

missioner may, with the consent of the mortgagee (in lieu of issuing a certificate of claim as provided in subsection (e)), include in debentures, in addition to amounts otherwise allowed for such costs, an amount not to exceed one-third of the total foreclosure, acquisition, and conveyance costs actually paid by the mortgagee and approved by the Commissioner, but in no event may the total allowance for such costs exceed the amount actually paid by the mortgagee; and struck out "paid after either of such dates" after "mortgage insurance premiums" in third sentence, respectively.

Subsec. (c). Pub. L. 88-560, §105(e)(2), increased limitation on difference between amount of debentures to which the mortgagee is entitled under this section or section 1750g of this title and aggregate face value of debentures issued from \$50 to \$350.

Subsec. (d). Pub. L. 88-560, §105(e)(3), substituted in second sentence "default, except that debentures issued pursuant to claims for insurance filed on or after September 2, 1964 shall be dated as of the date of default or as of such later date as the Commissioner, in his discretion, may establish by regulation. The debentures" for "default, and".

1954—Subsec. (d). Act Aug. 2, 1954, in third sentence, substituted a twenty-year period for the ten-year period, with respect to the maturity of debentures.

EFFECTIVE DATE OF 1954 AMENDMENT

Amendment by act Aug. 2, 1954, as not applicable in any case where the mortgage involved was insured or the commitment for such insurance was issued prior to Aug. 2, 1954, see section 112(e) of that act, set out as a note under section 1710 of this title.

§ 1750d. Repealed. Pub. L. 89-117, title XI, § 1108(aa), Aug. 10, 1965, 79 Stat. 507

Section, act June 27, 1934, ch. 847, title IX, §905, as added Sept. 1, 1951, ch. 378, title II, §201, 65 Stat. 301, provided for management of National Defense Housing Insurance Fund, issue and cancellation of debentures, and receipt and payment of charges and fees.

§ 1750e. Taxation

Nothing in this subchapter shall be construed to exempt any real property acquired and held by the Secretary under this subchapter from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

(June 27, 1934, ch. 847, title IX, §906, as added Sept. 1, 1951, ch. 378, title II, §201, 65 Stat. 301; amended Pub. L. 90-19, §1(a)(3), May 25, 1967, 81 Stat. 17.)

AMENDMENTS

1967—Pub. L. 90-19 substituted "Secretary" for "Commissioner".

§ 1750f. Rules and regulations

The Secretary is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this subchapter.

(June 27, 1934, ch. 847, title IX, §907, as added Sept. 1, 1951, ch. 378, title II, §201, 65 Stat. 301; amended Pub. L. 90-19, §1(a)(3), May 25, 1967, 81 Stat. 17.)

AMENDMENTS

1967—Pub. L. 90-19 substituted "Secretary" for "Commissioner".

§ 1750g. Insurance of additional mortgages

(a) Authorization

In addition to mortgages insured under section 1750b of this title, the Secretary is authorized to insure mortgages as defined in section 1750 of this title (including advances on such mortgages during construction) which are eligible for insurance as hereinafter provided.

(b) Eligibility requirements; release of part of property

To be eligible for insurance under this section a mortgage shall meet the following conditions:

(1) The mortgaged property shall be held by a mortgagor approved by the Secretary. The Secretary may, in his discretion, require such mortgagor to be regulated or restricted as to rents or sales, charges, capital structure, rate of return, and methods of operation. The Secretary may make such contracts with, and acquire for not to exceed \$100 stock or interest in any such mortgagor, as the Secretary may deem necessary to render effective such restriction or regulation. Such stock or interest shall be paid for out of the General Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

(2) The mortgage shall involve a principal obligation in an amount—

(A) not to exceed \$5,000,000; and

(B) not to exceed 90 per centum of the amount which the Secretary estimates will be the value of the property or project when the proposed improvements are completed: *Provided*, That such mortgage shall not in any event exceed the amount which the Secretary estimates will be the cost of the completed physical improvements on the property or project exclusive of off-site public utilities and streets and organization and legal expenses; and

(C) not to exceed \$8,100 per family unit (or \$7,200 per family unit if the number of rooms in such property or project does not equal or exceed four per family unit) for such part of such property or project as may be attributable to dwelling use: *Provided*, That the Secretary may by regulation increase such dollar amount limitations by not exceeding \$900 in any geographical area where he finds that cost levels so require.

(3) The mortgagor shall enter into the agreement required by section 1715r of this title.

The mortgage shall provide for complete amortization by periodic payments within such term as the Secretary shall prescribe, and shall bear interest (exclusive of premium charges for insurance) at not to exceed 4½ per centum per annum on the amount of the principal obligation outstanding at any time. The Secretary may consent to the release of a part or parts of the mortgaged property from the lien of the mortgage upon such terms and conditions as he may prescribe and the mortgage may provide for such release.

(c) Default; debentures; cash adjustment; certificate of claim

The mortgagee shall be entitled to receive debentures in connection with mortgages insured

under this section in the amount and under the conditions specified in subsection (g) of section 1713 of this title, and the references in said subsection (g) to the cash adjustment provided for in subsection (j) of section 1713 and to the certificate of claim provided for in subsection (h) of section 1713 shall be deemed to refer respectively to the cash adjustment provided for in subsection (c) of section 1750c of this title and to the certificate of claim provided for in subsection (d) of this section.

(d) Certificate of claim; contents and payment

The certificate of claim issued by the Secretary to any mortgagee under this section shall be for an amount determined in accordance with, and shall contain provisions and shall be paid in accordance with, the provisions of section 1713(h) of this title.

(e) Debentures; issuance and payment in accordance with section 1750c(c), (d) of this title

Debentures issued under this section shall be issued in accordance with the provisions of section 1750c(c) and (d) of this title except that such debentures shall be dated as of the date of default as determined in subsection (c) of this section, and shall bear interest from such date.

(f) Applicability of section 1713(k), (l) of this title

The provisions of section 1713(k) and (l) of this title shall be applicable to mortgages insured under this section and to property acquired by the Secretary hereunder, except that, as applied to such mortgages and property, the reference therein to subsection (g) shall be construed to refer to subsection (c) of this section.

(g) Applications under section 1743; credit for fees upon reapplication under this section

In any case where an application for insurance under section 1743 of this title was received by the Secretary of Housing and Urban Development on or before March 1, 1950, and has not been rejected or committed upon, the mortgagee upon reapplication for insurance of a mortgage under this section with respect to the same property shall receive credit for any application fees paid in connection with the prior application: *Provided*, That this subsection shall not constitute a waiver of any requirements otherwise applicable to the insurance of mortgages under this section.

(h) Preferences

The Secretary shall grant preference to applications for insurance under this subchapter to mortgages covering housing of lower rents.

(June 27, 1934, ch. 847, title IX, §908, as added Sept. 1, 1951, ch. 378, title II, §201, 65 Stat. 301; amended June 30, 1953, ch. 170, §10(c), 67 Stat. 124; Aug. 2, 1954, ch. 649, title I, §130, 68 Stat. 609; Pub. L. 89-117, title XI, §1108(z), Aug. 10, 1965, 79 Stat. 507; Pub. L. 90-19, §1(a)(2), (3), May 25, 1967, 81 Stat. 17.)

REFERENCES IN TEXT

The General Insurance Fund, referred to in text, was established by section 1735c of this title.

AMENDMENTS

1967—Pub. L. 90-19, §1(a)(3), substituted “Secretary” for “Commissioner” wherever appearing in subsecs. (a), (b)(1), (2)(B), (C), last par. following (C), (d), (f), and (h).

Subsec. (g). Pub. L. 90-19, §1(a)(2), substituted “Secretary of Housing and Urban Development” for “Federal Housing Commissioner”.

1965—Subsec. (b)(1). Pub. L. 89-117, §1108(z)(1), substituted “General Insurance Fund” for “National Defense Housing Insurance Fund”.

Subsec. (d). Pub. L. 89-117, §1108(z)(2), struck out provision that reference in section 1713(h) of this title to “the Housing Insurance Fund” shall be deemed for the purposes of this section to be a reference to the National Defense Housing Insurance Fund.

Subsec. (f). Pub. L. 89-117, §1108(z)(3), struck out provision that references in subsections (k) and (l) of section 1713 of this title “Housing Fund” shall be construed to refer to the “National Defense Housing Insurance Fund”.

1954—Subsec. (b)(3). Act Aug. 2, 1954, substituted requirement that mortgagor shall enter into the agreement required by section 1715r of this title for former provisions relating to certification of builders’ costs, such certifications now being prescribed in said section 1715r.

1953—Subsec. (b). Act June 30, 1953, in paragraph commencing “The mortgage shall provide”, substituted “4½ per centum” for “4 per centum”.

SUBCHAPTER XI—VOLUNTARY HOME MORTGAGE CREDIT

CODIFICATION

This subchapter was enacted as part of the Housing Act of 1954, and not as part of the National Housing Act which comprises this chapter.

§§ 1750aa to 1750jj. Omitted

CODIFICATION

Section 1750aa, act Aug. 2, 1954, ch. 649, title VI, §601, 68 Stat. 637, contained a declaration of policy for voluntary home mortgage credit.

Section 1750bb, acts Aug. 2, 1954, ch. 649, title VI, §602, 68 Stat. 637; Sept. 2, 1958, Pub. L. 85-857, §13(s)(1), 72 Stat. 1266, defined “Insured or guaranteed mortgage loan”, “Private financing institutions”, “Administrator”, and “State”.

Section 1750cc, acts Aug. 2, 1954, ch. 649, title VI, §603, 68 Stat. 637; Aug. 11, 1955, ch. 783, title I, §109(a)(3), 69 Stat. 640, provided for establishment and composition of National Voluntary Mortgage Credit Extension Committee.

Section 1750dd, act Aug. 2, 1954, ch. 649, title VI, §604, 68 Stat. 638, provided for establishment, composition, and organization of regional subcommittees of National Voluntary Mortgage Credit Extension Committee.

Section 1750ee, act Aug. 2, 1954, ch. 649, title VI, §605, 68 Stat. 638, set forth general functions of National Committee and regional subcommittees.

Section 1750ff, act Aug. 2, 1954, ch. 649, title VI, §606, 68 Stat. 638, authorized National Committee to study and review demand and supply of funds for residential mortgage loans, to receive reports from and correlate the activities of regional subcommittees to report periodically to Commissioner of Federal Housing Administration and Administrator of Veterans’ Affairs, to maintain liaison with State and local government housing officials, and to submit reports to Congress.

Section 1750gg, acts Aug. 2, 1954, ch. 649, title VI, §607, 68 Stat. 639; Sept. 2, 1958, Pub. L. 85-857, §13(s)(1), 72 Stat. 1266, set forth the functions, powers, and duties of regional subcommittees.

Section 1750hh, act Aug. 2, 1954, ch. 649, title VI, §608, 68 Stat. 640, authorized Administrator, after consultation with National Committee, to issue general rules and procedures for implementation of this subchapter and functioning of regional subcommittees.

Section 1750ii, act Aug. 2, 1954, ch. 649, title VI, §609, 68 Stat. 640, exempted laws promulgated pursuant to this subchapter from prohibitions of antitrust laws or