

S T A T E   O F   N E W   Y O R K

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9390--B

I N   A S S E M B L Y

February 24, 2012

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Introduced by M. of A. MORELLE -- read once and referred to the Committee on Real Property Taxation -- reference changed to the Committee on Judiciary -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the real property law, in relation to definitions of private transfer fee obligations

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

1     Section 1. Subdivision 2 of section 472 of the real property law is  
2     amended by adding three new paragraphs (j), (k) and (l) to read as  
3     follows:  
4     (J) ANY FEE, CHARGE OR ASSESSMENT PAYABLE BY THE TRANSFEREE TO A  
5     CORPORATION OR COMPANY FORMED PURSUANT TO THE PRIVATE HOUSING FINANCE  
6     LAW.  
7     (K) ANY FEE, CHARGE OR ASSESSMENT PAYABLE BY THE TRANSFEREE TO A  
8     CORPORATION OR COMPANY THAT HAS RECEIVED A LOAN OR SUBSIDY PURSUANT TO  
9     THE PRIVATE HOUSING FINANCE LAW OR GENERAL MUNICIPAL LAW.  
10    (L) ANY AMOUNTS PAYABLE TO A GOVERNMENT ENTITY.  
11    S 2. Paragraph (g) of subdivision 2 of section 472 of the real proper-  
12    ty law, as added by chapter 522 of the laws of 2011, is amended to read  
13    as follows:  
14    (g) Any fee, charge, assessment, fine, or other amount payable to a  
15    homeowners', condominium, cooperative, mobile home, or property owners'  
16    association pursuant to a declaration [or], covenant, DULY ADOPTED  
17    BY-LAW, PROPRIETARY LEASE or law applicable to such association, includ-  
18    ing, but not limited to, fees or charges payable for estoppel letters or  
19    certificates issued by the association or its authorized agent. No  
20    amount shall be paid to a homeowners', condominium, cooperative, mobile  
21    home, or property owners' association for the payment to the declarant  
22    of the condominium or the creator of a homeowners', cooperative, mobile  
23    home or property owners' association, or their designee.

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

LBD14661-04-2

1 S 3. Section 473 of the real property law, as added by chapter 522 of  
2 the laws of 2011, is amended to read as follows:

3 S 473. Prohibition. A private transfer fee obligation recorded or  
4 entered into in this state on or after the effective date of this  
5 section does not run with the land and is not binding on or enforceable  
6 at law or in equity against any owner, purchaser, or mortgagee of any  
7 interest in real property as an equitable servitude or otherwise. Any  
8 private transfer fee obligation that is recorded or entered into in this  
9 state on or after the effective date of this section is void and unen-  
10 forceable. This section shall not apply to a private transfer fee obli-  
11 gation recorded or entered into prior to the effective date of this  
12 section. This section shall not be deemed to require that a private  
13 transfer fee obligation recorded, filed or entered into in this state  
14 before the effective date of this section is presumed valid and enforce-  
15 able. It is the public policy of this state that no private transfer fee  
16 obligation shall be valid or enforceable whenever entered into, recorded  
17 or filed. Furthermore, this article shall not validate any private  
18 transfer fee agreement that is contrary to the [laws] LAW of this state.  
19 S 4. This act shall take effect immediately and shall be deemed to  
20 have been in full force and effect on and after September 23, 2011.