

(1) the homebuyer assisted is a first-time homebuyer;

(2) the property secured by the second mortgage is a single-family residence and is the principal residence of the homebuyer; and

(3) the principal obligation of the deferred payment loan secured by a second mortgage does not exceed 30 percent of the acquisition price of the residence to the homebuyer.

(d) Payment terms

(1) Period of deferral

The payment of any principal and interest on a loan under this section shall be deferred for not less than the 5-year period beginning on the date of the acquisition of the residence by the homebuyer.

(2) Interest rate

The interest rate on the unpaid balance of a loan under this section shall be at least 4 percent.

(3) Repayment period

A deferred payment loan secured by a second mortgage shall be repayable over the 15-year period beginning at the end of the deferral period.

(e) Security

A deferred payment loan assisted with amount¹ provided under a grant under this section shall be secured by a lien on the property involved, which lien shall be subordinate to the first mortgage on the property.

(Pub. L. 101-625, title II, §258, Nov. 28, 1990, 104 Stat. 4123.)

§ 12809. Rehabilitation of State and local government in rem properties

(a) In general

The Secretary shall make available a model program under which States and units of general local government may convert in rem properties to provide affordable permanent housing for the homeless by leasing such properties to nonprofit organizations and permitting such organizations to rehabilitate the properties.

(b) Target

The program shall target vacant properties for rehabilitation by nonprofit organizations.

(Pub. L. 101-625, title II, §259, Nov. 28, 1990, 104 Stat. 4124.)

§ 12810. Cost-saving building technologies and construction techniques

(a) In general

The Secretary shall make available a model program to utilize cost-saving building technologies and construction techniques for purposes of providing homeownership and rental opportunities under this subchapter.

(b) Selection criteria

The Secretary shall establish criteria for participating jurisdictions to select projects for assistance under the model program which may include—

(1) the extent to which innovative, cost-saving building and construction technologies are utilized;

(2) the extent to which innovative, cost-saving construction techniques are utilized;

(3) the extent to which units will be made available to low-income families and individuals;

(4) the extent to which non-Federal public or private assistance is utilized; and

(5) any other factor, determined by the Secretary to be appropriate.

(c) Guidelines

The Secretary shall publish guidelines for the model program under this section not later than 180 days after October 28, 1992.

(d) Report

The Secretary shall submit a biennial report to the Congress on the utilization of the model program under this section.

(Pub. L. 101-625, title II, §260, as added Pub. L. 102-550, title II, §216, Oct. 28, 1992, 106 Stat. 3760.)

EFFECTIVE DATE

Section applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102-550, set out as an Effective Date of 1992 Amendment note under section 12704 of this title.

PART E—OTHER ASSISTANCE

AMENDMENTS

2003—Pub. L. 108-186, title I, §102, Dec. 16, 2003, 117 Stat. 2686, amended heading generally. Prior to amendment, heading read “Mortgage Credit Enhancement”.

§ 12821. Downpayment assistance initiative

(a) Definitions

In this section:

(1) Downpayment assistance

The term “downpayment assistance” means assistance to help a family acquire a principal residence.

(2) Home repairs

The term “home repairs” means capital improvements or repairs that—

(A) are identified in an appraisal or home inspection completed in conjunction with a home purchase; or

(B) are completed within 1 year of the purchase of a home, and are necessary to bring the housing into compliance with health and safety housing codes of the unit of general local government in which the housing is located, including the remediation of lead paint or other home health hazards.

(3) Participating jurisdiction

The term “participating jurisdiction” means a State or unit of general local government designated under section 12746 of this title.

(4) State

The term “State” means any State of the United States and the District of Columbia.

(b) Grant authority

The Secretary may award grants to participating jurisdictions to assist low-income fami-

¹ So in original. Probably should be “amounts”.