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

7106

2009-2010 Regular Sessions

I N A S S E M B L Y

March 20, 2009

Introduced by M. of A. HOYT -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in relation to requiring a lender to ascertain the value of real property prior to commencing foreclosure proceedings

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

Section 1. The real property actions and proceedings law is amended by adding a new section 1305 to read as follows:

S 1305. ASCERTAINING PROPERTY VALUE PRIOR TO INITIATING FORECLOSURE PROCEEDINGS; SPECIAL PLEADING. 1. PRIOR TO INITIATING AN ACTION TO FORECLOSE A MORTGAGE, THE FORECLOSING PARTY IN A MORTGAGE FORECLOSURE ACTION SHALL OBTAIN AN ASSESSMENT OF THE ACTUAL VALUE OF THE PROPERTY TO BE FORECLOSED ON. SUCH ASSESSMENT SHALL BE BASED ON RECOGNIZED VALUATION METHODS, INCLUDING AN APPRAISAL OR A BROKER'S PRICE OPINION.

2. A COMPLAINT FILED IN ACTION TO FORECLOSE A MORTGAGE SHALL CONTAIN AN ASSERTION OF THE VALUE AS DETERMINED BY THE ASSESSMENT REQUIRED BY SUBDIVISION ONE OF THIS SECTION AND A DESCRIPTION OF THE TYPE OF ASSESSMENT PERFORMED.

S 2. This act shall take effect immediately.

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

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