§ 2426. Definitions. As used in sections twenty-four hundred twenty-five through twenty-four hundred twenty-nine inclusive.

1. "Financial institution". Any bank, trust company, national bank, savings bank, state or federal savings and loan association, or state or federal credit union, insurance company, pension fund or retirement system of any corporation, association, any other entity which is owned or controlled by any one or more of the above, provided the same is supervised by or responsible to any agency of the federal government, the state, any department thereof or the governing body of any city, town or village of the state or any other entity approved by the agency or any one or more of the above when lawfully acting as a trustee or otherwise in a fiduciary capacity. The term "financial institution" shall also include the New York state housing finance agency and the New York state urban development corporation, the New York city housing development corporation, the New York city department of housing preservation and development and any person who is approved as a mortgage lender by the federal housing administration for purposes of insurance issued by such administration or licensed by the state of New York as a mortgage banker.

2. "Housing accommodation". Any existing building, structure, unit thereof or unimproved real property, which is used or occupied, or is intended to be used or occupied, wholly or partly, as the home or residence of one or more persons.

3. "Other real property". Any existing building, structure or unimproved property which is used or occupied, or is intended to be used or occupied, primarily for the retail sale of goods or the rendering of services.

4. "Mortgage insurance fund". The mortgage insurance fund established pursuant to section twenty-four hundred twenty-nine-b of this article.

5. "Mortgage insurance fund requirement". For any category of loans or development corporation credit support as of any particular date of computation, an amount of money or cash equivalents equal to (a) the

aggregate of (i) such insured amounts of each category of loans and such amount of development corporation credit support as the agency has determined to be due and payable as of such date pursuant to its contracts to insure mortgages or provide development corporation credit support plus (ii) an amount equal to twenty per centum of the amounts of each category of loans insured under the agency's insurance contracts plus twenty per centum of the amounts to be insured under the agency's commitments to insure less the amounts payable in each category of loans pursuant to subparagraph (i) of this paragraph, provided, however, that if the board of directors of the agency shall have established a per centum for a category of loans, or for one or more loans within such categories, pursuant to subdivision seven of section twenty-four hundred twenty-eight of this part, such per centum shall be substituted for twenty per centum in this paragraph for such category or loan, and provided further, that no such new per centum shall be lower than twenty per centum plus (iii) an amount equal to the respective amounts established by contract with respect to each reserve and financial support fund (which may be determined by reference to percentages of amounts required or permitted to be on deposit in said funds and may be different for each such fund) for which the agency has determined that the development corporation credit support account established under section twenty-four hundred twenty-nine-b of this part is or will be a source or potential source of development corporation credit support, less the amounts payable with respect to development corporation credit support pursuant to subparagraph (i) of this paragraph less (b) the aggregate of the amount of each reinsurance contract procured in connection with agency obligations determined by the board of directors of the agency to be a reduction pursuant to this paragraph in calculating the mortgage insurance fund requirement. For purposes of pool insurance, in no event shall the reserve requirement be less than twenty percent of the amounts insured under the agency's insurance contracts.

6. "Mortgagee". The lender under a mortgage eligible for insurance pursuant to section twenty-four hundred twenty-eight of this chapter, and its successors and assigns approved by the agency.

7. "Mortgagor". The original borrower under a mortgage eligible for insurance pursuant to section twenty-four hundred twenty-eight of this chapter, and its successors and assigns approved by the agency.

8. "Operating expenses". All costs of administering the agency, including but not limited to salaries and wages, expenses of administering staff functions, fees of consultants, legal fees, charges incurred for servicing insured mortgage loans, money management, office rents, utility charges, cost of supplies, furnishings, equipment, machinery and apparatus, maintenance and repair of property and other expenses incurred in connection with the foregoing.

9. "Region". One or more of the following named areas comprised of the counties indicated:

(1) Buffalo: Cattaraugus, Chautauqua, Erie and Niagara counties;

(2) Rochester: Genesee, Livingston, Monroe, Ontario, Orleans, Seneca, Wayne, Wyoming and Yates counties;

(3) Syracuse: Cayuga, Cortland, Madison, Onondaga and Oswego counties;

(4) Elmira-Binghamton: Allegany, Broome, Chemung, Chenango, Delaware, Otsego, Schuyler, Steuben, Tioga and Tompkins counties;

(5) Mid-Hudson: Columbia, Dutchess, Greene, Orange, Putnam, Sullivan and Ulster counties;

(6) Capital: Albany, Montgomery, Rensselaer, Saratoga, Schenectady and Schoharie counties;

(7) Mohawk Valley-Northern: Clinton, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Oneida, St. Lawrence, Warren and Washington counties;

(8) Downstate: Rockland and Westchester counties;

(9) Long Island: Nassau and Suffolk counties;

(10) New York City: the five counties comprising the city of New York.

10. "Rehabilitation". Repairs, alterations or improvements of a housing accommodation designed to raise the housing standards therein or, in the case of other real property, designed to provide needed improvements therein.

11. "Preservation loan". A loan extended by a financial institution

for the purposes of refinancing existing indebtedness secured by one or more mortgages on a housing accommodation or other real property and/or financing the acquisition of a housing accommodation or other real property and which otherwise complies with the conditions established pursuant to section twenty-four hundred twenty-eight of this chapter.

* 12. "Rehabilitation loan". A loan extended by a financial institution which may include the refinancing of existing indebtedness, if any, secured by one or more mortgages on the housing accommodation or other real property to be rehabilitated or financing the acquisition of the housing accommodation or other real property to be rehabilitated, and which otherwise complies with the conditions established pursuant to section twenty-four hundred twenty-eight of this part, provided however that a sum equal to at least twenty percent of the amount of the loan shall be used for the cost of rehabilitation of, or construction of improvements on a housing accommodation or other real property; provided further that such percentage shall not be required for a community residence as such term is defined in subdivision twenty-eight of section 1.03 of the mental hygiene law, or for any other residential facility funded by, under contract with, or subject to regulation by or under the jurisdiction of the department of mental hygiene, providing services to persons with mental disabilities as such term is defined in subdivision three of such section.

* NB Effective until July 23, 2027

* 12. "Rehabilitation loan". A loan extended by a financial institution which may include the refinancing of existing indebtedness, if any, secured by one or more mortgages on the housing accommodation or other real property to be rehabilitated or financing the acquisition of the housing accommodation or other real property to be rehabilitated, and which otherwise complies with the conditions established pursuant to section twenty-four hundred twenty-eight of this chapter, provided however that a sum equal to at least twenty-five percent of the amount of the loan shall be used for the cost of rehabilitation of, or construction of improvements on a housing accommodation or other real property.

* NB Effective July 23, 2027

13. "Residential purposes". The use or intended use of any space as

the home or residence of one or more persons, excluding use as a housing accommodation for transients, but including use or intended use for emergency, transitional or shelter housing.

14. "Cash equivalent". A letter of credit, insurance policy, surety, guarantee or other security arrangement.

15. "Pool insurance". Mortgage insurance provided by the agency to insure an aggregate of mortgage loans.

16. Reverse mortgage. A reverse mortgage loan pursuant to section two hundred eighty or two hundred eighty-a of the real property law shall mean a loan which is secured by a first mortgage on real property improved by a one to four-family residence or condominium that is the residence of the mortgagor, the proceeds of which are advanced to the mortgagor during the loan term in equal installments, in advances through a line of credit or otherwise, in lump sums, or through a combination thereof. A reverse mortgage may be structured to provide for the addition of accrued but unpaid interest to principal. Such reverse mortgage loan may provide for an initial lump-sum advance wherein the mortgagor may receive an amount necessary to pay closing costs, including but not limited to loan or commitment fees, if any, insurance premiums, the cost of house repairs, legal fees, the cost of annuities, the costs of third party counseling, the amount necessary to pay off existing mortgages or liens, and other appropriate costs.

17. "Ancillary bond facility". That portion of an ancillary bond facility, as defined in the convention center development corporation act, with respect to which the corporation has an actual or potential financial obligation or financial right.

18. "Bonds". Bonds as defined in the convention center development corporation act.

19. "Corporation". The convention center development corporation, created by the convention center development corporation act.

20. "Development corporation credit support". The sum of the respective amounts (or percentages) of required or permissive funding by the corporation of each reserve and financial support fund established by the corporation for its bonds and, to the extent not otherwise provided in respect of the support of bonds, for its ancillary bond facilities for which the agency has determined that the development corporation credit support account established under section twenty-four hundred twenty-nine-b of this part is or will be a source or potential source of funding.

21. "Reserve and financial support fund". The convention center development fund created by the convention center development corporation act and each fund (including, but not limited to, any fund or account in the nature of a reserve fund, a debt service fund, a revenue fund, a redemption fund or a reimbursement fund) established by the corporation in connection with its bonds or ancillary bond facilities from which amounts are required to be, or available to be, applied in satisfaction of financial obligations or financial rights of the corporation under such bonds or ancillary bond facilities.

22. "Convention center development corporation act". The convention center development corporation act, constituting chapter thirty-five of the laws of nineteen hundred seventy-nine, as amended, by the chapter of the laws of two thousand four which added this subdivision.