

**§ 1735e. Acceptance of materials or products used in structures**

The Secretary shall adopt a uniform procedure for the acceptance of materials and products to be used in structures approved for mortgages or loans insured under this chapter. Under such procedure any material or product which the Secretary finds is technically suitable for the use proposed shall be accepted. Acceptance of a material or product as technically suitable shall not be deemed to restrict the discretion of the Secretary to determine that a structure, with respect to which a mortgage is executed, is economically sound or an acceptable risk.

(June 27, 1934, ch. 847, title V, § 521, as added Pub. L. 89-117, title II, § 216, Aug. 10, 1965, 79 Stat. 473; amended Pub. L. 90-19, § 1(a)(3), May 25, 1967, 81 Stat. 17.)

**Editorial Notes**

**AMENDMENTS**

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

**§ 1735e-1. Use of American materials and products**

In the administration of housing assistance programs, the Secretary of Housing and Urban Development shall encourage the use of materials and products mined and produced in the United States.

(Pub. L. 100-242, title V, § 571, Feb. 5, 1988, 101 Stat. 1950.)

**Editorial Notes**

**CODIFICATION**

Section was enacted as part of the Housing and Community Development Act of 1987, and not as part of the National Housing Act which comprises this chapter.

**§ 1735f. Water and sewerage facilities**

Notwithstanding any other provision of this chapter, no mortgage which covers new construction shall be approved for insurance under this chapter (except pursuant to a commitment made prior to August 10, 1965) if the mortgaged property includes housing which is not served by a public or adequate community water and sewerage system: *Provided*, That this limitation shall be applicable only to property which is not served by a system approved by the Secretary pursuant to subchapter IX-A of this chapter, as such subchapter existed immediately before December 15, 1989, and which is situated in an area certified by appropriate local officials to be an area where the establishment of public or adequate community water and sewerage systems is economically feasible: *Provided further*, That for purposes of this section the economic feasibility of establishing such public or adequate community water and sewerage systems shall be determined without regard to whether such establishment is authorized by law or is subject to approval by one or more local governments or public bodies.

(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.)

**Editorial Notes**

**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.)