

that the Mutual Mortgage Insurance Fund attains the capital ratio required under paragraph (2).

(4) For purposes of this subsection:

(A) The term “capital” means the economic net worth of the Mutual Mortgage Insurance Fund, as determined by the Secretary under the annual audit required under section 1735f-16 of this title.

(B) The term “capital ratio” means the ratio of capital to unamortized insurance-in-force.

(C) The term “economic net worth” means the current cash available to the Fund, plus the net present value of all future cash inflows and outflows expected to result from the outstanding mortgages in the Fund.

(D) The term “unamortized insurance-in-force” means the remaining obligation on outstanding mortgages which are obligations of the Mutual Mortgage Insurance Fund, as estimated by the Secretary.

(June 27, 1934, ch. 847, title II, §205, 48 Stat. 1250; May 28, 1935, ch. 150, §29(b), 49 Stat. 300; Feb. 3, 1938, ch. 13, §3, 52 Stat. 15; June 3, 1939, ch. 175, §11, 53 Stat. 807; Apr. 20, 1950, ch. 94, title I, §122, 64 Stat. 59; June 30, 1953, ch. 170, §4, 67 Stat. 122; Aug. 2, 1954, ch. 649, title I, §114, 68 Stat. 594; Pub. L. 90-19, §1(a)(3), May 25, 1967, 81 Stat. 17; Pub. L. 101-508, title II, §§2104, 2105, Nov. 5, 1990, 104 Stat. 1388-19; Pub. L. 102-550, title V, §508(a), Oct. 28, 1992, 106 Stat. 3782; Pub. L. 110-289, div. B, title I, §2118(c)(1), July 30, 2008, 122 Stat. 2835.)

AMENDMENTS

2008—Subsecs. (g), (h). Pub. L. 110-289 struck out subsecs. (g) and (h) which related to annual independent audit of Mutual Mortgage Insurance Fund and adjustment of premiums, respectively.

1992—Subsec. (c). Pub. L. 102-550 inserted at end “The Secretary shall not distribute any share to an eligible mortgagor under this subsection beginning on the date which is 6 years after the date the Secretary first transmitted written notification of eligibility to the last known address of the mortgagor, unless the mortgagor has applied in accordance with procedures prescribed by the Secretary for payment of the share within the 6-year period. The Secretary shall transfer any amounts no longer eligible for distribution under the previous sentence from the Participating Reserve Account to the General Surplus Account.”

1990—Subsec. (e). Pub. L. 101-508, §2104, added subsec. (e).

Subsecs. (f) to (h). Pub. L. 101-508, §2105, added subsecs. (f) to (h).

1967—Pub. L. 90-19 substituted “Secretary” for “Commissioner” wherever appearing in subsecs. (a) to (d) of this section.

1954—Act Aug. 2, 1954, amended section generally to eliminate the former group accounts and substitute therefor a general surplus account and participating reserve account.

1953—Subsec. (c). Act June 30, 1953, inserted sentence relating to semi-annual transfer of group accounts, and, in remainder of section, changed the provisions relating to settlement of accounts.

1950—Act Apr. 20, 1950, substituted “Commissioner” for “Administrator” wherever appearing.

1939—Subsec. (b). Act June 3, 1939, inserted “prior to July 1, 1939”.

1938—Subsecs. (a) to (f). Act Feb. 3, 1938, amended provisions generally, and among other changes, struck out subsec. (f).

1935—Subsec. (f). Act May 28, 1935, substituted “annual premium charge” for “premium charge” in first sentence.

EXCEPTION TO STATUTE OF LIMITATIONS

Pub. L. 102-550, title V, §508(b), Oct. 28, 1992, 106 Stat. 3782, provided that: “Notwithstanding the 6-year limitation on distribution of shares of the Participating Reserve Account under section 205(c) of the National Housing Act [12 U.S.C. 1711(c)], the Secretary shall distribute a share to an otherwise eligible mortgagor in accordance with section 205(c), if the mortgagor applies for payment of the share within 1 year after the date of enactment of this Act [Oct. 28, 1992] in accordance with procedures in effect on such date.”

§ 1712. Investment of funds

Moneys in the Fund not needed for the current operations of the Department of Housing and Urban Development related to insurance under section 1709 of this title shall be deposited with the Treasurer of the United States to the credit of the Fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States or any agency of the United States: *Provided*, That such moneys shall to the maximum extent feasible be invested in such bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of section 1710 of this title. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued, and the several group accounts to which such debentures have been charged shall be charged with the amounts used in making such purchases.

(June 27, 1934, ch. 847, title II, §206, 48 Stat. 1252; Feb. 3, 1938, ch. 13, §3, 52 Stat. 16; Apr. 20, 1950, ch. 94, title I, §122, 64 Stat. 59; Pub. L. 90-19, §1(a)(1), (3), (e), May 25, 1967, 81 Stat. 17, 18; Pub. L. 91-609, title I, §117(a), Dec. 31, 1970, 84 Stat. 1774.)

AMENDMENTS

1970—Pub. L. 91-609 provided for guarantee as to principal and interest by any agency of the United States and for investment of monies in bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market.

1967—Pub. L. 90-19 substituted “Department of Housing and Urban Development” and “Secretary” for “Federal Housing Administration” and “Commissioner”, respectively, and inserted “related to insurance under section 1709 of this title” before “shall be deposited”.

1950—Act Apr. 20, 1950, substituted “Commissioner” for “Administrator”.

1938—Act Feb. 3, 1938, among other changes, inserted “or in bonds or other obligations guaranteed as to principal and interest by” in first sentence, and inserted third sentence.

§ 1712a. Indexing of FHA multifamily housing loan limits

(a) Method of indexing

The dollar amounts set forth in—

- (1) section 1713(c)(3)(A) of this title;
- (2) section 1715e(b)(2)(A) of this title;
- (3) section 1715k(d)(3)(B)(iii)(I) of this title;
- (4) section 1715l(d)(3)(ii)(I) of this title;