§ 203.438 Mortgages on Indian land insured pursuant to section 248 of the National Housing Act.

(a) Exemptions. The provisions of §203.366 shall not apply to mortgages insured pursuant to section 248 of the National Housing Act.

(b) Claim procedure. In addition to other actions which the mortgagee may take pursuant to this part in order to receive insurance benefits, a mortgagee shall be entitled to receive such benefits on a mortgage insured under §203.43h when (1) the mortgagor is more than 90 days in default; (2) the mortgagee has submitted appropriate documentation to the Secretary in accordance with §203.350(b); and (3) the Secretary has approved the assignment of the mortgage.

(c) Foreclosure by HUD. HUD may initiate foreclosure proceedings with respect to any mortgage acquired under this section in a tribal court, a court of competent jurisdiction or Federal district court. If the mortgagee remains on the property following foreclosure, HUD may seek an eviction order from the court hearing the foreclosure action.


MORTGAGES ON PROPERTY LOCATED ON HAWAIIAN HOME LANDS

§ 203.439 Mortgages on Hawaiian home lands insured pursuant to section 247 of the National Housing Act.

(a) Exemptions. The provisions of §§203.351(a)(8), 203.353(a), and 203.368, do not apply to mortgages insured pursuant to section 247 of the National Housing Act.

(b) Claim procedure. Where the mortgage is 180 days or more in default, the mortgagee may assign the mortgage to the Secretary and file its claim for insurance benefits in accordance with the provisions of this subpart. No claim on an insured mortgage will be paid other than through assignment of the mortgage.

(c) Notice of delinquency. Once each month on a day prescribed by HUD, the mortgagee shall notify the Department of Hawaiian Home Lands of all mortgages insured pursuant to section 247 of the National Housing Act on leaseholds of Hawaiian home lands that are delinquent on the last day of the month, or that were reported as delinquent the previous month. The notice is in addition to the requirement in §§203.330 and 203.331.

a term established by an arbitration award.

(b) **Claims.** In addition to other actions which the mortgagee may take pursuant to this subpart in order to receive insurance benefits, a mortgagee shall be entitled to receive such benefits when the Secretary has agreed to accept assignment of a mortgage in accordance with §203.350(d) and the mortgagee has complied with §§203.351 and 203.333.

(c) **Exceptions.** Notwithstanding §203.366, title to a leasehold estate conveyed to the Commissioner is not required to be marketable as to the term of the lease, provided that the mortgagee has taken any actions required by the Secretary to attempt to obtain a long-term renewal of the lease. Title evidence will be required in a form satisfactory to the Commissioner (see §203.385) unless the Commissioner agrees to accept title to a leasehold estate without title evidence.


**REHABILITATION LOANS**

§ 203.440 Definitions.

All of the definitions contained in §203.50 of this subchapter shall apply to §§203.440 et seq. In addition the following terms shall have the meaning indicated:

(a) **Insured loan** means a loan which has been insured as evidenced by the issuance of an Insurance Certificate or by the endorsement of the note for insurance by the Commissioner.

(b) **Contract of insurance** means the agreement evidenced by the issuance of an Insurance Certificate or by the endorsement of the note for insurance by the Commissioner.

(c) **Insurance premium** means the loan insurance premium paid by the financial institution to the Commissioner in consideration of the contract of insurance.

(d) **Beginning of amortization** means the date one month prior to the date of the first monthly payment to principal and interest.

(e) **Maturity** means the date on which the loan indebtedness would be extinguished if paid in accordance with periodic payments provided for in the original note and security instrument.

(f) **Debentures** means registered, transferable securities in book entry or certificated form which are valid and binding obligations, unconditionally guaranteed as to principal and interest by the United States.


§ 203.441 Insurance of loan.

Under compliance with the commitment, or as provided in §203.255(b) with respect to mortgages processed under the Direct Endorsement program, the Commissioner shall insure the loan evidencing the insurance by the issuance of an insurance certificate which will identify the regulations under which the loan is insured and the date of insurance.

[57 FR 58349, Dec. 9, 1992; 58 FR 13537, Mar. 12, 1993]

§ 203.442 Contract created by Insurance Certificate or by endorsement.

The loan is insured from the date of the issuance of an Insurance Certificate or from the date of the endorsement of the note. The Commissioner and the lender shall thereafter be bound by the Act and the regulations in §§203.440 et seq. with the same force and to the same extent as if a separate contract had been executed relating to the insured loan.

§ 203.443 Insurance premium.

All of the provisions of §§203.260 through 203.269 concerning mortgage insurance premiums, apply to loans insured under §203.50.

[47 FR 30753, July 15, 1982]

§ 203.447 Voluntary termination of contract.

Upon request by the borrower and lender the Commissioner may terminate the insurance contract on the...