

concerned, was, formerly, also set out as sections 484d, 723, and 1425 of Title 48, Territories and Insular Possessions. Section 2(b) of act Apr. 23, 1949, which was formerly classified to sections 484e, 724 and 1426 of Title 48, was repealed by act Aug. 2, 1954, ch. 649, title II, § 205, 68 Stat. 622.

AMENDMENTS

1990—Pub. L. 101-625 amended section catchline generally, inserting reference to Virgin Islands, substituted “Alaska, Guam, Hawaii, or the Virgin Islands,” for “Alaska, Guam, or Hawaii,” after “costs prevailing in”, “Alaska, Guam, Hawaii, or the Virgin Islands” for “Alaska or in Guam or Hawaii” wherever appearing, and inserted “, the Virgin Islands,” after “Government of Guam” wherever appearing.

1988—Pub. L. 100-242 struck out “shall be the owner and occupant of the property or” before “shall have paid a prescribed amount” in fourth sentence.

1984—Pub. L. 98-479 substituted “Insurance of mortgages on property in Alaska, Guam, and Hawaii” for “Construction of dwellings or mobile home courts or parks in Alaska, Guam, and Hawaii; increased maximum for mortgage insurance; conditions and limitations” in section catchline, and substituted “Notwithstanding” for “Notwithstanding” at beginning of third sentence.

1980—Pub. L. 96-399 substituted “manufactured” for “mobile”.

1969—Pub. L. 91-152 extended to mobile home courts or parks the special provisions applicable to properties located in Alaska, Guam, or Hawaii.

1967—Pub. L. 90-19 substituted “Secretary of Housing and Urban Development” for “Federal Housing Commissioner” and “Secretary” for “Commissioner”, respectively, wherever appearing.

1959—Pub. L. 86-372 inserted “(including increased mortgage amounts in geographical areas where cost levels so require)” after “maximum or maxima otherwise applicable”.

Pub. L. 86-70 substituted “Alaska, Guam,” for “the Territory of Alaska or in Guam”.

1953—Act June 30, 1953, § 25(a), inserted “or Hawaii” after “Guam” wherever appearing.

Act June 30, 1953, § 25(c), substituted in fourth sentence “Upon application by the mortgagee (1) where the mortgagor is regulated or restricted pursuant to the last sentence of this section or (2)” for “Upon application by the mortgagee,”; and inserted sentence beginning “Without limiting the authority”.

1952—Act July 14, 1952, inserted “or in Guam” after “Alaska” wherever appearing, inserted “or maxima” after “maximum,” and inserted “or the Government of Guam or any agency or instrumentality thereof” after “Alaska Housing Authority” wherever appearing.

1951—Act Sept. 1, 1951, substituted “one-half” for “one-third” in first sentence.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-242 applicable only with respect to mortgages insured pursuant to conditional commitment issued on or after Feb. 5, 1988, or in accordance with direct endorsement program (24 CFR 200.163), if approved underwriter of mortgagee signs appraisal report for property on or after Feb. 5, 1988, see section 406(d) of Pub. L. 100-242, set out as a note under section 1709 of this title.

STUDY AND REPORT RESPECTING UTILIZATION OF FACTORY-BUILT AND OTHER APPROPRIATE TYPES OF HOUSING FOR INDIAN, ETC., HOUSING PROGRAMS

Pub. L. 96-399, title III, § 323, Oct. 8, 1980, 94 Stat. 1647, directed Secretary of Housing and Urban Development to study feasibility of utilizing factory-built and other appropriate types of housing (other than the traditional type of site-built housing), to the extent practicable, in carrying out housing programs for Indians

and Alaskan Natives, and not later than eighteen months after Oct. 8, 1980, to transmit a report to Congress containing the findings and conclusions of such study, including a comparison of costs and benefits of utilizing the traditional type of site-built housing and of utilizing other types of housing in situations in which either type of housing could be used.

TERMINATION OF PURCHASES OF OBLIGATIONS

No additional notes or obligations to be purchased after June 24, 1954, from funds appropriated pursuant to the Alaska Housing Act, as amended, which is classified, in part, to this section, see section 1701g-5 of this title, and References in Text note thereunder.

REVOLVING FUND

Establishment of revolving fund under which to account for assets and liabilities in connection with notes and other obligations purchased pursuant to the Alaska Housing Act, as amended, which is classified, in part, to this section, see section 1701g-5 of this title, and References in Text note thereunder.

Executive Documents

ADMISSION OF ALASKA AND HAWAII TO STATEHOOD

Alaska was admitted into the Union on Jan. 3, 1959, on issuance of Proc. No. 3269, Jan. 3, 1959, 24 F.R. 81, 73 Stat. c16, and Hawaii was admitted into the Union on Aug. 21, 1959, on issuance of Proc. No. 3309, Aug. 21, 1959, 24 F.R. 6868, 73 Stat. c74. For Alaska Statehood Law, see Pub. L. 85-508, July 7, 1958, 72 Stat. 339, set out as a note preceding section 21 of Title 48, Territories and Insular Possessions. For Hawaii Statehood Law, see Pub. L. 86-3, Mar. 18, 1959, 73 Stat. 4, set out as a note preceding section 491 of Title 48.

§ 1715e. Cooperative housing insurance

(a) Projects insurable

In addition to mortgages insured under section 1713 of this title, the Secretary is authorized to insure mortgages as defined in section 1713(a) of this title (including advances on such mortgages during construction), which cover property held by—

(1) a nonprofit cooperative ownership housing corporation or nonprofit cooperative ownership housing trust, the permanent occupancy of the dwellings of which is restricted to members of such corporation or to beneficiaries of such trust;

(2) a nonprofit corporation or nonprofit trust organized for the purpose of construction of homes for members of the corporation or for beneficiaries of the trust; or

(3) a mortgagor, approved by the Secretary which (A) has certified to the Secretary, as a condition of obtaining the insurance of a mortgage under this section, that upon completion of the property or project covered by such mortgage it intends to sell such property or project to a nonprofit corporation or nonprofit trust of the character described in paragraph (1) of this subsection at the actual cost of such property or project as certified pursuant to section 1715r of this title and will faithfully and diligently make and carry out all reasonable efforts to consummate such sale, and (B) shall be regulated or restricted by the Secretary as to rents, charges, capital structure, rate of return, and methods of operation during any period while it holds the mortgaged property or project; and for such pur-

pose the Secretary may make such contracts with, and acquire for not to exceed \$100 such stock or interest in, any such mortgagor as the Secretary may deem necessary to render effective such restriction or regulation, such stock or interest to be paid for out of the Cooperative Management Housing Insurance Fund and to be redeemed by such mortgagor at par upon the sale of such property or project to such nonprofit corporation or nonprofit trust;

which corporations or trusts referred to in paragraphs (1) and (2) of this subsection are regulated or restricted for the purposes and in the manner provided in paragraphs (1) and (2) of subsection (b) of section 1713 of this title: *Provided*, That as applied to mortgages the mortgage insurance for which is the obligation of the Management Fund, the reference to the General Insurance Fund in section 1713(b)(2) of this title shall be construed to refer to the Management Fund. Nothing in this section may be construed to prevent membership in a nonprofit housing cooperative from being held in the name of a trust, the beneficiary of which shall occupy the dwelling unit in accordance with rules and regulations prescribed by the Secretary.

(b) Eligibility conditions for projects under subsection (a)(1) of this section

To be eligible for insurance under this section a mortgage on any property or project of a corporation or trust of the character described in paragraph (1) of subsection (a) of this section shall involve a principal obligation in an amount—

(1) Repealed. Pub. L. 93-383, title III, § 304(b), Aug. 22, 1974, 88 Stat. 678.

(2)(A) not to exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Secretary), \$41,207 per family unit without a bedroom, \$47,511 per family unit with one bedroom, \$57,300 per family unit with two bedrooms, \$73,343 per family unit with three bedrooms, and \$81,708 per family unit with four or more bedrooms, and not to exceed 98 per centum of the amount which the Secretary estimates will be the replacement cost of the property or project when the proposed physical improvements are completed: *Provided*, That as to projects to consist of elevator-type structures the Secretary may, in his discretion, increase the dollar amount limitations per family unit to not to exceed \$43,875 per family unit without a bedroom, \$49,710 per family unit with one bedroom, \$60,446 per family unit with two bedrooms, \$78,197 per family unit with three bedrooms, and \$85,836 per family unit with four or more bedrooms, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; (B)(i) the Secretary may, by regulation, increase any of the dollar amount limitations in subparagraph (A) (as such limitations may have been adjusted in accordance with section 1712a of this title) by not to exceed 170 percent in any geographical area where the Secretary finds that cost levels so require and by not to

exceed 170 percent, or 215 percent in high cost areas, where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 1720¹ of this title (as such section existed immediately before November 30, 1983) is involved; and (ii) in the case of a mortgagor of the character described in paragraph (3) of subsection (a) the mortgage shall involve a principal obligation in an amount not to exceed 90 per centum of the amount which the Secretary estimates will be the replacement cost of the property or project when the proposed physical improvements are completed; and (iii) upon the sale of a property or project by a mortgagor of the character described in paragraph (3) of subsection (a) to a nonprofit cooperative ownership housing corporation or trust within two years after the completion of such property or project the mortgage given to finance such sale shall involve a principal obligation in an amount not to exceed the maximum amount computed in accordance with this subparagraph (B)(i)..²

(c) Eligibility conditions for projects under subsection (a)(2) of this section

To be eligible for insurance under this section a mortgage on any property or project of a corporation or trust of the character described in paragraph (2) of subsection (a) of this section shall involve a principal obligation in an amount not to exceed a sum computed on the basis of a separate mortgage for each single-family dwelling (irrespective of whether such dwelling has a party wall or is otherwise physically connected with another dwelling or dwellings) comprising the property or project, equal to the total of each of the maximum principal obligations of such mortgages which would meet the requirements of section 1709(b)(2) of this title if the mortgagor were the owner and occupant who had made any required payment on account of the property prescribed in such paragraph.

(d) Amortization; release from mortgage lien; individual insurance; commercial and community facilities

Any mortgage insured under this section shall provide for complete amortization by periodic payments within such term as the Secretary may prescribe but not to exceed 40 years from the beginning of amortization of the mortgage, and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee. The Secretary may consent to the release of a part or parts of the mortgaged property from the lien of the mortgage upon such terms and conditions as he may prescribe and the mortgage may provide for such release, and a mortgage on any project of a corporation or trust of the character described in paragraph (2) of subsection (a) of this section may provide that, at any time after the completion of the

¹ See References in Text note below.

² So in original.

construction of the project, such mortgage may be replaced, in whole or in part, by individual mortgages covering each individual dwelling in the project in amounts not to exceed the unpaid balance of the blanket mortgage allocable to the individual property. Each such individual mortgage may be insured under this section. Property covered by a mortgage, insured under this section, on a property or project of a corporation or trust of the character described in paragraph (1) of subsection (a) of this section may include five or more family units and may include such commercial and community facilities as the Secretary deems adequate to serve the occupants. Property held by a corporation or trust of the character described in paragraph numbered (2) of subsection (a) of this section which is covered by a mortgage insured under this section may include such community facilities, and property held by a mortgagor of the character described in paragraph numbered (3) of subsection (a) of this section which is covered by a mortgage insured under this section may include such commercial and community facilities, as the Secretary deems adequate to serve the occupants.

(e) Applicability of sections 1710 and 1713 of this title

The provisions of subsections (d), (e), (g), (h), (i), (j), (k), (l), and (n) of section 1713 of this title shall be applicable to mortgages insured under this section except individual mortgages insured pursuant to subsection (d) of this section covering the individual dwellings in the project, and as to such individual mortgages the provisions of subsections (a), (c), (d), (e), (f), (g), (h),¹ (j), and (k)¹ of section 1710 of this title shall be applicable: *Provided*, That as applied to mortgages or loans the insurance for which is the obligation of the Management Fund (1) all references to the General Insurance Fund shall be construed to refer to the Management Fund, and (2) all references to section 1713 of this title shall be construed to refer to subsections (a)(1), (a)(3) (if the project involved is acquired by a cooperative corporation), (i), and (j) of this section.

(f) Technical advice and assistance

The Secretary is authorized, with respect to mortgages insured or to be insured under this section, to furnish technical advice and assistance in the organization of corporations or trusts of the character described in subsection (a) of this section and in the planning, development, construction, and operation of their housing projects.

(g) Housing projects designed for single person occupancy

Nothing in this chapter shall be construed to prevent the insurance of a mortgage under this section covering a housing project designed for occupancy by single persons, and dwelling units in such a project shall constitute family units within the meaning of this section.

(h) Failure to sell to a nonprofit organization

In the event that a mortgagor of the character described in paragraph (3) of subsection (a) obtains an insured mortgage loan pursuant to this

section and fails to sell the property or project covered by such mortgage to a nonprofit housing corporation or nonprofit housing trust of the character described in paragraph (1) of subsection (a), the Secretary is authorized to refuse, for such period of time as he shall deem appropriate under the circumstances, to insure under this section any additional investor-sponsor type mortgage loans made to such mortgagor or to any other investor-sponsor mortgagor where, in the determination of the Secretary, any of its stockholders were identified with such mortgagor.

(i) Mortgages executed by consumer cooperatives covering existing structures

Nothing in this chapter shall be construed to prevent the insurance of a mortgage executed by a mortgagor of the character described in paragraph (1) of subsection (a) of this section covering property upon which dwelling units and related facilities have been constructed prior to the filing of the application for mortgage insurance hereunder: *Provided*, That the Secretary determines that the consumer interest is protected and that the mortgagor will be a consumer cooperative. In the case of properties other than new construction, the limitations in this section upon the amount of the mortgage shall be based upon the appraised value of the property for continued use as a cooperative rather than upon the Secretary's estimate of the replacement cost. As to any project on which construction was commenced after September 23, 1959, the mortgage on such project shall be eligible for insurance under this section only in those cases where the construction was subject to inspection by the Secretary and where there was compliance with the provisions of section 1715c of this title. As to any project on which construction was commenced prior to September 23, 1959, such inspection, and compliance with the provisions of section 1715c of this title, shall not be a prerequisite.

(j) Insurance of supplementary cooperative loans

(1) With respect to any property covered by a mortgage insured under this section (or any cooperative housing project covered by a mortgage insured under section 1713 of this title as in effect prior to April 20, 1950), the Secretary is authorized, upon such terms and conditions as he may prescribe, to make commitments to insure and to insure supplementary cooperative loans (including advances during construction or improvement) made by financial institutions approved by the Secretary. The Secretary is further authorized to make commitments to insure and to insure supplementary cooperative loans (including advances during construction or improvement) with respect to any property purchased from the Federal Government by a nonprofit corporation or trust of the character described in paragraph (1) of subsection (a), if the property is covered by an uninsured mortgage representing a part of the purchase price. As used in this subsection "supplementary cooperative loan" means a loan, advance of credit, or purchase of an obligation representing a loan or advance of credit made for the purpose of financing any of the following:

(A) Improvements or repairs of the property covered by such mortgage;

(B) Community facilities necessary to serve the occupants of the property; or

(C) Cooperative purchases and resales of memberships in order to provide necessary re-financing for resales of memberships which involve increases in equity; but in such resales by the cooperative the downpayments by the new members shall not be less than those made on the original sales of such memberships.

(2) To be eligible for insurance under this subsection, a supplementary cooperative loan shall—

(A) be limited to an amount which, when added to the outstanding mortgage indebtedness on the property, creates a total outstanding indebtedness which does not exceed the original principal obligation of the mortgage; except that, in the case of improvements or additional community facilities, the outstanding indebtedness may be increased by an amount equal to 97 per centum of the amount which the Secretary estimates will be the value of such improvements or facilities, and the new outstanding indebtedness may exceed the original principal obligation of the mortgage if such new outstanding indebtedness does not exceed the limitations imposed by subsection (b);

(B) have a maturity satisfactory to the Secretary but not to exceed the remaining term of the mortgage; except that, in the case of repairs or improvements to a property covered by an uninsured mortgage dated more than twenty years prior to the date of the commitment to insure, of such magnitude that the Secretary deems them to be a major rehabilitation or modernization of such property, the loan may have a maturity date up to ten years in excess of the remaining term of the uninsured mortgage;

(C) be secured in such manner as the Secretary may require;

(D) contain such other terms, conditions, and restrictions as the Secretary may prescribe; and

(E) represent the obligation of a borrower of the character described in paragraph (1) of subsection (a).

(k) Cooperative Management Housing Insurance Fund

There is hereby created a Cooperative Management Housing Insurance Fund (hereinafter referred to as the "Management Fund"). The Management Fund shall be used by the Secretary as a revolving fund for carrying out the provisions of this section with respect to mortgages or loans insured, on or after August 10, 1965, under subsections (a)(1), (a)(3) (if the project is acquired by a cooperative corporation), (i), and (j). The Management Fund shall also be used as a revolving fund for mortgages, loans, and commitments transferred to it pursuant to subsection (m). The Secretary is directed to transfer to the Management Fund from the General Insurance Fund an amount equal to the total of the premium payments theretofore made with respect to the insurance of mortgages and loans transferred to the Management Fund pursuant to subsection (m) minus the total of any admin-

istrative expenses theretofore incurred in connection with such mortgages and loans, plus such other amounts as the Secretary determines to be necessary and appropriate. General expenses of operation of the Department of Housing and Urban Development relating to mortgages or loans which are the obligation of the Management Fund may be charged to the Management Fund.

(l) General Surplus Account; Participating Reserve Account

The Secretary shall establish in the Management Fund, as of August 10, 1965, a General Surplus Account and a Participating Reserve Account. The aggregate net income thereafter received or any net loss thereafter sustained by the Management Fund, in any semiannual period, shall be credited or charged to the General Surplus Account or the Participating Reserve Account or both in such manner and amounts as the Secretary may determine to be in accord with sound actuarial and accounting practice. Upon termination of the insurance obligation of the Management Fund by payment of any mortgage or loan insured under this section, and at such time or times prior to such termination as the Secretary may determine, the Secretary is authorized to distribute to the mortgagor or borrower a share of the Participating Reserve Account in such manner and amount as the Secretary shall determine to be equitable and in accordance with sound actuarial and accounting practice: *Provided*, That in no event shall the amount of the distributable share exceed the aggregate scheduled annual premiums of the mortgagor or borrower to the year of payment of the share less the total amount of any share or shares previously distributed by the Secretary to the mortgagor or borrower: *And provided further*, That in no event may a distributable share be distributed until any funds transferred from the General Insurance Fund to the Management Fund pursuant to subsection (o) have been repaid in full to the General Insurance Fund. No mortgagor, mortgagee, borrower, or lender shall have any vested right in a credit balance in any such account or be subject to any liability arising out of the mutuality of the Management Fund. The determination of the Secretary as to the amount to be paid by him to any mortgagor or borrower shall be final and conclusive.

(m) Transfer of insurance to Management Fund

The Secretary is authorized to transfer to the Management Fund commitments for insurance issued under subsections (a)(1), (i), and (j) prior to August 10, 1965, and to transfer to the Management Fund the insurance of any mortgage or loan insured prior to August 10, 1965, under subsection (a)(1), (a)(3) (if the project is acquired by a cooperative corporation), (i), or (j): *Provided*, That the insurance of any mortgage or loan shall not be transferred under the provisions of this subsection if on August 10, 1965, the mortgage or loan is in default and the mortgagee or lender has notified the Secretary in writing of its intention to file an insurance claim. Any insurance or commitment not so transferred shall continue to be an obligation of the General Insurance Fund.

(n) Payment of premium charges in debentures

Notwithstanding the limitations contained in other provisions of this chapter, premium charges for mortgages or loans the insurance of which is the obligation of either the Management Fund or the General Insurance Fund may be payable in debentures issued in connection with mortgages or loans transferred to the Management Fund or in connection with mortgages or loans insured pursuant to commitments transferred to the Management Fund, as provided in subsection (m) of this section. Premium charges on the insurance of mortgages or loans transferred to the Management Fund or insured pursuant to commitments transferred to the Management Fund may be payable in debentures which are the obligation of either the Management Fund or the General Insurance Fund.

(o) Transfer of funds between Management Fund and General Insurance Fund; investment of monies

Notwithstanding any other provision of this chapter the Secretary is authorized to transfer funds between the Cooperative Management Housing Insurance Fund and the General Insurance Fund in such amounts and at such times as he may determine, taking into consideration the requirements of each such Fund, to assist in carrying out effectively the insurance programs for which such Funds were respectively established. Moneys in the Cooperative Management Housing Insurance Fund not needed for current operations of the fund shall be deposited with the Treasurer of the United States to the credit of the Cooperative Management Housing Insurance Fund or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States or any agency of the United States: *Provided*, That such moneys shall to the maximum extent feasible be invested in such bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market. The Secretary may, with the approval of the Secretary of the Treasury, purchase in the open market debentures which are the obligations of the Cooperative Management Housing Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this subsection. Debentures so purchased shall be canceled and not reissued.

(p) Increase in maximum mortgage amounts for solar energy systems and energy conservation measures

Notwithstanding any other provision of this section, the project mortgage amounts which may be insured under this section may be increased by up to 20 per centum if such increase is necessary to account for the increased cost of the project due to the installation therein of a solar energy system (as defined in subparagraph (3) of the last paragraph of section 1703(a) of this title) or residential energy conservation measures (as defined in section 8211(11)(A) through (G) and (I) of title 42)¹ in cases where the Secretary determines that such measures are in ad-

dition to those required under the minimum property standards and will be cost-effective over the life of the measure.

(June 27, 1934, ch. 847, title II, §213, as added Apr. 20, 1950, ch. 94, title I, §114, 64 Stat. 54; amended Oct. 26, 1951, ch. 577, §4, 65 Stat. 648; June 30, 1953, ch. 170, §6, 67 Stat. 123; Aug. 2, 1954, ch. 649, title I, §§119, 120, 68 Stat. 595, 596; Aug. 11, 1955, ch. 783, title I, §102(c)-(e), 69 Stat. 635; Aug. 7, 1956, ch. 1029, title I, §105(a)-(c), 70 Stat. 1093, 1094; Pub. L. 85-104, title I, §112, July 12, 1957, 71 Stat. 297; Pub. L. 86-372, title I, §105, 116(b), Sept. 23, 1959, 73 Stat. 655, 664; Pub. L. 87-70, title VI, §608, June 30, 1961, 75 Stat. 179; Pub. L. 88-560, title I, §§107(b), 109(a), Sept. 2, 1964, 78 Stat. 774, 777; Pub. L. 89-117, title II, §§207(b), 208, title XI, §1108(g), Aug. 10, 1965, 79 Stat. 467, 468, 505; Pub. L. 89-754, title III, §§303, 304, Nov. 3, 1966, 80 Stat. 1266, 1267; Pub. L. 90-19, §1(a)(1), (3), (4), May 25, 1967, 81 Stat. 17; Pub. L. 90-301, §3(c), May 7, 1968, 82 Stat. 114; Pub. L. 90-488, title III, §313, title XVII, §1722(e), Aug. 1, 1968, 82 Stat. 511, 610; Pub. L. 91-152, title I, §113(c), Dec. 24, 1969, 83 Stat. 383; Pub. L. 91-609, title I, §117(b), Dec. 31, 1970, 84 Stat. 1774; Pub. L. 93-383, title III, §§303(b), 304(b), (c), 311(b), Aug. 22, 1974, 88 Stat. 677, 678, 683; Pub. L. 94-173, §3, Dec. 23, 1975, 89 Stat. 1027; Pub. L. 94-375, §8(a), (b)(2), Aug. 3, 1976, 90 Stat. 1071; Pub. L. 96-153, title III, §314, Dec. 21, 1979, 93 Stat. 1117; Pub. L. 96-399, title III, §310(b), Oct. 8, 1980, 94 Stat. 1642; Pub. L. 97-35, title III, §339B(a), Aug. 13, 1981, 95 Stat. 417; Pub. L. 97-253, title II, §201(c), Sept. 8, 1982, 96 Stat. 789; Pub. L. 97-377, title I, §101(g), Dec. 21, 1982, 96 Stat. 1908; Pub. L. 98-181, title I [title IV, §§404(b)(5), 423(b)(2)], Nov. 30, 1983, 97 Stat. 1209, 1216; Pub. L. 100-242, title IV, §426(b), (h), Feb. 5, 1988, 101 Stat. 1915, 1916; Pub. L. 102-550, title V, §509(b), Oct. 28, 1992, 106 Stat. 3783; Pub. L. 103-233, title III, §306, Apr. 11, 1994, 108 Stat. 373; Pub. L. 106-74, title II, §221, Oct. 20, 1999, 113 Stat. 1076; Pub. L. 107-73, title II, §213(b), Nov. 26, 2001, 115 Stat. 676; Pub. L. 107-326, §5(b)(2), Dec. 4, 2002, 116 Stat. 2794; Pub. L. 108-186, title III, §302(b), (c)(2), Dec. 16, 2003, 117 Stat. 2692; Pub. L. 110-161, div. K, title II, §221(1), Dec. 26, 2007, 121 Stat. 2436.)

Editorial Notes**REFERENCES IN TEXT**

Section 1720 of this title, referred to in subsec. (b)(2)(B)(i), was repealed by Pub. L. 98-181, title I [title IV, §483(a)], Nov. 30, 1983, 97 Stat. 1240.

Subsection (h) of section 1710 of this title, referred to in subsec. (e), was redesignated subsec. (i) by Pub. L. 105-276, title VI, §602(1), Oct. 21, 1998, 112 Stat. 2674.

Subsection (k) of section 1710 of this title, referred to in subsec. (e), was repealed by Pub. L. 105-276, title VI, §601(c), Oct. 21, 1998, 112 Stat. 2673.

This chapter, referred to in subsecs. (g), (i), (n) and (o), was in the original "this Act", meaning act June 27, 1934, ch. 847, 48 Stat. 1246, which is classified principally to this chapter (§1701 et seq.). For complete classification of this Act to the Code, see Tables.

Section 8211 of title 42, referred to in subsec. (p), was omitted from the Code pursuant to section 8229 of Title 42, The Public Health and Welfare, which terminated authority under that section on June 30, 1989.

AMENDMENTS

2007—Subsec. (b)(2)(B)(i). Pub. L. 110-161 substituted "170 percent" for "140 percent" after "not to exceed" in

two places and “215 percent in high cost areas” for “170 percent in high cost areas”.

2003—Subsec. (b)(2)(A). Pub. L. 108-186, §302(c)(2), substituted “\$41,207”, “\$47,511”, “\$57,300”, “\$73,343”, “\$81,708”, “\$49,710”, “\$60,446”, “\$78,197”, and “\$85,836” for “\$38,025”, “\$42,120”, “\$50,310”, “\$62,010”, “\$70,200”, “\$49,140”, “\$60,255”, “\$75,465”, and “\$85,328”, respectively.

Subsec. (b)(2)(B)(i). Pub. L. 108-186, §302(b), substituted “140 percent in” for “110 percent in” and inserted “, or 170 percent in high cost areas,” after “and by not to exceed 140 percent”.

2002—Subsec. (b)(2). Pub. L. 107-326 inserted subpar. (A) designation after “(2)” and substituted “; (B)(i) the Secretary may, by regulation, increase any of the dollar amount limitations in subparagraph (A) (as such limitations may have been adjusted in accordance with section 1712a of this title)” for “; *Provided further*, That the Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph”, “; and (ii) in the case of a mortgagor” for “; *Provided further*, That in the case of a mortgagor”, “; and (iii) upon the sale of a property” for “; *And provided further*, That upon the sale of a property”, and “with this subparagraph (B)(i).” for “with this subsection without regard to the preceding proviso”.

2001—Subsec. (b)(2). Pub. L. 107-73 substituted “\$38,025”, “\$42,120”, “\$50,310”, “\$62,010”, and “\$70,200” for “\$30,420”, “\$33,696”, “\$40,248”, “\$49,608”, and “\$56,160”, respectively, and “\$43,875”, “\$49,140”, “\$60,255”, “\$75,465”, and “\$85,328” for “\$35,100”, “\$39,312”, “\$48,204”, “\$60,372”, and “\$68,262”, respectively.

1999—Subsec. (a). Pub. L. 106-74 inserted at end “Nothing in this section may be construed to prevent membership in a nonprofit housing cooperative from being held in the name of a trust, the beneficiary of which shall occupy the dwelling unit in accordance with rules and regulations prescribed by the Secretary.”

1994—Subsec. (b)(2). Pub. L. 103-233 substituted “\$56,160” for “\$59,160”.

1992—Subsec. (b)(2). Pub. L. 102-550 substituted “\$30,420”, “\$33,696”, “\$40,248”, “\$49,608”, and “\$59,160” for “\$25,350”, “\$28,080”, “\$33,540”, “\$41,340”, and “\$46,800”, respectively, and “\$35,100”, “\$39,312”, “\$48,204”, “\$60,372”, and “\$68,262” for “\$29,250”, “\$32,760”, “\$40,170”, “\$50,310”, and “\$56,885”, respectively.

1988—Subsec. (b)(2). Pub. L. 100-242 substituted “\$25,350”, “\$28,080”, “\$33,540”, “\$41,340”, and “\$46,800” for “\$19,500”, “\$21,600”, “\$25,800”, “\$31,800”, and “\$36,000”, respectively, and “\$29,250”, “\$32,760”, “\$40,170”, “\$50,310”, and “\$56,885” for “\$22,500”, “\$25,200”, “\$30,900”, “\$38,700”, and “\$43,758”, respectively, and substituted “not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 1720 of this title (as such section existed immediately before November 30, 1983) is involved” for “not to exceed 75 per centum in any geographical area where he finds that cost levels so require, except that, where the Secretary determines it necessary on a project by project basis, the foregoing dollar amount limitations contained in this paragraph may be exceeded by not to exceed 90 per centum (by not to exceed 140 per centum where the Secretary determines that a mortgage other than one purchased or to be purchased under section 1720 of this title by the Government National Mortgage Association in implementing its special assistance functions is involved) in such an area”.

1983—Subsec. (b)(2). Pub. L. 98-181, §423(b)(2), struck out “; *Provided further*, That the foregoing maximum mortgage amounts may be increased by the amount of

the mortgage insurance premium paid at the time the mortgage is insured” after “involved) in such area”.

Subsec. (d). Pub. L. 98-181, §404(b)(5), substituted provision that the interest rate for the mortgage be such a rate as agreed upon by the mortgagor and mortgagee for provision that the rate of interest, exclusive of premium charges for insurance, not exceed 5¼ per centum per annum on the amount of the principal obligation outstanding at any time, or not exceed such per centum per annum not in excess of 6 per centum per annum as the Secretary finds necessary to meet the mortgage market.

1982—Subsec. (b)(2). Pub. L. 97-377 inserted “(by not to exceed 140 per centum where the Secretary determines that a mortgage other than one purchased or to be purchased under section 1720 of this title by the Government National Mortgage Association in implementing its special assistance functions is involved)” after “90 per centum”.

Pub. L. 97-253 inserted provision that the foregoing maximum mortgage amounts may be increased by the amount of the mortgage insurance premium paid at the time the mortgage is insured.

1981—Subsec. (p). Pub. L. 97-35 inserted “therein” after “installation” and struck out “therein” after “measure”.

1980—Subsec. (p). Pub. L. 96-399 added subsec. (p).

1979—Subsec. (b)(2). Pub. L. 96-153 in second proviso substituted “75 per centum” for “50 per centum”, and inserted exception that the dollar amount limitations may be exceeded not to exceed 90 per centum where the Secretary determines it necessary.

1976—Subsec. (b)(2). Pub. L. 94-375 substituted “50 per centum in any geographical area” for “75 per centum in any geographical area”, “\$19,500” for “\$13,000”, “\$21,600” for “\$18,000”, “\$25,800” for “\$21,500”, “\$31,800” for “\$26,500”, “\$36,000” for “\$30,000”, “\$22,500” for “\$15,000”, “\$25,200” for “\$21,000”, “\$30,900” for “\$25,750”, “\$38,700” for “\$32,250”, and “\$43,758” for “\$36,465”.

1975—Subsec. (b)(2). Pub. L. 94-173 raised from 45 per centum to 75 per centum the amount by which any dollar limitation may, by regulation, be increased.

1974—Subsec. (b)(1). Pub. L. 93-383, §304(b), struck out par. (1) which set forth limits on principal obligation of not to exceed \$20,000,000, or not to exceed \$25,000,000 if mortgage is executed by a mortgagor regulated under Federal, State, local laws.

Subsec. (b)(2). Pub. L. 93-383, §§303(b), 311(b), substituted “\$13,000” for “\$9,900”, “\$15,000” for “\$11,550”, “\$18,000” for “\$13,750”, “\$21,000” for “\$16,500”, “\$21,500” for “\$16,500”, “\$25,750” for “\$19,800”, “\$26,500” for “\$20,350”, “\$30,000” for “\$23,100”, “\$32,250” for “\$24,750”, “\$36,465” for “\$28,050”, and “98 per centum” for “97 per centum”.

Subsec. (c). Pub. L. 93-383, §304(c), struck out “not to exceed \$12,500,000 and” after “an amount”.

1970—Subsec. (o). Pub. L. 91-609 provided for guarantee as to principal and interest by any agency of the United States and for investment of monies in bonds or other obligations the proceeds of which will be used to directly support the residential mortgage market.

1969—Subsec. (b)(2). Pub. L. 91-152 substituted “\$9,900” for “\$9,000”, “\$11,550” for “\$10,500”, “\$13,750” for “\$12,500”, “\$16,500” for “\$15,000” wherever appearing, “\$19,800” for “\$18,000”, “\$20,350” for “\$18,500”, “\$23,100” for “\$21,000”, “\$24,750” for “\$22,500”, and “\$28,050” for “\$25,500”.

1968—Subsec. (d). Pub. L. 90-301 substituted provisions limiting interest rate on mortgages to such per centum per annum not in excess of 6 per centum as the Secretary finds necessary to meet the mortgage market for former provisions limiting the rate to 5¼ per centum per annum on individual mortgages covering individual dwellings in the project.

Subsec. (j)(1). Pub. L. 90-448, §313(1), authorized the Secretary to make commitments to insure and to insure supplementary cooperative loans with respect to any property purchased from the Federal Government by a nonprofit corporation or trust of the character described in subsec. (a) (1) of this section, if the property

is covered by an uninsured mortgage representing a part of the purchase price.

Subsec. (j)(2)(B). Pub. L. 90-448, §313(2), permitted the loan to have a maturity date up to ten years in excess of the remaining term of the uninsured mortgage in the case of repairs or improvements to a property covered by an uninsured mortgage dated more than twenty years prior to the date of the commitment to insure, of such magnitude that the Secretary deems them to be a major rehabilitation or modernization of such property.

Subsec. (o). Pub. L. 90-448, §1722(e), required deposit with the Treasurer or investment in bonds or other obligations of, or in bonds or obligations guaranteed as to principal and interest by, the United States, of moneys in the Cooperative Management Housing Insurance Fund not needed for current operations of the fund, authorized purchase in the open market of debentures which are obligations of the fund, and directed that debentures so purchased be canceled and not reissued.

1967—Pub. L. 90-19, §1(a)(3), substituted “Secretary” for “Commissioner” wherever appearing in subssecs. (a), (a)(3), (b)(2), (d), (f), (h), (i), (j)(1), (2)(B), (C), (k) to (m), and (o).

Subsec. (i). Pub. L. 90-19, §1(a)(4), substituted “Secretary’s” for “Commissioner’s”.

Subsec. (k). Pub. L. 90-19, §1(a)(1), substituted “Department of Housing and Urban Development” for “Federal Housing Administration”.

1966—Subsec. (j)(2)(A). Pub. L. 89-754, §304, provided that, in case of improvements or additional community facilities, the outstanding indebtedness may be increased by an amount equal to 97 per centum of the amount which the Secretary estimates will be the value of such improvements or facilities, and the new outstanding indebtedness may exceed the original principal obligation of the mortgage if such new outstanding indebtedness does not exceed the limitations imposed by subsec. (b) of this section.

Subsec. (k). Pub. L. 89-754, §303(c)(1), directed the Secretary rather than the Commissioner to transfer to the Management Fund from the General Insurance Fund an amount equal to the total of the premium payments theretofore made with respect to the insurance of mortgages and loans transferred to the Management Fund pursuant to subsec. (m) of this section minus the total of any administrative expenses theretofore incurred in connection with such mortgages and loans.

Subsec. (l). Pub. L. 89-754, §303(c)(2), struck out reference to subsec. (k) in second proviso.

Subsec. (m). Pub. L. 89-754, §303(a), struck out before the proviso “, but only in cases where the consent of the mortgagee or lender to the transfer is obtained or a request by the mortgagee or lender for the transfer is received by the Commissioner within such period of time after August 10, 1965, as the Commissioner shall prescribe”.

Subsec. (n). Pub. L. 89-754, §303(b), substituted “the insurance of which is the obligation of either the Management Fund or the General Insurance Fund” for “insured under this section and sections 1713, 1715v and 1715w of this title” and inserted provision for payment of premium charges on the insurance of mortgages or loans transferred to the Management Fund or insured pursuant to commitments transferred to the Management Fund in debentures which are the obligation of either the Management Fund or the General Insurance Fund.

1965—Subsec. (a). Pub. L. 89-117, §§208(b)(1), 1108(g)(1), inserted proviso construing reference to General Insurance Fund in section 1713(b)(2) of this title as a reference to Management Fund and substituted “Cooperative Management Housing Insurance Fund” for “Housing Fund” in par. (3).

Subsec. (b)(2). Pub. L. 89-117, §207(b)(1), substituted “\$18,500 per family unit with three bedrooms, and \$21,000 per family unit with four or more bedrooms” for “and \$18,500 per family unit with three or more bedrooms” and “\$22,500 per family unit with three bedrooms, and \$25,500 per family unit with four or more

bedrooms” for “and \$22,500 per family unit with three or more bedrooms”.

Subsec. (c). Pub. L. 89-117, §207(b)(2), struck out limitation which prohibited the principal obligation from exceeding a sum equal to the maximum amount which does not exceed either of the limitations on the amount of the principal obligations of the mortgage prescribed by par. (2) of subsec. (b) of this section.

Subsec. (e). Pub. L. 89-177, §§208(b)(2), 1108(g)(2), inserted proviso construing all references to General Insurance Fund as references to Management Fund and all references to section 1713 of this title as references to subssecs. (a)(1), (a)(3), (i) and (j) of this section and struck out reference to subssecs. (m) and (p) of section 1713 of this title.

Subsecs. (k) to (o). Pub. L. 89-117, §208(a), added subssecs. (k) to (o).

1964—Subsec. (b)(2). Pub. L. 88-560, §107(b), changed limits on mortgages for property or project attributable to dwelling use from “\$2,500 per room (or \$9,000 per family unit if the number of rooms in such property or project is less than four per family unit)” to “\$9,000 per family unit without a bedroom, \$12,500 per family unit with one bedroom, \$15,000 per family unit with two bedrooms, and \$18,500 per family unit with three or more bedrooms”, changed such mortgage limits on project consisting of elevator-type structures from a sum “of \$2,500 per room to not exceed \$3,000 per room and the dollar amount limitation of \$9,000 per family unit to not exceed \$9,400 per family unit” to dollar amount limitations “per family unit to not to exceed \$10,500 per family unit without a bedroom, \$15,000 per family unit with one bedroom, \$18,000 per family unit with two bedrooms, and \$22,500 per family unit with three or more bedrooms”, and substituted provision authorizing an increase “by not to exceed 45 per centum” of any of such limits because of cost levels for former provision authorizing such an increase “by not to exceed \$1,250 per room without regard to the number of rooms being less than four, or four or more”.

Subsec. (j)(1)(C). Pub. L. 88-560, §109(a), added cl. (C).

1961—Subsec. (b)(2). Pub. L. 87-70, §608(a)(1), inserted “(excluding exterior land improvements as defined by the Commissioner)”.

Subsec. (d). Pub. L. 87-70, §608(a)(2), substituted “five or more family units” for “eight or more family units”.

Subsec. (h). Pub. L. 87-70, §608(a)(3), substituted “the Commissioner is authorized to refuse, for such period of time as he shall deem appropriate under the circumstances, to insure under this section any additional investor-sponsor type mortgage loans made to such mortgagor or to any other investor-sponsor mortgagor where, in the determination of the Commissioner, any of its stockholders were identified with such mortgagor” for “such mortgagor shall not thereafter be eligible by reason of such paragraph (3) for insurance of any additional mortgage loans pursuant to this section”.

Subsec. (j). Pub. L. 87-70, §608(b), added subsec. (j).

1959—Subsec. (b)(1). Pub. L. 86-372, §105(a), substituted “\$20,000,000” for “\$12,500,000”.

Subsec. (b)(2). Pub. L. 86-372, §105(b), increased mortgage limits per room from \$2,250 to \$2,500 and per family unit from \$8,100 to \$9,000 for elevator type structures from \$2,700 to \$3,000 per room and from \$8,400 to \$9,400 per family unit, maximum amount of loan from 90 per centum to 97 per centum of replacement cost and in case of a mortgagor of character described in subsec. (a)(3) of this section from 85 per centum to 90 per centum of replacement cost, changed authorization of Commissioner to increase dollar amount limitation per room where cost levels so require by increasing room limit from \$1,000 to \$1,250, and struck out provisions which authorized a loan of 95 per centum of replacement cost if 50 per centum of membership consisted of veterans.

Subsec. (d). Pub. L. 86-372, §105(c), (d), substituted “5¼ per centum” for “4½ per centum” and “5¾ per centum”, for “5 per centum”, and inserted provisions permitting property held by a corporation or trust of the

character described in subsec. (a)(2) of this section which is covered by a mortgage insured under this section to include such community facilities, and property held by a mortgagor of the character described in subsec. (a)(3) of this section which is covered by a mortgage insured under this section to include such commercial and community facilities, as the Commissioner deems adequate to serve the occupants.

Subsec. (e). Pub. L. 86-372, §116(b), inserted reference to subsec. (k) of section 1710 of this title.

Subsec. (i). Pub. L. 86-372, §105(e), added subsec. (i).

1957—Subsec. (e). Pub. L. 85-104 substituted “(h), and (j) of section 1710 of this title” for “and (h) of section 1710 of this title”.

1956—Subsec. (a). Act Aug. 7, 1956, §105(a), struck out “or” at end of par. (1), inserted “or” at end of par. (2), added par. (3), and inserted “referred to in paragraphs (1) and (2) of this subsection” after “which corporations or trusts” in provisions following par. (3).

Subsec. (b)(2). Act Aug. 7, 1956, §105(b), substituted “50 per centum” for “65 per centum”, inserted for purposes of defining “veteran”; service from Apr. 6, 1917, to Nov. 12, 1918, substituted service prior to Feb. 1, 1955, for former provision leaving determination of date to President, and inserted provision authorizing Commissioner to increase dollar limits per room by not to exceed \$1,000 per room.

Subsec. (h). Act Aug. 7, 1956, §105(c), added subsec. (h).

1955—Subsec. (b)(1). Act Aug. 11, 1955, §102(c), increased from \$5,000,000 to \$12,500,000 the limitation on maximum amount of a mortgage.

Subsec. (b)(2). Act Aug. 11, 1955, §102(d), provided that maximum amount of a mortgage to be insured may be determined on basis of estimated replacement cost.

Subsec. (c). Act Aug. 11, 1955, §102(c), increased from \$5,000,000 to \$12,500,000 the limitation on maximum amount of a mortgage.

Subsec. (d). Act Aug. 11, 1955, §102(e), authorized mortgage insurance for structures consisting of eight or more family units.

1954—Subsec. (b)(1). Act Aug. 2, 1954, §119(a), permitted insured cooperative housing mortgages to be as high as \$25,000,000 in amount if the mortgagor cooperative is regulated or supervised by Federal or State law as to rents, charges, and methods of operations.

Subsec. (b)(2). Act Aug. 2, 1954, amended par. (2) generally, to:

1. Change, with respect to nonveteran projects, the per family or per room mortgage amount limitations from \$8,100 per family unit or \$1,800 per room, to \$2,250 per room and with a per family unit limitation of \$8,100 applicable only if the number of rooms is less than four;

2. Provide for changing from a cost basis to a valuation basis;

3. Change the basis for allowing increases for veteran membership so that in all cases such increases would be made only if 65 per cent of members are veterans, instead of making such increases on the basis of percentage allowances for percentage of veteran membership; and

4. Authorize an increase to the per room and per family mortgage amount limitation for elevator-type structures.

Subsec. (c)(1). Act Aug. 2, 1954, §119(b), with respect to the reference to section 1709(b)(2) of this title, struck out the reference to “paragraph (A), paragraph (C), or paragraph (D)” of the section, the paragraph designations having been struck out by another section of the same act.

Subsec. (f). Act Aug. 2, 1954, §120, struck out sentence providing for the appointment of an Assistant Commissioner.

1953—Subsec. (d). Act June 30, 1953, substituted, in first sentence, “4½ per centum per annum, except that individual mortgages insured pursuant to this subsection covering the individual dwellings in the project may bear interest at not to exceed 5 per centum per annum,” for “4 per centum per annum”.

1951—Subsec. (b)(2). Act Oct. 26, 1951, struck out “of World War II” wherever appearing and inserted proviso thus making section applicable to veterans of Korean war.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1983 AMENDMENT

For effective date of amendment by section 423(b)(2) of Pub. L. 98-181, see section 423(c) of Pub. L. 98-181, set out as a note under section 1709 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective Oct. 1, 1981, see section 371 of Pub. L. 97-35, set out as an Effective Date note under section 3701 of this title.

IMPLEMENTATION OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 to be implemented only if the Secretary determines that the program of advance payment of insurance premiums, considering the effect of said amendment, is actuarially sound, see section 201(g) of Pub. L. 97-253, set out as a note under section 1709 of this title.

REPEALS

The directory language of, but not the amendment made by, Pub. L. 90-301, §3(c), May 7, 1968, 82 Stat. 114, cited as a credit to this section, was repealed by Pub. L. 98-181, title I [title IV, §404(a)], Nov. 30, 1983, 97 Stat. 1208.

SPECIAL ASSISTANT FOR COOPERATIVE HOUSING

Act Aug. 11, 1955, ch. 783, title I, §102(h), 69 Stat. 636, as amended by Pub. L. 89-754, title X §1020(h), Nov. 3, 1966, 80 Stat. 1296; Pub. L. 94-375, §18, Aug. 3, 1976, 90 Stat. 1077, provided that: “In the performance of, and with respect to, the functions, powers, and duties vested in him by section 213 of the National Housing Act [this section], section 221(d)(3), section 235, section 236, section 241, section 243, section 246, and section 203(n) of the National Housing Act [sections 1715(d)(3), 1715z, 1715z-1, 1715z-6, 1715z-8, 1715z-11, and 1709(n) of this title], and section 101 of the Housing and Urban Development Act of 1965 [section 1701s of this title] or section 8 of the United States Housing Act of 1937 [section 1437f of Title 42, The Public Health and Welfare] (insofar as the provisions of such sections relate to cooperative housing), the Secretary of Housing and Urban Development, notwithstanding the provisions of any other law, shall appoint a Special Assistant for Cooperative Housing, and provide the Special Assistant with adequate staff, whose sole responsibility will be to expedite operations under such sections and to eliminate obstacles to the full utilization of such sections under the direction and supervision of the Commissioner and Assistant Secretary for Housing Management. The person so appointed shall be fully sympathetic with the purposes of such sections.”

AMENDMENTS TO PROVISIONS FOR FAMILY UNIT LIMITS ON RENTAL HOUSING; EQUITABLE APPLICATION OF SUCH AMENDMENTS OR PRE-AMENDMENT PROVISIONS TO PROJECTS SUBMITTED FOR CONSIDERATION PRIOR TO SEPTEMBER 2, 1964

Equitable application of amendment to subsec. (b)(2) of this section by section 107(b) of Pub. L. 88-560 or pre-amendment provisions to projects submitted for consideration prior to Sept. 2, 1964, see section 107(g) of Pub. L. 88-560, set out as a note under section 1713 of this title.

§ 1715f. Process of applications and issuance of commitments

The Secretary is authorized to process applications and issue commitments with respect to insurance of mortgages under section 1706c of