

(3) in subsection (e), by inserting “Any eligible homeowner who receives a grant or an advance of credit under this chapter may repay the loan in full, without penalty, by lump sum or by installment payments at any time before the loan becomes due and payable.” after the period at the end of the first sentence.

See *Effective Date of 2010 Amendment* note below.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the date on which final regulations implementing that amendment take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date, see section 1400(c) of Pub. L. 111-203, set out as a note under section 1601 of Title 15, Commerce and Trade.

§ 2704. Insurance for emergency mortgage loans and advances

(a) Institutions eligible

The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to insure banks, trust companies, finance companies, mortgage companies, savings and loan associations, insurance companies, credit unions, and such other financial institutions, which the Secretary finds to be qualified by experience and facilities and approves as eligible for insurance, against losses which they may sustain as a result of emergency loans or advances of credit made in accordance with the provisions of section 2703 of this title and this section with respect to mortgages eligible for assistance under this chapter.

(b) Amount of insurance

In no case shall the insurance granted by the Secretary under this section to any financial institution on loans and advances made by such financial institution for the purposes of this chapter exceed 40 per centum of the total amount of such loans and advances made by the institution, except that, with respect to any individual loan or advance of credit, the amount of any claim for loss on such individual loan or advance of credit paid by the Secretary under the provision of this section shall not exceed 90 per centum of such loss.

(c) Premium charge; amount

The Secretary is authorized to fix a premium charge or charges for the insurance granted under this section, but in the case of any loan or advance of credit, such charge or charges shall not exceed an amount equivalent to one-half of 1 per centum per annum of the principal obligation of such loan or advance of credit outstanding at any time.

(d) Waiver of compliance with rules and regulations; finality and incontestability of payment for loss; transfer of insurance

The Secretary is authorized and empowered to waive compliance with any rule or regulation prescribed by the Secretary for the purposes of this section if, in the Secretary’s judgment, the enforcement of such rule or regulation would impose an injustice upon an insured lending institution which has substantially complied with such regulations in good faith. Any payment for

loss made to an insured financial institution under this section shall be final and incontestable after two years from the date the claim was certified for payment by the Secretary, in the absence of fraud or misrepresentation on the part of such institution unless a demand for repurchase of the obligation shall have been made on behalf of the United States prior to the expiration of such two-year period. The Secretary is authorized to transfer to any financial institution approved for insurance under this chapter any insurance in connection with any loan which may be sold to it by another insured financial institution.

(e) Maximum aggregate amount of loans and advances insured

The aggregate amount of loans and advances insured under this section shall not exceed \$1,500,000,000 at any one time.

(Pub. L. 94-50, title I, §105, July 2, 1975, 89 Stat. 251; Pub. L. 111-203, title XIV, §1496(b)(3), July 21, 2010, 124 Stat. 2208.)

AMENDMENT OF SECTION

Pub. L. 111-203, title XIV, §§1400(c), 1496(b)(3), July 21, 2010, 124 Stat. 2136, 2208, provided that this section is amended, effective on the date on which final regulations implementing such amendment take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date:

(1) by striking out subsection (b);

(2) in subsection (e), by inserting “and emergency mortgage relief payments made under section 2705 of this title” after “insured under this section” and substituting “\$3,000,000,000” for “\$1,500,000,000 at any one time”;

(3) by redesignating subsections (c), (d), and (e) as (b), (c), and (d), respectively; and

(4) by adding at the end the following:

“(e) The Secretary shall establish underwriting guidelines or procedures to allocate amounts made available for loans and advances insured under this section and for emergency relief payments made under section 2705 of this title based on the likelihood that a mortgagor will be able to resume mortgage payments, pursuant to the requirement under section 2702(5) of this title.”

See *Effective Date of 2010 Amendment* note below.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the date on which final regulations implementing that amendment take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date, see section 1400(c) of Pub. L. 111-203, set out as a note under section 1601 of Title 15, Commerce and Trade.

§ 2705. Emergency mortgage relief payments

(a) Direct payments to mortgagee

In the case of any mortgagee which would otherwise be eligible to participate in the program authorized under section 2704 of this title but does not qualify for an advance or advances as authorized by section 2712 of this title or under section 1430, 1430b, or 1431 of this title or otherwise elects not to participate in the pro-

gram authorized under section 2704 of this title, the Secretary is authorized to make repayable emergency mortgage relief payments directly to such mortgagee on behalf of homeowners whose mortgages are held by such financial institution and who are delinquent in their mortgage payments.

(b) Mortgages eligible; terms and conditions

Emergency mortgage relief payments shall be made under this section only with respect to a mortgage which meets the requirements of section 2702 of this title and only on such terms and conditions as the Secretary may prescribe, subject to the provisions of section 2703 of this title.

(c) Processing of relief payments; power of Secretary

The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief payments provided under this section as he deems appropriate to facilitate the prompt and efficient implementation of the assistance authorized under this section.

(Pub. L. 94-50, title I, §106, July 2, 1975, 89 Stat. 251.)

§ 2706. Emergency Homeowners' Relief Fund

(a) To carry out the purposes of this chapter, the Secretary is authorized to establish in the Treasury of the United States an Emergency Homeowners' Relief Fund (hereinafter in this chapter referred to as the "fund") which shall be available to the Secretary without fiscal year limitation—

(1) for making payments in connection with defaulted loans or advances of credit insured under section 2704 of this title;

(2) for making emergency mortgage relief payments under section 2705 of this title;

(3) to pay such administrative expenses (or portion of such expenses) of carrying out the provisions of this chapter as the Secretary may deem necessary.

(b) The fund shall be credited with—

(1) all amounts received by the Secretary as premium charges for insurance or as repayment for emergency mortgage relief payments under this chapter and all receipts, earnings, collections, or proceeds derived from any claim or other assets acquired by the Secretary under this Act; and

(2) such amounts as may be appropriated for the purposes of this chapter.

(Pub. L. 94-50, title I, §107, July 2, 1975, 89 Stat. 252; Pub. L. 98-479, title II, §204(m)(1), Oct. 17, 1984, 98 Stat. 2234; Pub. L. 111-203, title XIV, §1496(b)(4), July 21, 2010, 124 Stat. 2208.)

AMENDMENT OF SECTION

Pub. L. 111-203, title XIV, §§1400(c), 1496(b)(4), July 21, 2010, 124 Stat. 2136, 2208, provided that this section is amended, effective on the date on which final regulations implementing such amendment take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date, by striking out "(a)" and subsection (b). See Effective Date of 2010 Amendment note below.

REFERENCES IN TEXT

This Act, referred to in subsec. (b)(1), is Pub. L. 94-50, July 2, 1975, 89 Stat. 249, as amended, known as the Emergency Housing Act of 1975, which in addition to enacting this chapter, amended sections 1723e, 1723e note and 1735b of this title, and sections 1452 and 4106 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98-479, §204(m)(1)(A), (B), redesignated subsec. (a)(1) as subsec. (a) and subpars. (A), (B), and (C) as pars. (1), (2), and (3), respectively.

Subsec. (b). Pub. L. 98-479, §204(m)(1)(C), (D), redesignated subsec. (a)(2) as subsec. (b) and subpars. (A) and (B) as pars. (1) and (2), respectively.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the date on which final regulations implementing that amendment take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date, see section 1400(c) of Pub. L. 111-203, set out as a note under section 1601 of Title 15, Commerce and Trade.

EMERGENCY MORTGAGE RELIEF

Pub. L. 111-203, title XIV, §1496(a), July 21, 2010, 124 Stat. 2207, provided that: "Effective October 1, 2010, and notwithstanding any other provision of law, there is hereby made available to the Secretary of Housing and Urban Development such sums as are necessary to provide \$1,000,000,000 in assistance through the Emergency Homeowners' Relief Fund, which such Secretary shall establish pursuant to section 107 of the Emergency Housing Act of 1975 (12 U.S.C. 2706), as such Act is amended by this section, for use for emergency mortgage assistance in accordance with title I of such Act [12 U.S.C. 2701 et seq.]."

§ 2707. Authority of Secretary

(a) Rules and regulations

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

(b) Payment of expenses and charges relating to acquisition, handling, improvement, or disposal of real and personal property

Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real or other property by the United States, the Secretary shall have power, for the protection of the interest of the fund authorized under this chapter, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by the Secretary as a result of recoveries under security, subrogation, or other rights.

(c) Powers with respect to property rights held by Secretary

In the performance of, with respect to, the functions, powers, and duties vested in the Secretary by this chapter, the Secretary shall—

(1) have the power, notwithstanding any other provision of law, whether before or after default, to provide by contract or otherwise for the extinguishment upon default of any redemption, equitable, legal, or other right, title in any mortgage, deed, trust, or other instru-