

(June 27, 1934, ch. 847, title V, § 522, as added Pub. L. 89-117, title II, § 217(a), Aug. 10, 1965, 79 Stat. 473; amended Pub. L. 90-19, § 1(a)(3), May 25, 1967, 81 Stat. 17; Pub. L. 101-235, title I, § 133(d)(4), Dec. 15, 1989, 103 Stat. 2027.)

#### REFERENCES IN TEXT

Subchapter IX-A of this chapter, referred to in text, was repealed by Pub. L. 101-235, title I, § 133(a), Dec. 15, 1989, 103 Stat. 2027.

#### AMENDMENTS

1989—Pub. L. 101-235 inserted “, as such subchapter existed immediately before December 15, 1989,” after “subchapter IX-A of this chapter”.

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

#### § 1735f-1. Waiver of deduction on assignment of property to Secretary in lieu of foreclosure

Notwithstanding any other provision of this chapter, from and after November 3, 1966, the Secretary, under such terms and conditions as he may approve, may waive all or a part of the 1 per centum deduction otherwise made from insurance benefits with respect to multifamily housing or land development mortgages assigned to him, where the assignment is made at his request in lieu of foreclosure of the mortgage.

(June 27, 1934, ch. 847, title V, § 523, as added Pub. L. 89-754, title III, § 312, Nov. 3, 1966, 80 Stat. 1271.)

#### § 1735f-2. Uniform rehabilitation standards for housing within and without urban renewal areas

In determining whether properties should be approved by the Secretary prior to rehabilitation and covered by mortgages insured under subchapter II of this chapter, the Secretary shall apply uniform property standards as between properties located outside urban renewal areas and those located within urban renewal areas.

(June 27, 1934, ch. 847, title V, § 524, as added Pub. L. 91-609, title I, § 116, Dec. 31, 1970, 84 Stat. 1774.)

#### § 1735f-3. Insurance of mortgage proceeds advanced during construction or rehabilitation or prior to final endorsement of project mortgage

The Secretary is authorized to insure mortgage proceeds advanced during construction or rehabilitation or otherwise prior to final endorsement of a project mortgage for the purpose of (1) financing improvements to the property and the purchase of materials and building components delivered to the property, and (2) providing funds to cover the cost of building components where such components have been assembled and specifically identified for incorporation into the property but are located at a site other than the mortgaged property, with such security as the Secretary may require.

(June 27, 1934, ch. 847, title V, § 525, as added Pub. L. 93-383, title III, § 301, Aug. 22, 1974, 88 Stat. 676.)

#### § 1735f-4. Minimum property standards

(a) To the maximum extent feasible, the Secretary of Housing and Urban Development shall promote the use of energy saving techniques through minimum property standards established by him for newly constructed residential housing, other than manufactured homes, subject to mortgages insured under this chapter. Such standards shall establish energy performance requirements that will achieve a significant increase in the energy efficiency of new construction. Such requirements shall be implemented as soon as practicable after November 9, 1978. Following November 30, 1983, the energy performance requirements developed and established by the Secretary under this subsection for newly constructed residential housing, other than manufactured homes, shall be at least as effective in performance as the energy performance requirements incorporated in the minimum property standards that were in effect under this subsection on September 30, 1982.

(b) The Secretary may require that each property, other than a manufactured home, subject to a mortgage insured under this chapter shall, with respect to health and safety, comply with one of the nationally recognized model building codes, or with a State or local building code based on one of the nationally recognized model building codes or their equivalent. The Secretary shall be responsible for determining the comparability of the State and local codes to such model codes and for selecting for compliance purposes an appropriate nationally recognized model building code where no such model code has been duly adopted or where the Secretary determines the adopted code is not comparable.

(June 27, 1934, ch. 847, title V, § 526, as added Pub. L. 93-383, title III, § 305, Aug. 22, 1974, 88 Stat. 678; amended Pub. L. 95-619, title II, § 252(a), Nov. 9, 1978, 92 Stat. 3236; Pub. L. 96-399, title III, § 326(e), Oct. 8, 1980, 94 Stat. 1650; Pub. L. 98-181, title I [title IV, § 405], Nov. 30, 1983, 97 Stat. 1210; Pub. L. 98-479, title I, § 104(a)(6), Oct. 17, 1984, 98 Stat. 2225.)

#### AMENDMENTS

1984—Pub. L. 98-479 substituted “Minimum property standards” for “Promotion of energy saving techniques by Secretary of Housing and Urban Development of insured housing” in section catchline.

1983—Subsec. (a). Pub. L. 98-181 designated existing provision as subsec. (a), inserted “, other than manufactured homes,” after “housing”, inserted provision that the energy performance requirements developed for newly constructed residential housing, other than manufactured homes, be at least as effective in performance as the energy performance requirements incorporated in the minimum property standards in effect Sept. 30, 1982, and added subsec. (b).

1980—Pub. L. 96-399 struck out “, until such time as the energy conservation performance standards required under the Energy Conservation Standards for New Buildings Act of 1976 become effective” in second sentence.

1978—Pub. L. 95-619 inserted provision requiring that the minimum property standards established by the Secretary under this section were to contain energy performance requirements to achieve a significant increase in the energy efficiency of new construction.

**§ 1735f-5. Prohibition against discrimination on account of sex in extension of mortgage assistance; consideration of combined income of husband and wife for purpose of extending mortgage credit; definitions**

(a) No federally related mortgage loan, or Federal insurance, guaranty, or other assistance in connection therewith (under this chapter or any other Act), shall be denied to any person on account of sex; and every person engaged in making mortgage loans secured by residential real property shall consider without prejudice the combined income of both husband and wife for the purpose of extending mortgage credit in the form of a federally related mortgage loan to a married couple or either member thereof.

(b) For purposes of subsection (a), the term “federally related mortgage loan” means any loan which—

(1) is secured by residential real property designed principally for the occupancy of from one to four families; and

(2)(A) is made in whole or in part by any lender the deposits or accounts of which are insured by any agency of the Federal Government, or is made in whole or in part by any lender which is itself regulated by any agency of the Federal Government; or

(B) is made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by the Secretary of Housing and Urban Development or any other officer or agency of the Federal Government or under or in connection with a housing or urban development program administered by the Secretary of Housing and Urban Development or a housing or related program administered by any other such officer or agency; or

(C) is eligible for purchase by the Federal National Mortgage Association, the Government National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or from any financial institution from which it could be purchased by the Federal Home Loan Mortgage Corporation; or

(D) is made in whole or in part by any “creditor”, as defined in section 1602(f)<sup>1</sup> of title 15, who makes or invests in residential real estate loans aggregating more than \$1,000,000 per year.

(June 27, 1934, ch. 847, title V, § 527, as added Pub. L. 93-383, title VIII, § 808(a), Aug. 22, 1974, 88 Stat. 728; amended Pub. L. 98-479, title II, § 204(a)(22), Oct. 17, 1984, 98 Stat. 2233.)

REFERENCES IN TEXT

Section 1602(f) of title 15, referred to in subsec. (b)(2)(D), was redesignated section 1602(g) of title 15 by Pub. L. 111-203, title X, § 1100A(1)(A), July 21, 2010, 124 Stat. 2107.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98-479 designated first par. as subsec. (a).

**§ 1735f-6. Secondary mortgages held by State or local governmental agency on insured properties**

In carrying out the provisions of subchapter II of this chapter with respect to insuring mort-

gages secured by a one- to four-family dwelling unit, the Secretary may not deny such insurance for any such mortgage solely because the dwelling unit which secures such mortgage will be subject to a secondary mortgage or loan made or insured, or other secondary lien held, by any State or local governmental agency or instrumentality under terms and conditions approved by the Secretary.

(June 27, 1934, ch. 847, title V, § 528, as added Pub. L. 95-557, title III, § 323, Oct. 31, 1978, 92 Stat. 2102.)

**§ 1735f-7. Exemption from State usury laws; applicability**

(a) The provisions of the constitution of any State expressly limiting the rate or amount of interest, discount points, or other charges which may be charged, taken, received, or reserved by lenders and the provisions of any State law expressly limiting the rate or amount of interest, discount points, or other charges which may be charged, taken, received, or reserved shall not apply to any loan, mortgage, or advance which is insured under subchapter I or II of this chapter.

(b) The provisions of subsection (a) shall apply to loans, mortgages, or advances made or executed in any State until the effective date (after December 21, 1979) of a provision of law of that State limiting the rate or amount of interest, discount points, or other charges on any such loan, mortgage, or advance.

(June 27, 1934, ch. 847, title V, § 529, as added Pub. L. 96-153, title III, § 308, Dec. 21, 1979, 93 Stat. 1113.)

CHOICE OF HIGHEST APPLICABLE INTEREST RATE

In any case in which one or more provisions of, or amendments made by, title V of Pub. L. 96-221 [enacting sections 86a, 1730g, 1735f-7a, 1785(g), and 1831d of this title and section 687(i) of Title 15, Commerce and Trade, and enacting provisions set out as notes under sections 86a, 1730g, and 1735f-7 of this title], this section, or any other provisions of law, including section 85 of this title, apply with respect to the same loan, mortgage, credit sale, or advance, such loan, mortgage, credit sale, or advance may be made at the highest applicable rate, see section 528 of Pub. L. 96-221, set out as a note under section 1735f-7a of this title.

STATE CONSTITUTIONS OR LAWS LIMITING INTEREST, DISCOUNT POINTS, OR OTHER CHARGES; EXEMPTION UNTIL CLOSE OF MARCH 31, 1980

Pub. L. 96-161, title I, § 105, Dec. 28, 1979, 93 Stat. 1234, as amended by Pub. L. 96-221, title V, § 529, Mar. 31, 1980, 94 Stat. 168, provided that (a)(1) the provisions of the constitution or law of any State expressly limiting the rate or amount of interest, discount points, or other charges which could be charged, taken, received, or reserved were not to apply to any loan, mortgage, or advance which was secured by a first lien on residential real property or by a first lien on stock in a residential cooperative housing corporation where the loan, mortgage, or advance was used to finance the acquisition of such stock; made after Dec. 28, 1979; and described in section 1735f-5(b) of this title, except that the limitation described in section 1735f-5(b)(1) of this title that the property must be designed principally for the occupancy of from one to four families was not to apply, the requirement contained in section 1735f(5)(b)(1) of this title that the loan be secured by residential real property was not to apply to a loan secured by stock in a

<sup>1</sup> See References in Text note below.