

4506

2009-2010 Regular Sessions

I N S E N A T E

April 24, 2009

Introduced by Sen. KRUGER -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the real property law, in relation to residential mortgage payment deferral right

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

1 Section 1. The real property law is amended by adding a new section
2 282 to read as follows:

3 S 282. RESIDENTIAL MORTGAGE PAYMENT DEFERRAL RIGHT. 1. AS USED IN
4 THIS SECTION, THE TERM "RESIDENTIAL MORTGAGE" MEANS A MORTGAGE ON REAL
5 PROPERTY CONTAINING, OR COOPERATIVE SHARES ASSIGNED TO, ONE OR MORE
6 DWELLING UNITS USED FOR RESIDENTIAL PURPOSES.

7 2. UPON GIVING AT LEAST THIRTY DAYS WRITTEN NOTICE TO THE MORTGAGEE,
8 EVERY MORTGAGOR WHO IS A PARTY TO A RESIDENTIAL MORTGAGE SHALL BE ENTI-
9 TLED TO A ONE-TIME DEFERRAL OF UP TO TWO CONSECUTIVE MONTHLY PAYMENTS
10 DUE ON THE MORTGAGE UNTIL THE END OF THE TERM OF THE MORTGAGE. IF THIS
11 ENTITLEMENT IS CLAIMED BY GIVING THE REQUISITE NOTICE, THE TERM OF SUCH
12 RESIDENTIAL MORTGAGE SHALL BE AUTOMATICALLY EXTENDED BY THE PERIOD OF
13 SUCH PAYMENT DEFERRAL AND THE AMOUNT OF THE MONTHLY PAYMENTS DUE ON THE
14 MORTGAGE SHALL REMAIN THE SAME AND NOT BE RECALCULATED.

15 3. THE PROVISIONS OF THIS SECTION SHALL BE DEEMED INCORPORATED INTO
16 THE PROVISIONS OF EVERY RESIDENTIAL MORTGAGE EXECUTED ON OR AFTER THE
17 EFFECTIVE DATE OF THIS SECTION.

18 4. THE PROVISIONS OF THIS SECTION SHALL BE DEEMED AN ACT OF LEGISLA-
19 TIVE GRACE AND A MATTER OF EFFECTUATING THE PUBLIC POLICY OF THIS STATE.

20 S 2. This act shall take effect on the first of September next
21 succeeding the date on which it shall have become a law and shall apply
22 to residential mortgages as defined in section 282 of the real property
23 law, as added by section one of this act, executed on or after the
24 effective date of this act.

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

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