



# NEW YORK CITY 2009 LIEN SALE

## UNDERSTANDING THE CITY'S LIEN SALE PROCESS

### WHAT IS A LIEN?

A lien is a legal claim against real property for unpaid property taxes, water, sewer or other property charges, as well as the interest due on these taxes and charges. When outstanding amounts have been delinquent for a legally specified period of time, and the City has mailed notice to the property owner, the City is allowed to sell the lien(s) to an authorized third party, who becomes the "lienholder". The new lienholder then has the authority to collect the money that was previously owed to the City of New York, plus other fees and interest.

**When the City sells a lien, it is not selling the property. The new lienholder does not take title to the property.** The lienholder purchases the right to collect the money that was owed to the City. Ultimately, however, if the property owner does not pay what is owed, the lienholder can begin a formal foreclosure proceeding in court.

### WHAT SHOULD YOU DO IF YOU RECEIVE A LIEN SALE NOTICE?

If you have received a lien sale notice by mail or if the property has been listed on a published lien sale list, it means that the City's records show that you owe property taxes, water, sewer, or other property-related charges and accrued interest. **As a result, a lien for the entire delinquent amount will be sold in the 2009 lien sale, unless you resolve your debt by May 1st, 2009.**

The most important thing for you to do is to contact the Department of Finance ("Finance") if you owe property taxes and/or the Department of Environmental Protection ("DEP") if you owe water/sewer charges. You must arrange for payment, or, if you think that you do not owe the money, you must dispute the charges to correct the City's records before **May 1st**.

**DO NOT DELAY - RESPOND TODAY!**

### CUSTOMER ASSISTANCE

#### > **FOR PROPERTY TAXES**

In person: NYC Department of Finance  
Tax Lien Ombudsperson.  
66 John Street, 2nd Floor, NYC 10038

Phone: **212-504-4039**  
Online: **nyc.gov/finance**

#### > **SPECIAL ASSISTANCE FOR SENIOR CITIZENS**

In person: Senior Citizens'/Disabled Owners  
Tax Lien Ombudsperson  
66 John Street, 2nd Floor, NYC 10038

Phone: **212-504-4037**

#### > **FOR WATER & SEWER CHARGES (GENERAL INFORMATION)**

NYC Dept. of Environmental Protection  
Bureau of Customer Services

Phone: **718-595-7000**  
Online: **nyc.gov/dep**

#### > **TO DISPUTE WATER & SEWER CHARGES**

NYC Dept. of Environmental Protection  
Water Lien Ombudsperson Office

Phone: **718-595-OMBUD (6628)**  
Online: **nyc.gov/dep**  
Email: **ombud@dep.nyc.gov**

*See page 4 for additional Finance and DEP borough office locations.*

### LIEN SALE OUTREACH

Finance and DEP will hold outreach sessions in each borough from 5PM to 7PM as indicated below to provide owners with one-on-one customer assistance. Please call Finance's Tax Lien Ombudsperson at **212-504-4039** if you plan to attend an outreach session or for more information.

**March 5th Bronx – Finance Business Center**  
3030 Third Avenue, 2nd Floor

**March 12th Staten Island - Finance Business Center**  
350 St. Marks Place, 1st Floor

**March 19th Queens – Finance Business Center**  
144 - 06 94th Avenue, 1st Floor

**March 26th Manhattan – Finance Business Center**  
66 John Street, 2nd Floor

**April 2nd Brooklyn - Finance Business Center**  
210 Joralemon Street, 1st Floor

**Avoid unscrupulous, predatory lenders!**

See page 6 for important information.

## ANSWERS TO COMMONLY ASKED QUESTIONS ABOUT THE CITY'S LIEN SALE PROCESS

### ■ WHAT KINDS OF DEBT ARE SOLD IN A LIEN SALE?

Delinquent charges that are eligible for the lien sale include outstanding property taxes, sewer or water charges, surcharges, and other property-related fees and charges, including, but not limited to sidewalk repairs or vacant lot cleaning charges (if the repairs or cleaning were performed by the City), and the accrued interest on all taxes and charges listed above.

### ■ CAN ANYONE BUY LIENS?

No. The City of New York does not offer liens for sale to individual investors or to the general public.

### ■ WHEN CAN THE CITY SELL A LIEN ON MY PROPERTY?

It depends on what kind of property you own and what kind of tax exemptions you receive.

**Property Tax Debt.** If you own a...

- 1-, 2- or 3-family home; or
- Residential cooperative or condominium apartment; or
- Small store or office with one or two apartments above; or
- Vacant land zoned for residential use

And you owe **property taxes for 3 years**, the City may sell a lien on your property, UNLESS you receive one of the following exemptions:

- Senior Citizen Homeowners Exemption; or
- Disabled Homeowners Exemption; or
- State Real Property Circuit-Breaker Income Tax Credit (for owners with income under \$18,000 and property with a market value of less than \$85,000)

**Water/Sewer Debt.** If you own a...

- 2- or 3-family home; or
- Residential cooperative or condominium apartment; or
- Small store or office with one or two apartments above; or
- Vacant land zoned for residential use

And you owe **water/sewer rent charges for 1 year equal to or exceeding \$1,000**, the City may sell a lien on your property, UNLESS you receive one of the following exemptions:

- Senior Citizen Homeowners Exemption; or
- Disabled Homeowners Exemption; or
- State Circuit-Breaker Income Tax Credit

NOTE: If you own a 1-family home and only owe water/sewer charges but not property taxes, the City may NOT sell a lien on your property. Although the water/sewer debt may not be sold, DEP will terminate your water/sewer service if charges remain delinquent.

### ***Multi-family (4 units or more) and Rental Buildings, Commercial and Utility Properties***

If you own a multi-family (4 units or more) or rental building, commercial or utility property, and you owe property taxes or water/sewer charges for 1 year, the City may sell a lien on your property.

## ANSWERS TO COMMONLY ASKED QUESTIONS ABOUT THE CITY'S LIEN SALE PROCESS (Continued)

- **CAN MY LIEN BE SOLD EVEN IF I AM IN THE PROCESS OF DISPUTING THE TAX OR CHARGE?**  
Yes. All delinquent property taxes or water/sewer charges that remain unpaid for the legally specified amount of time are eligible for sale, including those under dispute. If you are in the process of contesting the assessed value of your property, water/sewer or other charges, you must pay the charges in full to avoid having your lien sold. If your dispute is successful, you will be entitled to a refund.
- **WHAT HAPPENS AFTER A LIEN IS SOLD?**  
Within 90 days of the lien sale date, the City notifies all property owners by mail of (a) the terms and conditions under which the lien was sold, (b) the name of the new lienholder, and (c) the name of the lienholder's authorized representative whom the property owner should contact. The representative will also contact the property owner to discuss payment arrangements.

*Property owners should **not** deal with, or make payments to, anyone other than the new lienholder or their authorized representative named in the letter sent by the City.*

Once a lien is sold, the property owner then owes the taxes, charges, and accrued interest to the new lienholder, not to the City. The amount the property owner owes automatically increases once the lien is sold, because the lienholder is entitled to receive a 5% surcharge on the entire lien amount, plus 18% interest, compounded daily and payable semi-annually. **The property owner may also be responsible for paying other administrative costs associated with the lien sale; for example, legal and advertising fees.**

- **CAN THE NEW LIENHOLDER SELL MY PROPERTY?**  
Not at first. However, foreclosure can begin 6 months after the lien sale date if you have not (a) paid the semi-annual interest within 30 days of the payment due date, (b) arranged some other payment schedule, or (c) remained current on property taxes or related charges that come due to the City after the lien sale. Foreclosure can also begin within 1 year after the lien sale date if you have not paid the lien in full or entered into an installment agreement with the new lienholder.

## ARE YOU CURRENTLY SERVING IN THE MILITARY?

Active duty military personnel may request an exemption from the lien sale by completing an affidavit that provides information about their military service, their property, tax warrants, Environmental Control Board violations, etc. This affidavit can be printed from the Finance website at [nyc.gov/taxreductionprograms](http://nyc.gov/taxreductionprograms)

**ACT NOW TO AVOID ADDED COSTS!**

**TO CORRECT THE CITY’S RECORDS**

If you have already paid the delinquent amount or believe the lien amount is incorrect, you must contact the City immediately.

- **For Property Taxes:** Contact the NYC Department of Finance’s Tax Lien Ombudsperson at 212-504-4039, the Senior Citizens’ Tax Lien Ombudsperson at 212-504-4037, or visit any of the Business Center locations listed below.
- **For Water & Sewer Charges:** Contact the NYC Department of Environmental Protection’s Water Lien Ombudsperson Office at **718-595-OMBU (6628)** or visit any of the borough offices listed below.

**TO ARRANGE PAYMENT**

Payments can be made online at [nyc.gov/propertytaxes](http://nyc.gov/propertytaxes) or on DEP’s website at [nyc.gov/dep](http://nyc.gov/dep). To make payment in person, visit any of the Finance Business Centers or DEP borough offices listed below.

*See page 5 for more details on payments and installment agreements*

**DEPARTMENT OF FINANCE BUSINESS CENTERS**

- **Open Monday through Friday, 8:30 AM to 4:30 PM.**
- **Beginning April 7th, Tuesday hours will be extended to 6:00 PM**
- **Beginning April 28th through April 30th, Business Center hours will be extended to 7:00 PM.**

Bronx.....	3030 Third Avenue - 2nd floor
Brooklyn .....	210 Joralemon Street - 1st floor
Manhattan.....	66 John Street - 2nd floor
Queens.....	144-06 94th Avenue - 1st floor
Staten Island .....	350 St. Marks Place - 1st floor

You can view the lien sale list online at [nyc.gov/liensale](http://nyc.gov/liensale), or visit the Offices of the City Register at the addresses above (except in Staten Island, where such documents are filed at the Richmond County Clerk’s Office, 130 Stuyvesant Place).

**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

- **From February 9th through April 24th, open Tuesday, Wednesday and Thursday, 9:00 AM to 7:00 PM, and Monday and Friday, 9:00 AM to 5:00 PM.**
- **Beginning April 27th through May 1st, office hours will be extended to 7:00 PM.**

Bronx .....	1932 Arthur Avenue - 6th floor
Brooklyn.....	250 Livingston Street - 8th floor
Manhattan .....	1250 Broadway - 8th floor
Queens.....	96-05 Horace Harding Expwy - 1st floor
Staten Island .....	60 Bay Street - 6th floor

For your convenience, you can also pay water and sewer charges online at [nyc.gov/propertytaxes](http://nyc.gov/propertytaxes) or at any Finance Business Center. However, to dispute water/sewer charges, you must contact DEP directly.

## INSTALLMENT PAYMENT PLANS

### For Property Owners with Past or Existing Payment Plans

If you have a payment plan with either the Department of Finance ("Finance") or the Department of Environmental Protection ("DEP"), and your property has been included in the 90-day Lien Sale Notice, it means that Finance or DEP records show that the required payments are not up to date. If you failed to make the required installment payments or have not kept current with new charges, and they remain unpaid, it will be up to the issuing agency's discretion to allow for a new agreement. If Finance or DEP does not allow a new agreement, you will be required to pay the entire open balance in full by May 1st, or the lien on your property will be sold.

### For Property Owners Seeking New Payment Plans

- Installment agreements are available to property owners in all tax classes, as long as the owner has not defaulted on an installment agreement with Finance.
- If an owner owes *both* property tax and water/sewer charges and cannot pay either in full, that owner *must* first enter into an installment agreement with DEP as a condition of receiving an installment agreement with Finance.
- Eligible taxpayers are required to make an initial down payment on the delinquent balance. Finance customers are required to make a 5-20% down payment and installment payments on the balance; DEP customers are required to make a 10-25% down payment and installment payments on the balance. Owners must also remain current on taxes and charges that come due to the City of New York after the 2009 lien sale.

**Contact Finance or DEP immediately to discuss your eligibility for a payment plan. Installment agreements must be signed and down payments made by May 1st to avoid the lien sale.**

*See page 1 for DEP & Finance Customer Assistance information.*

## MAKING PAYMENTS

**All property tax and all water/sewer payments must be received and processed by May 1st to remove the lien on your property from the 2009 sale.**

**PAY ONLINE** - Finance offers online payment (by electronic funds transfer, electronic check, or credit/debit card) for property taxes, water/sewer charges and accrued interest. Convenience fees apply to credit/debit card and electronic check payments. To see exactly how much you owe or to arrange an electronic payment, visit Finance's website at [nyc.gov/finance](http://nyc.gov/finance). Finance will also regularly update the lien sale list online to reflect new payments.

**PAY IN PERSON** - Since you must act quickly to avoid the lien sale, Finance encourages in-person payment at any Business Center listed on page 4. You do not have to pay in the borough where the property is located. Finance offices accept cash, official bank checks, personal checks, and money orders; DEP offices accept official bank checks, personal checks, and money orders. For payments made after **April 22nd**, however, we recommend using an official bank check or money order to ensure timely processing and to prevent the sale of the lien(s).

**PAY BY MAIL** - Payment must be received and processed before the lien sale date. Therefore, mailing your payment is not recommended after **April 22nd**, since Finance cannot guarantee that payment will be posted prior to the sale. If you choose to mail your payment, property taxes and other property-related charges billed by the Department of Finance must be mailed to Finance, and water/sewer charges billed by the Department of Environmental Protection must be mailed to the NYC Water Board. Send a check or money order to the address(es) listed below.

**PAY BY PHONE** - DEP offers Automatic Payment Service to customers who wish to pay their water/sewer bill by phone at NO FEE. Call 1-866-622-8292.

#### MAIL PROPERTY TAXES AND RELATED PAYMENTS TO:

**NYC Department of Finance  
P.O. Box 32  
New York, NY 10008-0032**

Make checks payable to: *NYC Department of Finance*.  
Write the property's borough, block, and lot number (which can be found in the upper right hand corner of your 90-day notice) on your check or money order.

#### MAIL WATER AND SEWER PAYMENTS TO:

**NYC Water Board  
P.O. Box 410  
New York, NY 10008-0410**

Make checks payable to: *NYC Water Board*.  
Write your water account number on your check or money order.

**ATTENTION HOMEOWNERS!  
DON'T BE A VICTIM OF PREDATORY LENDERS**

# CAUTION

When the 90-day Lien Sale Notice is published, homeowners on the list often receive unsolicited loan offers. Some of the lenders are honest, reputable banks and financial institutions. Others, however, are not.

Dishonest or unscrupulous lenders know that a homeowner on the lien sale list owes the City money. These lenders may try to take advantage of your financial situation, which can put your property ownership in jeopardy. Be sure to research all lenders, seek guidance from independent sources, and be careful. Don't risk losing your home to a predatory lender if you cannot pay back the money you borrow.

## SAY "NO!" TO...

- ✗ Loans with monthly payments you cannot afford to make.
- ✗ Loans with excessively high fees and interest rates.
- ✗ Aggressive sales pitches that hide the true cost of the loan.
- ✗ Hard-sell tactics by telemarketers or door-to-door salespeople.
- ✗ Any documents with blank spaces.



## WHAT YOU SHOULD DO

- ✓ Contact the Departments of Finance or Environmental Protection about paying what you owe in installments. Find out exactly how much you will have to pay up front and during each installment period.
- ✓ If you are having difficulty with your mortgage payments, need legal advice from a reputable attorney, or are interested in hearing about available loan products or other benefits, please contact 311 and ask for mortgage assistance. You will be referred to qualified staff who will help identify your issues and provide appropriate assistance.
- ✓ Document *everything* in writing, and read every word.
- ✓ Make sure you can afford to pay the monthly payments on the money you borrow.

This brochure is also available in  
★ Chinese ★ Russian ★ Spanish  
Visit the Finance website at [nyc.gov/propertytaxes](http://nyc.gov/propertytaxes)