

STATE OF NEW YORK

7834

IN SENATE

January 12, 2022

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

AN ACT to amend the public authorities law, in relation to the construction of modular and manufactured housing

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 5 of section 2402 of the public authorities
2 law, as amended by a chapter of the laws of 2021 amending the public
3 authorities law relating to the construction of modular and manufactured
4 housing, as proposed in legislative bills numbers S. 7185 and A. 7719,
5 is amended to read as follows:

6 (5) "Mortgage". A loan owed to a bank secured by a first lien on a fee
7 simple or leasehold estate in real property located in the state and
8 improved by a residential structure or, on which a residential structure
9 for use as single-family modular or manufactured housing purchased and
10 sited on land shall be constructed using the proceeds of such loan,
11 whether or not insured or guaranteed by the United States of America or
12 any agency thereof. The term "mortgage" shall also include a loan owed
13 to a bank secured by a second lien on a fee simple or leasehold estate
14 in real property located in the state and improved by a residential
15 structure or on which a residential structure for use as single-family
16 modular or manufactured housing purchased and sited on land shall be
17 constructed using the proceeds of the related loan described in para-
18 graph (a) or (b) of this subdivision, whether or not insured or guaran-
19 teed by the United States of America or any agency thereof, provided,
20 however, that such second lien: (a) secures a loan purchased by the
21 agency, and (b) is made at the same time as a first lien securing a loan
22 purchased by the agency pursuant to its programs or by a government
23 sponsored enterprise or is made at the same time as a new housing loan
24 purchased by the agency pursuant to section twenty-four hundred five-c
25 of this part. The term "mortgage" shall also include loans made by the
26 agency and secured by a second lien on a fee simple or leasehold estate
27 in real property located in the state and improved by a residential
28 structure or on which a residential structure for use as single-family

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

LBD11153-02-2

1 modular or manufactured housing purchased and sited on land shall be
2 constructed using the proceeds of such loan, whether or not insured or
3 guaranteed by the United States of America or any agency thereof,
4 provided however, that the loan made by the agency and secured by such
5 second lien is made at the same time as a first lien securing a mortgage
6 loan purchased by the agency pursuant to its programs or by a government
7 sponsored enterprise. In the case of any second lien purchased or made
8 hereunder, the mortgagor shall be obligated to contribute from his or
9 her own verifiable funds an amount not less than such percentage as the
10 agency shall determine, of the lower of the purchase price or appraised
11 value of the property subject to the first lien. "Real property" as used
12 in this subdivision shall include air rights.

13 For the purposes of this title and subdivision ten of section [~~one~~
14 ~~hundred eighty seven~~] two hundred ten-B of the tax law, "mortgage" shall
15 include housing loans as defined below. Except for the purposes of
16 subdivision seven of section twenty-four hundred five and subdivision
17 eight of section [~~two thousand four~~] twenty-four hundred five-b of this
18 part, "mortgage" shall also include a loan owed to a bank by an individ-
19 ual borrower incurred for the purpose of financing the purchase of
20 certificates of stock or other evidence of ownership of an interest in,
21 and a proprietary lease from, a cooperative housing corporation formed
22 for the purpose of the cooperative ownership of residential real estate
23 in the state, secured by an assignment or transfer of the benefits of
24 such cooperative ownership, and containing such terms and conditions as
25 the agency may approve.

26 § 2. This act shall take effect on the same date and in the same
27 manner as a chapter of the laws of 2021 amending the public authorities
28 law relating to the construction of modular and manufactured housing, as
29 proposed in legislative bills numbers S. 7185 and A. 7719, takes effect.