S T A T E O F N E W Y O R K

5566

2009-2010 Regular Sessions

I N A S S E M B L Y

February 13, 2009

Introduced by M. of A. V. LOPEZ -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to requiring mortgagors to defer mortgage payments

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The banking law is amended by adding a new section 6-n to read as follows:

S 6-N. DEFERMENT OF MORTGAGE PAYMENTS. IF A MORTGAGEE IS AT LEAST SIXTY DAYS DELINQUENT IN HIS OR HER MORTGAGE LOAN PAYMENTS BUT NO MORE THAN ONE HUNDRED EIGHTY DAYS DELINQUENT, THE MORTGAGOR SHALL, BEFORE COMMENCING A FORECLOSURE ACTION, OFFER THE MORTGAGEE AN OPPORTUNITY TO HAVE THE DELINQUENT PAYMENTS DEFERRED. IF A MORTGAGEE ACCEPTS THE OFFER, AN AMOUNT EQUAL TO THE CUMULATIVE VALUE OF THE PAYMENTS THAT HAVE BEEN MISSED SHALL BE ADDED TO THE PRINCIPAL OF THE LOAN. A MORTGAGOR IS ONLY REQUIRED TO OFFER THIS OPTION TO A MORTGAGEE ONCE DURING THE LIFE OF THE MORTGAGE LOAN.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD08862-01-9