

THE WEEKLY SWEEP - NORTHEAST FINANCIAL SERVICES REGULATOR ACTIVITY

June 2, 2026 | [Thomas P. Quinn, Jr.](#)

The latest Weekly Sweep highlights significant developments from across the Northeast involving mortgage servicing, consumer protection enforcement, landlord-tenant issues, and cybersecurity risk management. Recent actions by courts, attorneys general, and financial regulators demonstrate continued scrutiny of compliance obligations, consumer-facing practices, and emerging technology risks affecting regulated entities.

Key Developments

Maine - Mortgage Foreclosure Notice Requirements

Summary:

The Maine Supreme Judicial Court issued a decision in *Wilmington Savings Fund Society, FSB, as Trustee for Brougham Fund I Trust v. Cortellino*, reaffirming that mortgagees must strictly comply with Maine's statutory notice of right to cure requirements before obtaining a foreclosure judgment. The court vacated a foreclosure judgment after finding that the notice provided to borrowers contained mathematical errors and inconsistencies that overstated the amount required to cure the default. The decision serves as a reminder that even seemingly minor inaccuracies in borrower notices can jeopardize foreclosure proceedings.

Source:

<https://www.courts.maine.gov/courts/sjc/lawcourt/2026/26me049.pdf>

Massachusetts - State Officials Warn Against Illegal Renter-Paid Broker Fees

Summary:

Governor Maura Healey and Attorney General Andrea Campbell issued a joint warning to renters regarding unlawful broker fees charged by landlords and real estate brokers. The announcement encourages consumers to report suspected violations to state regulators and highlights Massachusetts' continued focus on housing-related consumer protection issues. The initiative also demonstrates coordination between the Attorney General's Office and state licensing authorities responsible for overseeing real estate professionals.

Source:

<https://www.mass.gov/news/governor-healey-attorney-general-campbell-warn-against-illegal-renter-paid-broker-fees>

New York - Attorney General Shuts Down Tenant Services Law Firm

Summary:

New York Attorney General Letitia James announced the closure of Consumer Legal Group, PC, doing business as Tenants Counsel Network, alleging the firm engaged in predatory practices targeting tenants facing eviction. The matter was resolved through an Assurance of Discontinuance. The action underscores the Attorney General's continued focus on protecting vulnerable consumers and policing deceptive practices in the housing and legal services sectors.

Press Release:

<https://ag.ny.gov/press-release/2026/attorney-general-james-shuts-down-predatory-law-firm-targeted-new-york-city>

Assurance of Discontinuance:

<https://ag.ny.gov/sites/default/files/settlements-agreements/consumer-legal-group-pc-assurance-of-discontinuance-2026.pdf>

New York - DFS Issues Cybersecurity Guidance on Frontier AI Models

Summary:

The New York Department of Financial Services issued industry guidance warning regulated entities about heightened cybersecurity risks associated with certain "Frontier AI Models." DFS cautioned that advanced AI technologies may increase cyber threat capabilities and urged institutions to evaluate potential risks within their cybersecurity programs. DFS also released supplemental guidance outlining

measures regulated entities should consider during periods of elevated cybersecurity risk. These publications highlight the growing regulatory focus on the intersection of artificial intelligence and cybersecurity preparedness.

Sources:

<https://www.dfs.ny.gov/industry-guidance/industry-letters/20260521-heightened-cybersecurity-risks-assoc-with-frontier-ai-models>

<https://www.dfs.ny.gov/industry-guidance/industry-letters/20260521-heightened-cybersecurity-risks-assoc-with-frontier-ai-models>

Why It Matters

This week's developments highlight:

- Continued judicial scrutiny of mortgage servicing and foreclosure compliance requirements
- Increased consumer protection enforcement in housing-related matters
- Ongoing attorney general oversight of businesses serving financially vulnerable consumers
- Growing regulatory attention to cybersecurity risks associated with artificial intelligence technologies

Contributors

Hudson Cook thanks **Frank Bishop** for contributing the Maine mortgage foreclosure decision highlighted in this edition of the Weekly Sweep.

Related Content

For additional analysis and ongoing coverage of state and federal developments, explore the following Hudson Cook and CounselorLibrary resources:

CounselorLibrary Reporters - In-depth coverage of enforcement, litigation, and regulatory trends impacting consumer financial services
<https://counselorlibrary.com/public/products-lr.cfm>

State Watch - Timely updates on state-specific legislative and regulatory activity
<https://hudco.com/insights-subscribe.cfm>

Upcoming Webinars - Practical insights and discussion on emerging issues, including recent Attorney General actions
<https://hudco.com/news.cfm?itemType=event>

Hudson Cook will continue to monitor regulatory developments across the Northeast. For further analysis or guidance on navigating these issues, please contact Tom Quinn at tquinn@hudco.com.

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