§ 203.12 Mortgage insurance on proposed or new construction.

(a) Applicability. This section applies to an application for insurance of a mortgage on a one-to four-family dwelling, unless the mortgage will be secured by a dwelling that:

(1) Was completed more than one year before the date of the application for insurance or, under the Direct Endorsement Program, was completed more than one year before the date of the appraisal; or

(2) Is being sold to a second or subsequent purchaser.

(b) Procedures.

(1) Applications for insurance to which this section applies will be processed in accordance with procedures prescribed by the Secretary. These procedures may only provide for endorsement for insurance of a mortgage covering a dwelling that is:

(i) Approved under the Direct Endorsement Program or the Lender Insurance Program; or

(ii) Located in a subdivision approved by the Rural Housing Service.

(2) The mortgagee must submit a signed Builder's Certification of Plans, Specifications and Site (Builder's Certification). The Builder's Certification must be in a form prescribed by the Secretary and must cover:

(i) Flood hazards;

(ii) Noise;

(iii) Explosive and flammable materials storage hazards;

(iv) Noise;

(v) Explosive and flammable materials storage hazards;

(vi) Flood hazards;

(vii) Noise;

(viii) Explosive and flammable materials storage hazards;

(ix) Flood hazards;

(x) Noise;

(xi) Explosive and flammable materials storage hazards;

(xii) Flood hazards;

(xiii) Noise;

(xiv) Explosive and flammable materials storage hazards;

(xv) Flood hazards;

(xvi) Noise;

(xvii) Explosive and flammable materials storage hazards;

(xviii) Flood hazards;

(xix) Noise;

(xx) Explosive and flammable materials storage hazards;

(xxi) Flood hazards;

(xxii) Noise;

(xxiii) Explosive and flammable materials storage hazards;

(xxiv) Flood hazards;

(xxv) Noise;

(xxvi) Explosive and flammable materials storage hazards;

(xxvii) Flood hazards;

(xxviii) Noise;

(xxix) Explosive and flammable materials storage hazards;

(xxx) Flood hazards;

(xxxi) Noise;

(xxxii) Explosive and flammable materials storage hazards;

(xxxiii) Flood hazards;

(xxxiv) Noise;

(xxxv) Explosive and flammable materials storage hazards;
§ 203.16 Certificate and contract regarding use of dwelling for transient or hotel purposes.

Every application filed with respect to insurance of mortgages on a two-, three-, or four-family dwelling, or a single-family dwelling which is one of a group of 5 or more single-family dwellings held by the same mortgagor, must be accompanied by a contract in form satisfactory to the Commissioner, signed by the proposed mortgagor covenanting and agreeing that so long as the proposed mortgage is insured by the Commissioner the mortgagor will not rent the housing or any part thereof covered by the mortgage for transient or hotel purposes, together with the mortgagor’s certification under oath that the housing or any part thereof covered by the proposed mortgage will not be rented for transient or hotel purposes. For the purpose of this subchapter rental for transient or hotel purposes shall mean (a) rental for any period less than 30 days or (b) any rental if the occupants of the housing accommodations are provided customary hotel services such as room service for food and beverages, maid service, furnishing and laundering of linen, and bellboy service.