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

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4277

2013-2014 Regular Sessions

I N   S E N A T E

March 19, 2013
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Introduced by Sen. GALLIVAN -- read twice and ordered printed, and when
  printed to be committed to the Committee on Housing, Construction and
  Community Development

AN ACT to amend the real property actions and proceedings law, in
  relation to requiring a plaintiff in a mortgage foreclosure action to
  maintain the subject property in good faith

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

 1   Section 1. Subdivision 1 of section 1307 of the real property actions
 2 and proceedings law, as added by chapter 507 of the laws of 2009, is
 3 amended to read as follows:
 4   1. A plaintiff [in] WHO COMMENCES a mortgage foreclosure action [who
 5 obtains], INCLUDING A LENDER, AN ASSIGNEE OR A MORTGAGE LOAN SERVICER,
 6 SEEKING a judgment of foreclosure and sale pursuant to section thirteen
 7 hundred fifty-one of this article, involving residential real property,
 8 as defined in section thirteen hundred five of this article, that is
 9 vacant, or becomes vacant after COMMENCEMENT OF THE ACTION OR the issu-
10 ance of such judgment, or is abandoned by the mortgagor but occupied by
11 a tenant, as defined under section thirteen hundred five of this arti-
12 cle, shall IN GOOD FAITH maintain such property until such time as
13 ownership has been transferred through the closing of title in foreclo-
14 sure, or other disposition, and the deed for such property has been duly
15 recorded; provided, however, that if a municipality or governmental
16 entity holds a mortgage subordinate to one or more mortgages on the
17 residential real property, the municipality or governmental entity shall
18 not be subject to the requirements of this section.   AS   USED   IN   THIS
19 SECTION, THE   TERM "GOOD FAITH" SHALL BE DEFINED AS HONESTY IN FACT AND
20 THE OBSERVANCE OF REASONABLE STANDARDS OF FAIR DEALING.
21   S 2. This act shall take effect immediately.