsible underwriting standards and using all available resources, including the Worst Evictors List, to vet landlords and avoid lending to known bad actors.

**We call on all stakeholders to respond with urgency to make sure no more families lose their homes!**

- **Lenders on the worst evictors list** should promptly review any loans made to these landlords and do everything possible to ensure no more tenants are subject to the undue hardship and stress caused by evictions and the threat of evictions.
- **Bank regulators** should review these loans as well and hold lenders accountable for loans that violate any of the standards of responsible lending.
- **Legislators** should hold both bank and non-bank lenders accountable when their actions are harming

their constituents.

- **Tenants and tenant organizers**, you too can hold banks accountable in your organizing! Write to the banks and bank regulators, the same as you would to your landlords and legislators. Banks have a responsibility to respond and hold their borrowers to the highest standards. You can also participate in an event this week as part of the Worst Evictors Week of Action ([https://www.righttocounselnyc.org/upcoming\\_events](https://www.righttocounselnyc.org/upcoming_events))!

*Read ANHD's latest State of Bank Reinvestment in NYC (<https://anhd.org/report/state-bank-reinvestment-new-york-city-2018>) to learn more about all the ways banks are, and aren't, reinvesting in your neighborhoods. The report includes a section on multifamily lending as a key part of the report.*