

the Federal Home Loan Banks may be supplied with such forms of stock, debentures, and bonds as may be necessary under this chapter, the Secretary of the Treasury is authorized to prepare such forms thereof as shall be suitable and approved by the board, which shall be held in the Treasury subject to delivery, upon order of the board. The engraved plates, dies, and bed pieces executed in connection therewith shall remain in the custody of the Secretary of the Treasury. The board shall reimburse the Secretary of the Treasury for any expense incurred in the preparation, custody, and delivery of such stock, debentures, and bonds.”

§ 1444. Eligibility to membership in banks

(a) Any organization organized under the laws of any State and subject to inspection and regulation under the banking or similar laws of such State shall be eligible to become a member under this chapter if—

(1) it is organized solely for the purpose of supplying credit to its members;

(2) its membership (A) is confined exclusively to building and loan associations, savings and loan associations, cooperative banks, and homestead associations; or (B) is confined exclusively to savings banks; and

(3) of the institutions to which its membership is confined which are organized within the State, its membership includes a majority of such institutions.

(b) In all respects, but subject to such additional rules and regulations as the Director may provide, any such organization shall be a member for the purposes of this chapter.

(July 22, 1932, ch. 522, §24, 47 Stat. 739; Pub. L. 101-73, title VII, §701(b)(1), (3)(A), Aug. 9, 1989, 103 Stat. 412; Pub. L. 110-289, div. A, title II, §1204(8), July 30, 2008, 122 Stat. 2786.)

AMENDMENTS

2008—Subsec. (b). Pub. L. 110-289 substituted “the Director” for “the Board”.

1989—Subsec. (b). Pub. L. 101-73 substituted “Board” for “board”.

§ 1445. Succession of Federal Home Loan Banks

Each Federal Home Loan Bank shall have succession until dissolved by the Director under this chapter or by further act of Congress.

(July 22, 1932, ch. 522, §25, 47 Stat. 740; Pub. L. 101-73, title VII, §701(b)(1), (3)(A), Aug. 9, 1989, 103 Stat. 412; Pub. L. 110-289, div. A, title II, §1204(8), July 30, 2008, 122 Stat. 2786.)

AMENDMENTS

2008—Pub. L. 110-289 substituted “the Director” for “the Board”.

1989—Pub. L. 101-73 substituted “Board” for “board”.

§ 1446. Liquidation or reorganization; acquisition of assets by other banks; assumption of liabilities

(a) In general

Whenever the Director finds that the efficient and economical accomplishment of the purposes of this chapter will be aided by such action, and in accordance with such rules, regulations, and orders as the Director may prescribe, any Federal Home Loan Bank may be liquidated or reorganized, and its stock paid off and retired in

whole or in part in connection therewith after paying or making provision for the payment of its liabilities. In the case of any such liquidation or reorganization, any other Federal Home Loan Bank may, with the approval of the Director, acquire assets of any such liquidated or reorganized bank and assume liabilities thereof, in whole or in part. At least 30 days prior to liquidating or reorganizing any Bank under this section, the Director shall notify the Bank of its determination and the facts and circumstances upon which such determination is based. The Bank may contest that determination in a hearing before the Director, in which all issues shall be determined on the record pursuant to section 554 of title 5.

(b) Voluntary mergers authorized

(1) In general

Any Federal Home Loan Bank may, with the approval of the Director and of the boards of directors of the Banks involved, merge with another Bank.

(2) Regulations required

The Director shall promulgate regulations establishing the conditions and procedures for the consideration and approval of any voluntary merger described in paragraph (1), including the procedures for Bank member approval.

(July 22, 1932, ch. 522, §26, 47 Stat. 740; Pub. L. 101-73, title VII, §701(b)(1), (3)(A), Aug. 9, 1989, 103 Stat. 412; Pub. L. 110-289, div. A, title II, §§1204(8), 1209, 1214, July 30, 2008, 122 Stat. 2786, 2789, 2791.)

AMENDMENTS

2008—Pub. L. 110-289, §1209, designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

Pub. L. 110-289, §1204(8), substituted “the Director” for “the Board” wherever appearing.

Subsec. (a). Pub. L. 110-289, §1214, which directed insertion of “At least 30 days prior to liquidating or reorganizing any Bank under this section, the Director shall notify the Bank of its determination and the facts and circumstances upon which such determination is based. The Bank may contest that determination in a hearing before the Director, in which all issues shall be determined on the record pursuant to section 554 of title 5.” at the end of this section, was executed by making the insertion at the end of subsec. (a), to reflect the probable intent of Congress and the amendment by Pub. L. 110-289, §1209. See above.

1989—Pub. L. 101-73 substituted “Board” for “board” wherever appearing.

§ 1447. Repealed. Pub. L. 106-102, title VI, § 606(c), Nov. 12, 1999, 113 Stat. 1454

Section, act July 22, 1932, ch. 522, §27, as added Pub. L. 103-204, §18, Dec. 17, 1993, 107 Stat. 2401, related to Housing Opportunity Hotline program.

A prior section 1447, act July 22, 1932, ch. 522, §27, 47 Stat. 740, related to institutions authorized to subscribe for stock of banks, prior to repeal by Pub. L. 101-73, title VII, §704(c), Aug. 9, 1989, 103 Stat. 416.

§ 1448. Effect of partial invalidity of chapter

If any provision of this chapter, or the application thereof to any person or circumstances, is held invalid, the remainder of the chapter, and the application of such provision to other per-

sons or circumstances, shall not be affected thereby.

(July 22, 1932, ch. 522, § 28, 47 Stat. 740.)

§ 1449. Reservation of right to amend or repeal chapter

The right to alter, amend, or repeal this chapter is expressly reserved.

(July 22, 1932, ch. 522, § 30, 47 Stat. 741.)

CHAPTER 11A—FEDERAL HOME LOAN MORTGAGE CORPORATION

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§ 1451. Definitions

As used in this chapter—

(a) The term “Board of Directors” means the Board of Directors of the Corporation.

(b) The term “Corporation” means the Federal Home Loan Mortgage Corporation created by this chapter.

(c) The term “law” includes any law of the United States or of any State (including any rule of law or of equity).

(d) The term “mortgage” includes such classes of liens as are commonly given or are legally effective to secure advances on, or the unpaid purchase price of, real estate under the laws of the State in which the real estate is located or a manufactured home that is personal property under the laws of the State in which the manufactured home is located together with the credit instruments, if any, secured thereby, and includes interests in mortgages.

(e) The term “organization” means any corporation, partnership, association, business trust, or business entity.

(f) The term “prescribe” means to prescribe by regulations or otherwise.

(g) The term “property” includes any property, whether real, personal, mixed, or otherwise, including without limitation on the generality of the foregoing choses in action and mortgages, and includes any interest in any of the foregoing.

(h) The term “residential mortgage” means a mortgage which (1) is a mortgage on real estate, in fee simple or under a leasehold having such term as may be prescribed by the Corporation, upon which there is located a structure or structures designed in whole or in part for residential use, or which comprises or includes one or more condominium units or dwelling units (as defined

by the Corporation) and (2) has such characteristics and meets such requirements as to amount, term, repayment provisions, number of families, status as a lien on such real estate, and otherwise, as may be prescribed by the Corporation. The term “residential mortgage” also includes a loan or advance of credit insured under title I of the National Housing Act [12 U.S.C. 1702 et seq.] whose original proceeds are applied for in order to finance energy conserving improvements, or the addition of a solar energy system, to residential real estate. The term “residential mortgage” also includes a loan or advance of credit for such purposes, or purchased from any public utility carrying out activities in accordance with the requirements of title II of the National Energy Conservation Policy Act [42 U.S.C. 8211 et seq.] if the residential mortgage to be purchased is a loan or advance of credit the original proceeds of which are applied for in order to finance the purchase and installation of residential energy conservation measures (as defined in section 210(11)¹ of the National Energy Conservation Policy Act) in residential real estate, not having the benefit of such insurance and includes loans made where the lender relies for purposes of repayment primarily on the borrower’s general credit standing and forecast of income, with or without other security. The term “residential mortgage” is also deemed to include a secured loan or advance of credit the proceeds of which are intended to finance the rehabilitation, renovation, modernization, refurbishment, or improvement of properties as to which the Corporation may purchase a “residential mortgage” as defined under the first sentence of this subsection. Such term shall also include other secured loans that are secured by a subordinate lien against a property as to which the Corporation may purchase a residential mortgage as defined under the first sentence of this subsection. A “secured loan or advance of credit” is one in which a security interest is taken in the rehabilitated, renovated, modernized, refurbished, or improved property. Such term shall also include a mortgage, lien, or other security interest on the stock or membership certificate issued to a tenant-stockholder or resident-member by a cooperative housing corporation, as defined in section 216 of title 26, and on the proprietary lease, occupancy agreement, or right of tenancy in the dwelling unit of the tenant-stockholder or resident-member in such cooperative housing corporation. The term “residential mortgage” also includes a loan or advance of credit secured by a mortgage or other lien on a manufactured home that is the principal residence of the borrower, without regard to whether the security property is real, personal, or mixed.

(i) The term “conventional mortgage” means a mortgage other than a mortgage as to which the Corporation has the benefit of any guaranty, insurance or other obligation by the United States or any of its agencies or instrumentalities.

(j) The term “security” has the meaning ascribed to it by section 77b of title 15.

(k) The term “State”, whether used as a noun or otherwise, includes the several States, the

¹ See References in Text note below.