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

6685--B

Cal. No. 780

2015-2016 Regular Sessions

I N A S S E M B L Y

March 30, 2015

Introduced by M. of A. PERRY -- Multi-Sponsored by -- M. of A. BENEDETTO, COLTON, GALEF, HIKIND, ROSENTHAL, TITUS, WRIGHT -- read once and referred to the Committee on Judiciary -- recommitted to the Committee on Judiciary in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the real property law, in relation to notice of sale or transfer of ownership of residential property

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

Section 1. Section 291 of the real property law, as amended by chapter 447 of the laws of 1984, is amended to read as follows:

S 291. Recording of conveyances. A conveyance of real property, within the state, on being duly acknowledged by the person executing the same, or proved as required by this chapter, and such acknowledgment or proof duly certified when required by this chapter, may be recorded in the office of the clerk of the county where such real property is situated, and such county clerk OR CITY REGISTRAR WHERE APPLICABLE shall, upon the request of any party, on tender of the lawful fees therefor, record the same in [his] said office. Every such conveyance not so recorded is void as against any person who subsequently purchases or acquires by exchange or contracts to purchase or acquire by exchange, the same real property or any portion thereof, or acquires by assignment the rent to accrue therefrom as provided in section two hundred ninety-four-a of [the real property law] THIS ARTICLE, in good faith and for a valuable consideration, from the same vendor or assignor, his distributees or devisees, and whose conveyance, contract or assignment is first duly recorded, and is void as against the lien upon the same real property or any portion thereof arising from payments made upon the

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

LBD03554-05-6

execution of or pursuant to the terms of a contract with the same vendor, his distributees or devisees, if such contract is made in good faith and is first duly recorded. Notwithstanding the foregoing, any increase in the principal balance of a mortgage lien by virtue of the addition thereto of unpaid interest in accordance with the terms of the mortgage shall retain the priority of the original mortgage lien as so increased provided that any such mortgage instrument sets forth its terms of repayment. THE CLERK OF THE COUNTY OR CITY REGISTRAR WHERE SUCH CONVEYANCE OF RESIDENTIAL REAL PROPERTY IS RECORDED AND MAINTAINED SHALL MAIL A WRITTEN NOTICE OF SUCH CONVEYANCE TO THE OWNER OF RECORD. THE NOTICE SHALL HAVE THE HEADING PRINTED IN 20 POINT BOLD TYPE AND READ AS FOLLOWS:

"NOTICE OF SALE OR TRANSFER OF OWNERSHIP OF YOUR RESIDENTIAL PROPERTY.

TO:_____
NAME OF OWNER OF RECORD

OUR RECORDS SHOW THAT YOU ARE LISTED AS THE CURRENT OWNER OF RECORD FOR RESIDENTIAL PROPERTY:

BLOCK # _____ LOT # _____

LOCATED AT: _____
STREET ADDRESS

IN THE COUNTY OF _____ NEW YORK
ON _____, DOCUMENTS WERE FILED AT THIS
DATE
OFFICE TO CHANGE OWNERSHIP AND TRANSFER TITLE OF YOUR PROPERTY.

TO: _____
NAME OF NEW OWNER

IF YOU HAVE ANY QUESTIONS REGARDING THE VALIDITY OF THE DOCUMENTS, AND WISH TO DISPUTE THE RECORDING OF THE TRANSFER, YOU SHOULD OBTAIN LEGAL COUNSEL. IF YOU BELIEVE YOU ARE A VICTIM OF A CRIME RELATED TO THIS RECORDING, CONTACT YOUR LOCAL LAW ENFORCEMENT AGENCY OR, IF IN THE CITY OF NEW YORK, THE OFFICE OF THE SHERIFF."

THE PARTY SEEKING TO RECORD SUCH CONVEYANCE SHALL BEAR THE COST OF SUCH WRITTEN NOTICE. THE PARTY SEEKING TO RECORD THE CONVEYANCE SHALL SUBMIT, CONTEMPORANEOUSLY WITH THE FILING OF THE DOCUMENT OF CONVEYANCE, A PRE-STAMPED ENVELOPE BEARING SUFFICIENT POSTAGE TO MAIL A LARGE ENVELOPE BY FIRST CLASS MAIL. FAILURE TO MAIL SUCH NOTICE OR THE FAILURE OF ANY PARTY TO RECEIVE THE SAME, SHALL NOT AFFECT THE VALIDITY OF THE CONVEYANCE OF THE PROPERTY.

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