

charges made pursuant to this subchapter, administrative expenses, the annual rental under any lease pursuant to which the real property comprising the site of the project is held by the investor, and insurance charges, together with such other expenses as the Secretary shall determine to be necessary for the proper operation and maintenance of the project, but shall not include income taxes.

(j) "Net income" for any operating year shall mean gross income remaining after the payment of the operating expenses.

(k) "Minimum annual amortization charge" shall mean an amount equal to 2 per centum of the established investment, except that, in the case of a project where the real property comprising the site thereof is held by the investor under a lease, if (notwithstanding the proviso of section 1747b(a) of this title) the gross income for any operating year shall be less than the amount required to pay the operating expenses (including the annual rental under such lease), the minimum annual amortization charge for such operating year shall mean an amount equal to 2 per centum of the established investment plus the amount of the annual rental under such lease to the extent that the same is not paid from the gross income.

(l) "Annual return" for any operating year shall mean the net income remaining after the payment of the minimum annual amortization charge.

(m) "Insured annual return" shall have the meaning ascribed to it in section 1747 of this title.

(n) "Minimum annual return" for any operating year shall mean an amount equal to 3½ per centum of the outstanding investment for such operating year or such lesser amount as shall be agreed upon by the investor and the Secretary.

(o) "Excess earnings" for any operating year shall mean the net income derived from a project in excess of the minimum annual amortization charge and the minimum annual return and income taxes.

(p) "Outstanding investment" for any operating year shall mean the established investment, less an amount equal to (1) the aggregate of the minimum annual amortization charge for each preceding operating year, plus (2) the aggregate of the excess earnings, if any, during each preceding operating year applied, in addition to the minimum annual amortization charge, to amortization in accordance with the provisions of section 1747d of this title.

(q) "State" shall include the several States and Puerto Rico, the District of Columbia, Guam, and the Virgin Islands.

(June 27, 1934, ch. 847, title VII, §713, as added Aug. 10, 1948, ch. 832, title IV, §401, 62 Stat. 1281; amended Apr. 20, 1950, ch. 94, title I, §122, 64 Stat. 59; Sept. 1, 1951, ch. 378, title VI, §§610, 612, 65 Stat. 316; July 14, 1952, ch. 723, §10(a)(4), 66 Stat. 603; Pub. L. 86-70, §10(a), June 25, 1959, 73 Stat. 142; Pub. L. 86-624, §6, July 12, 1960, 74 Stat. 411; 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 in subsecs. (a) to (e), (i), and (n).

1960—Subsec. (q). Pub. L. 86-624 struck out "Hawaii," before "Puerto Rico".

1959—Subsec. (q). Pub. L. 86-70 struck out "Alaska," before "Hawaii".

1952—Subsec. (q). Act July 14, 1952, added subsec. (q).

1951—Subsec. (n). Act Sept. 1, 1951, §610, inserted "or such lesser amount as shall be agreed upon by the investor and the Commissioner".

Subsec. (o). Act Sept. 1, 1951, §612, inserted "and income taxes".

1950—Act Apr. 20, 1950, substituted "Commissioner" for "Administrator" wherever appearing.

## SUBCHAPTER VIII—ARMED SERVICES HOUSING MORTGAGE INSURANCE

## Editorial Notes

### AMENDMENTS

1955—Act Aug. 11, 1955, ch. 783, title IV, §401, 69 Stat. 646, substituted "ARMED SERVICES" for "MILITARY" and inserted "MORTGAGE" in subchapter heading.

## § 1748. Definitions

As used in this subchapter—

(a) The term "mortgage" means a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than ninety-nine years which is renewable; or (2) under a lease for a period of not less than fifty years to run from the date the mortgage was executed; and the term "first mortgage" means such classes of first liens as are commonly given 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, together with the credit instruments, if any, secured thereby.

(b) The term "mortgagee" includes the original lender under a mortgage, and his successors and assigns approved by the Secretary; and the term "mortgagor" includes the original borrower under a mortgage, his successors and assigns.

(c) The term "maturity date" means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

(d) The term "housing accommodations" means housing designed for occupancy by military personnel and their dependents, assigned to duty at or near the military installation where such housing units are constructed.

(e) The term "personnel" shall include military and civilian personnel approved by the Secretary of Defense, or his designee, and the dependents of all such personnel.

(f) The term "military" includes Army, Navy, Marine Corps, Air Force, and Coast Guard.

(g) The term "State" includes the several States, and Puerto Rico, the District of Columbia, Guam, the Virgin Islands, the Canal Zone, and Midway Island.

(June 27, 1934, ch. 847, title VIII, §801, as added Aug. 8, 1949, ch. 403, §1, 63 Stat. 570; amended July 14, 1952, ch. 723, §10(a)(2), 66 Stat. 603; Aug. 11, 1955, ch. 783, title IV, §401, 69 Stat. 646; Aug.

7, 1956, ch. 1029, title V, §501, 70 Stat. 1109; Pub. L. 86-70, §10(a), June 25, 1959, 73 Stat. 142; Pub. L. 86-624, §6, July 12, 1960, 74 Stat. 411; Pub. L. 90-19, §1(a)(3), May 25, 1967, 81 Stat. 17.)

### Editorial Notes

#### REFERENCES IN TEXT

For definition of Canal Zone, referred to in subsec. (g), see section 3602(b) of Title 22, Foreign Relations and Intercourse.

#### AMENDMENTS

1967—Subsec. (b). Pub. L. 90-19 substituted “Secretary” for “Commissioner”.

1960—Subsec. (g). Pub. L. 86-624 struck out “Hawaii,” before “Puerto Rico”.

1959—Subsec. (g). Pub. L. 86-70 struck out “Alaska,” before “Hawaii”.

1956—Subsec. (g). Act Aug. 7, 1956, inserted reference to Canal Zone and Midway Island.

1955—Act Aug. 11, 1955, inserted definitions of “housing accommodations” and “personnel” and included the Coast Guard in definition of “military”.

1952—Subsec. (f). Act July 14, 1952, inserted “Guam,” after “District of Columbia,”.

### Statutory Notes and Related Subsidiaries

#### SAVINGS PROVISION

Act Aug. 11, 1955, ch. 783, title IV, §408, 69 Stat. 653, as amended by act Aug. 7, 1956, ch. 1029, title V, §511, 70 Stat. 1110, provided that: “Notwithstanding the provisions of section 401 of this Act [amending this subchapter], the provisions of title VIII of the National Housing Act [this subchapter] in effect prior to the enactment of the Housing Amendments of 1955 [August 11, 1955] shall continue in full force and effect with respect to all mortgages insured pursuant to a certification by the Secretary of Defense or his designee made on or before June 30, 1955, and a commitment to insure issued on or before June 30, 1956 or pursuant to a certification by the Atomic Energy Commission or its designee made on or before June 30, 1956, except that the maximum dollar amount for each such mortgage shall be \$12,500,000.] Nothing contained in the provisions of title VIII of the National Housing Act [this subchapter] in effect prior to August 11, 1955 or any related provision of law, shall be construed to exempt from State or local taxes or assessments the interest of a lessee from the Federal Government in or with respect to any property covered by a mortgage insured under such provisions of title VIII: *Provided*, That, no such taxes or assessments (not paid or encumbering such property or interest prior to June 15, 1956) on the interest of such lessee shall exceed the amount of taxes or assessments on other similar property of similar value, less such amount as the Secretary of Defense or his designee determines to be equal to (1) any payments made by the Federal Government to the local taxing or other public agencies involved with respect to such property, plus (2) such amount as may be appropriate for any expenditures made by the Federal Government or the lessee for the provision or maintenance of streets, sidewalks, curbs, gutters, sewers, lighting, snow removal or any other services or facilities which are customarily provided by the State, county, city, or other local taxing authority with respect to such other similar property: *And provided further*, That the provisions of this section shall not apply to properties leased pursuant to the provisions of section 805 of the National Housing Act [12 U.S.C. 1748d] as amended on or after August 11, 1955, which properties shall be exempt from State or local taxes or assessments.”

#### TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities

and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

#### COAST GUARD

Subchapter as applicable to Coast Guard, see section 1594e of Title 42, The Public Health and Welfare.

### § 1748a. Repealed. Pub. L. 89-117, title XI, § 1108(aa), Aug. 10, 1965, 79 Stat. 507

Section, act June 27, 1934, ch. 847, title VIII, §802, as added Aug. 8, 1949, ch. 403, §1, 63 Stat. 571; amended Aug. 11, 1955, ch. 783, title IV, §401, 69 Stat. 646, created the Armed Services Housing Insurance Fund.

For establishment of the General Insurance Fund, see section 1735c of this title.

### § 1748b. Insurance of mortgages

#### (a) Aggregate amount of insurance; termination date

In order to assist in relieving the acute shortage and urgent need for family housing which now exists at or in areas adjacent to military installations because of uncertainty as to the permanency of such installations and to increase the supply of necessary family housing accommodations for personnel at such installations, the Secretary is authorized, upon application of the mortgagee, to insure mortgages (including advances on such mortgages during construction) which are eligible for insurance as hereinafter provided, and, upon such terms as the Secretary may prescribe, to make commitments for so insuring such mortgages prior to the date of their execution or disbursement thereon: *Provided*, That the aggregate amount of principal obligations of all mortgages insured under this subchapter (except mortgages insured pursuant to the provisions of this subchapter in effect prior to August 11, 1955) shall not exceed \$2,300,000,000: *And provided further*, That the limitation in section 1715h of this title shall not apply to this subchapter: *And provided further*, That no more mortgages shall be insured under this section after October 1, 1962, except pursuant to a commitment to insure before such date, and not more than twenty-eight thousand family housing units shall be contracted for after June 30, 1959, pursuant to any mortgage insured under this section after such date.

#### (b) Eligibility for insurance

To be eligible for insurance under this subchapter a mortgage shall meet the following conditions:

(1) The mortgaged property shall be held by a mortgagor approved by the Secretary. The Secretary may, in his discretion, require such mortgagor to be regulated or restricted as to capital structure, and methods of operation. The Secretary may make such contracts with, and acquire for not to exceed \$100 stock or interest in, any such mortgagor, as the Secretary may deem necessary to render effective such restriction or regulation. Such stock or interest shall be paid for out of the General Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all

obligations of the Secretary under the insurance.

(2) The mortgaged property shall be designed for use for residential purposes by personnel of the armed services and situated at or near a military installation, and the Secretary of Defense or his designee shall have certified that there is no intention, so far as can reasonably be foreseen, to substantially curtail the personnel assigned or to be assigned to such installation, and (i) shall have determined that for reasons of safety, security, or other essential military requirements, it is necessary that the personnel involved reside in public quarters: *Provided, however*, That for the purposes of this subsection housing covered by a mortgage insured, or for which a commitment to insure has been issued, under this section prior to August 11, 1955, may be considered the same as available quarters, and (ii) with the approval of the Secretary, shall have determined that adequate housing is not available for such personnel at reasonable rentals within reasonable commuting distance of the installation and that the mortgaged property will not, so far as can reasonably be foreseen, substantially curtail occupancy in existing housing covered by mortgages insured under this chapter. The housing accommodations shall comply with such standards and conditions as the Secretary may prescribe to establish the acceptability of such property for mortgage insurance, except that the certification of the Secretary of Defense or his designee shall (for purposes of mortgage insurance under this subchapter) be conclusive evidence to the Secretary of the existence of the need for such housing. However, if the Secretary does not concur in the housing needs as certified by the Secretary of Defense, the Secretary may require the Secretary of Defense to guarantee the General Insurance Fund against loss with respect to the mortgage covering such housing. There are authorized to be appropriated such sums as may be necessary to provide for payment to meet losses arising from such guaranty.

(3) The mortgage shall involve a principal obligation in an amount—

(A) not to exceed the amount which the Secretary estimates will be the replacement cost of the property or project when the proposed improvements are completed (the cost of the property or project as such term is used in this paragraph may include the cost of the land, the physical improvements, and utilities within the boundaries of the property or project);

(B) not to exceed an average of \$16,500 per family unit for such part of such property or project (including ranges, refrigerators, shades, screens, and fixtures) as may be attributable to dwelling use: *Provided*, That the replacement cost of the property or project as determined by the Secretary, including the estimated value of any usable utilities within the boundaries of the property or project where owned by the United States and not provided for out of the proceeds of the mortgage, shall not exceed an average of \$16,500 per family unit: *Provided*

*further*, That should the financing of housing to be constructed pursuant to a single invitation for bids be accomplished by two or more mortgages, the principal obligation of any single mortgage may exceed an average of \$16,500 per family unit if the sum of the principal obligations of all mortgages for such housing does not exceed an average of \$16,500 per family unit: *And provided further*, That subject to the limitations of this paragraph no family unit included in any mortgaged property shall be contracted for after June 8, 1960 if the cost of such unit exceeds \$19,800; and

(C) not to exceed the bid of the eligible bidder with respect to the property or project under section 1594 of title 42.

The mortgage shall provide for complete amortization by periodic payments within such terms as the Secretary shall prescribe, but not to exceed thirty years from the beginning of amortization of the mortgage, and shall bear interest (exclusive of premium charges for insurance) as not to exceed 4½ per centum per annum of the amount of the principal obligation outstanding at any time. 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. The property or project may include such non-dwelling facilities as the Secretary deems adequate to serve the occupants.

#### (c) Premium charges

The Secretary is authorized to fix a premium charge for the insurance of mortgages under this subchapter but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1½ per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. Such premium charges shall be payable by the mortgagee, either in cash, or in debentures issued by the Secretary under this subchapter at par plus accrued interest, in such manner as may be prescribed by the Secretary: *Provided*, That the Secretary may require the payment of one or more such premium charges at the time the mortgage is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the mortgage. If the Secretary finds, upon the presentation of a mortgage for insurance and the tender of the initial premium charge and such other charges as the Secretary may require, that the mortgage complies with the provisions of this subchapter, such mortgage may be accepted for insurance by endorsement or otherwise as the Secretary may prescribe. In the event that the principal obligation of any mortgage accepted for insurance under this subchapter is paid in full prior to the maturity date, the Secretary is authorized to refund to the mortgagee for the account of the mortgagor all, or such portion as he shall determine to be equitable, of the current unearned premium charges theretofore paid. The Secretary may reduce the payment of premiums provided for

herein. The Secretary is further authorized to reduce the amount of the premium charge below one-half of 1 per centum per annum with respect to any mortgage on property acquired by the Secretary of Defense or his designee if the mortgage is insured pursuant to the provisions of this subchapter as in effect prior to August 11, 1955.

**(d) Default by mortgagor; rights of mortgagee**

The failure of the mortgagor to make any payment due under or provided to be paid by the terms of a mortgage insured under this subchapter shall be considered a default under such mortgage, and, if such default continues for a period of thirty days, the mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided, upon assignment, transfer, and delivery to the Secretary, within a period and in accordance with rules and regulations to be prescribed by the Secretary of (1) all rights and interest arising under the mortgage so in default; (2) all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transactions; (3) all policies of title or other insurance or surety bonds or other guaranties and any and all claims thereunder; (4) any balance of the mortgage loan not advanced to the mortgagor; (5) any cash or property held by the mortgagee, or to which it is entitled, as deposits made for the account of the mortgagor and which have not been applied in reduction of the principal of the mortgage indebtedness; and (6) all records, documents, books, papers, and accounts relating to the mortgage transaction. Upon such assignment, transfer, and delivery, the obligation of the mortgagee to pay the premium charges for mortgage insurance shall cease, and the Secretary shall, subject to the cash adjustment provided for in subsection (e) of this section, issue to the mortgagee debentures having a total face value equal to the value of the mortgage, and a certificate of claim as hereinafter provided. For the purposes of this subsection, the value of the mortgage shall be determined in accordance with rules and regulations prescribed by the Secretary, by adding to the amount of the original principal obligation of the mortgage which was unpaid on the date of default, the amount the mortgagee may have paid for (A) taxes, special assessments, and water rates, which are liens prior to the mortgage; (B) insurance on the property; and (C) reasonable expenses for the completion and preservation of the property and any mortgage insurance premiums paid after default; less the sum of (i) any amount received on account of the mortgage after such date; and (ii) any net income received by the mortgagee from the property after such date.

**(e) Debentures; issuance; form and denomination**

Debentures issued under this subchapter shall be in such form and denominations in multiples of \$50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of the mortgage determined as herein provided and the aggregate face value of the debentures

issued, not to exceed \$50, shall be adjusted by the payment of cash by the Secretary to the mortgagee from the General Insurance Fund.

**(f) Debentures; execution; signature; negotiability; interest rate; tax exemption; guarantee**

Debentures issued under this subchapter shall be executed in the name of the General Insurance Fund as obligor, shall be signed by the Secretary, by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date of default as determined in accordance with subsection (d) of this section, and shall bear interest from such date at a rate established by the Secretary pursuant to section 1715o of this title, payable semi-annually on the 1st day of January and the 1st day of July of each year, and shall mature twenty years after the date thereof. Such debentures shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by any Territory, dependency, or possession of the United States or by the District of Columbia, or by any State, county, municipality, or local taxing authority. They shall be paid out of the General Insurance Fund, which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debentures. In the event the General Insurance Fund fails to pay upon demand, when due, the principal of or interest on any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof which is authorized to be appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.

**(g) Claim certificates**

The certificate of claim issued by the Secretary to any mortgagee in connection with the insurance of mortgages under this subchapter shall be for an amount determined in accordance with subsections (e) and (f) of section 1739 of this title, except that any amount remaining after the payment of the full amount under the certificate of claim shall be retained by the Secretary and credited to the General Insurance Fund.

**(h) Laws applicable**

The provisions of section 1713(k) and (l) of this title shall be applicable to mortgages insured under this subchapter and to property acquired by the Secretary hereunder, except that as applied to such mortgages and property, the reference in section 1713(k) of this title to subsection (g) shall be construed to refer to subsection (d) of this section.

**(i) Secretary's additional powers to insure certain mortgages**

The Secretary shall also have power to insure under this subchapter or subchapter II any mortgage executed in connection with the sale by him of any property acquired under this subchapter without regard to any limit as to eligibility, time or aggregate amount contained in this subchapter or subchapter II.

**(j) Conclusiveness and validity of insurance contract**

Any contract of insurance executed by the Secretary under this subchapter shall be conclusive evidence of the eligibility of the mortgage for insurance and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or misrepresentation on the part of such approved mortgagee.

**(k) Certification as to overtime wages paid to laborers and mechanics**

The Secretary shall not insure any mortgage under this section unless the principal contractor or contractors engaged in the construction of the project involved file a certificate or certificates (at such times, in the course of construction or otherwise, as the Secretary may prescribe) certifying that the laborers and mechanics employed in the construction of such project have been paid not less than one and one-half times the regular rate of pay for employment in excess of eight hours in any one day or in excess of forty hours in any one week.

(June 27, 1934, ch. 847, title VIII, § 803, as added Aug. 8, 1949, ch. 403, § 1, 63 Stat. 571; amended Sept. 1, 1951, ch. 378, title VI, § 601(a)–(c), 65 Stat. 312; June 30, 1953, ch. 170, § 10, 67 Stat. 124; June 29, 1954, ch. 410, § 1(2), 68 Stat. 320; Aug. 2, 1954, ch. 649, title I, §§ 112(c), 128(a), 130, 68 Stat. 593, 609; June 30, 1955, ch. 251, § 1(2), 69 Stat. 225; Aug. 11, 1955, ch. 783, title IV, § 401, 69 Stat. 647; Aug. 7, 1956, ch. 1029, title V, §§ 502–506(a), 70 Stat. 1109, 1110; Pub. L. 85–104, title I, § 108(c), title V, §§ 501, 502, July 12, 1957, 71 Stat. 297, 303; Pub. L. 85–364, § 3(b), Apr. 1, 1958, 72 Stat. 73; Pub. L. 86–149, title IV, § 414(a), Aug. 10, 1959, 73 Stat. 322; Pub. L. 86–372, title VII, § 701, Sept. 23, 1959, 73 Stat. 682; Pub. L. 86–500, title V, § 507(a), (c), June 8, 1960, 74 Stat. 185, 186; Pub. L. 87–57, title VI, § 607(a), June 27, 1961, 75 Stat. 111; Pub. L. 87–70, title VI, § 604(d), June 30, 1961, 75 Stat. 177; Pub. L. 87–623, § 1, Aug. 31, 1962, 76 Stat. 418; Pub. L. 89–117, title XI, § 1108(u), Aug. 10, 1965, 79 Stat. 506; Pub. L. 90–19, § 1(a)(3), (p), May 25, 1967, 81 Stat. 17, 19; Pub. L. 96–470, title I, § 107(b), Oct. 19, 1980, 94 Stat. 2238.)

**Editorial Notes****REFERENCES IN TEXT**

The General Insurance Fund, referred to in text, was established by section 1735c of this title.

**AMENDMENTS**

1980—Subsec. (b)(2). Pub. L. 96–470 struck out provision requiring the Secretary to report to the Committees on Banking and Currency of the Senate and the House of Representatives each instance in which he has required the Secretary of Defense to guarantee the General Insurance Fund and the reasons therefor.

1967—Pub. L. 90–19, § 1(a)(3), substituted “Secretary” for “Commissioner” wherever appearing in subsecs. (a), (b)(1), (2), (3)(A), (B), following (C), and (c) to (k).

Subsec. (b)(2). Pub. L. 90–19, § 1(p)(1)–(4), substituted “Secretary of Defense” for “Secretary” in first, third, and fourth sentences.

1965—Subsecs. (b)(1), (b)(2), (e), (f), (g). Pub. L. 89–117, § 1108(u)(1), substituted “General Insurance Fund” for “Armed Services Housing Mortgage Insurance Fund” wherever appearing.

Subsec. (h). Pub. L. 89–117, § 1108(u)(2), struck out provision that, as applied to mortgages insured under this subchapter and to property acquired by the Commissioner hereunder, reference in subsecs. (k) and (l) of section 1713 of this title to the “Housing Fund” shall be construed to refer to the “Armed Services Housing Mortgage Insurance Fund”.

1962—Subsec. (a). Pub. L. 87–623 substituted “mortgages shall be insured under this section after October 1, 1962” for “mortgages shall be insured under this subchapter after October 1, 1962”.

1961—Subsec. (a). Pub. L. 87–70 made amendment identical to that made by Pub. L. 87–57.

Pub. L. 87–57 substituted “October 1, 1962” for “October 1, 1961”, and “twenty-eight thousand family units” for “twenty-five thousand family housing units”.

1960—Subsec. (a). Pub. L. 86–500, § 507(a), substituted “twenty-five thousand family housing units” for “twenty thousand family housing units”.

Subsec. (b)(3). Pub. L. 86–500, § 507(c), inserted proviso prohibiting, subject to the limitations of par. (B), the contracting for any family unit included in any mortgaged property after June 8, 1960, if the cost of the unit exceeds \$19,800.

1959—Subsec. (a). Pub. L. 86–372, § 701(a), substituted “October 1, 1961” for “September 30, 1960”.

Pub. L. 86–149 inserted provisions in subsec. (a) to prohibit insurance of mortgages under this subchapter after Sept. 30, 1960, and to limit the number of housing units which may be contracted for after June 30, 1959 to not more than 20,000.

Subsec. (b)(3). Pub. L. 86–372, § 701(b), (c), substituted “but not to exceed thirty years from the beginning of amortization of the mortgage” for “have a maturity of not to exceed twenty-five years”, and inserted provisions authorizing the property or project to include such nondwelling facilities as the Commission deems adequate to serve the occupants.

Subsec. (c). Pub. L. 86–372, § 701(d), authorized the Commissioner to reduce the amount of the premium charge below one-half of 1 per centum per annum with respect to any mortgage on property acquired by the Secretary of Defense or his designee if the mortgage is insured pursuant to the provisions of this subchapter as in effect prior to August 11, 1955.

Subsec. (k). Pub. L. 86–372, § 701(e), added subsec. (k).

1958—Subsec. (b). Pub. L. 85–364 increased the maximum amount of interest from 4 to 4½ per centum per annum.

1957—Subsec. (a). Pub. L. 85–104, § 501, substituted “June 30, 1959” for “June 30, 1958”.

Subsec. (b)(3)(B). Pub. L. 85–104, § 502, inserted proviso that should financing of housing to be constructed pursuant to a single invitation for bids be accomplished by two or more mortgages, any single mortgage may exceed an average of \$16,500 if sum of all mortgages for such housing does not exceed average of \$16,500.

Subsec. (f). Pub. L. 85–104, § 108(c), substituted, in second sentence, “established by the Commissioner pursuant to section 1715o of this title” for “determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 per centum per annum”.

1956—Subsec. (a). Act Aug. 7, 1956, §§ 502, 503, inserted “(except mortgages insured pursuant to the provisions of this subchapter in effect prior to August 11, 1955)” and substituted “\$2,300,000” for “\$1,363,500,000” in first proviso and “June 30, 1958” for “September 30, 1956” in third proviso.

Subsec. (b)(2). Act Aug. 7, 1956, § 504, required approval of Commissioner, with determination of Secretary, that new units will not substantially curtail occupancy in existing houses covered by mortgages insured under this chapter, and provided that if Commissioner requires Secretary to guarantee the armed services housing mortgages insurance fund from loss, he shall report to the Committees on Banking and Currency of the Senate and House of Representatives each instance in which he required such a guarantee.

Subsec. (b)(3)(B). Act Aug. 7, 1956, §505, substituted “\$16,500” for “\$13,500” in two places, and inserted “(including ranges, refrigerators, shades, screens, and fixtures)”.

Subsec. (b)(3)(C). Act Aug. 7, 1956, §506(a), substituted “eligible bidder with respect to” for “eligible builder of”.

1955—Subsec. (a). Act Aug. 11, 1955, increased authorization from \$500,000,000 to \$1,363,500,000, and extended from June 30, 1955, to September 30, 1956, period within which mortgages can be insured.

Act June 30, 1955, extended termination date, with respect to authority to insure, from June 30, 1955, to July 31, 1955.

Subsec. (b). Act Aug. 11, 1955, authorized issuance of insurance for units necessary for reasons of safety, security, or other essential military requirements, or where adequate housing is not available at reasonable rentals within reasonable commuting distance, limited the amount of the mortgage to not more than the replacement cost of the property or project, restricted the amount of the mortgage to not more than an average of \$13,500 for a family unit, and required the mortgage to mature in not more than 25 years.

Subsec. (c). Act Aug. 11, 1955, struck out authorization of Commissioner to require payment by mortgagee of an adjusted premium charge in event that principal obligation of mortgage is paid in full prior to maturity date.

Subsec. (d). Act Aug. 11, 1955, struck out provisions which authorized mortgagee to proceed to foreclose mortgage in event of a default, and which granted mortgagee right to elect benefits of insurance when the United States acquires, or commences condemnation proceedings to acquire, all or a substantial part, of mortgaged property.

Subsecs. (e) to (h). Act Aug. 11, 1955, substituted “Armed Services Housing Mortgage Insurance Fund” for “Military Housing Insurance Fund,” wherever appearing.

Subsec. (i). Act Aug. 11, 1955, struck out the power of the Commissioner to insure under subchapter VI of this chapter.

Subsec. (j). Act Aug. 11, 1955, reenacted provisions without change.

Subsec. (k). Act Aug. 11, 1955, struck out provisions which authorized utilization of the powers of the Federal National Mortgage Association and of any other Federal corporation or other Federal agency to purchase, service, or sell any mortgages, or partial interest therein.

1954—Subsec. (a). Acts Aug. 2, 1954, §128(a), and June 29, 1954, extended termination date, with respect to authority to insure, from July 31, 1954, to June 30, 1955, and from July 1, 1954, to July 31, 1954, respectively.

Subsec. (b). Act Aug. 2, 1954, §130, in par. immediately following subpar. (C) of par. (3) of the subsection, substituted the requirement that the mortgagor shall enter into the agreement required by section 1715r of this title for former provisions relating to certification of builders’ costs, the certifications now being prescribed into section 1715r.

Subsec. (f). Act Aug. 2, 1954, §112(c), in second sentence, substituted a twenty-year period for ten-year period, with respect to the maturity of debentures.

1953—Subsec. (a). Act June 30, 1953, §10(a), in second proviso substituted “July 1, 1954” for “July 1, 1953”.

Subsec. (b). Act June 30, 1953, §10(b), (c), inserted par. commencing “The mortgagor shall agree”; and, in first sentence of par. commencing “The mortgage shall provide”, substituted “4½ per centum” for “4 per centum”.

1951—Subsec. (a). Act Sept. 1, 1951, §601(a), substituted “July 1, 1953” for “July 1, 1951” in second proviso.

Subsec. (b)(3)(C). Act Sept. 1, 1951, §601(b), inserted proviso.

Subsec. (d). Act Sept. 1, 1951, §601(c), inserted reference to the Atomic Energy Commission in last sentence.

## Statutory Notes and Related Subsidiaries

### EFFECTIVE DATE OF 1954 AMENDMENT

Amendment by section 112(c) of act Aug. 2, 1954, as not applicable in any case where the mortgage involved was insured or the commitment for such insurance was issued prior to Aug. 2, 1954, see section 112(e) of that act, set out as a note under section 1710 of this title.

### EFFECTIVE DATE OF 1951 AMENDMENT

Act Sept. 1, 1951, ch. 378, §601(a), 65 Stat. 312, provided that the amendment made by that section is effective July 1, 1951.

## § 1748c. Repealed. Pub. L. 89-117, title XI, § 1108(aa), Aug. 10, 1965, 79 Stat. 507

Section, act June 27, 1934, ch. 847, title VIII, §804, as added Aug. 8, 1949, ch. 403, §1, 63 Stat. 575; amended Aug. 11, 1955, ch. 783, title IV, §401, 69 Stat. 650, provided for disposition and use of excess moneys in Armed Services Housing Mortgage Insurance Fund, issue and cancellation of debentures, and receipt and payment of credits and charges.

## § 1748d. Lease of property; terms and conditions

Whenever the Secretary of the Army, Navy, or Air Force determines that it is necessary to lease any land held by the United States on or near a military installation to effectuate the purposes of this subchapter, he may lease such land upon such terms and conditions as will, in his opinion, best serve the national interest. The authority conferred by this section shall be in addition to and not in derogation of any other power or authority of the Secretary of the Army, Navy, or Air Force.

(June 27, 1934, ch. 847, title VIII, §805, as added Aug. 8, 1949, ch. 403, §1, 63 Stat. 576; amended Aug. 11, 1955, ch. 783, title IV, §401, 69 Stat. 651.)

## Editorial Notes

### AMENDMENTS

1955—Act Aug. 11, 1955, struck out specific references to sections authorizing leases of property, and struck out the power to sell, transfer, and convey real property.

## § 1748e. Mortgages on property in Alaska

The second sentence of section 1715d of this title, as amended, relating to housing in the State of Alaska, shall not apply to mortgages insured under this subchapter on property in said State.

(June 27, 1934, ch. 847, title VIII, §806, as added Aug. 8, 1949, ch. 403, §1, 63 Stat. 576; amended Aug. 11, 1955, ch. 783, title IV, §401, 69 Stat. 651; Pub. L. 86-70, §10(d), June 25, 1959, 73 Stat. 143.)

## Editorial Notes

### REFERENCES IN TEXT

Section 1715d of this title, referred to in text, was in the original “section 214 of the National Housing Act, as amended”. Section 214 of that Act was classified originally to section 1715d of this title and to section 484d of Title 48, Territories and Insular Possessions. Section 484d of Title 48 has been omitted from the Code.

### AMENDMENTS

1959—Pub. L. 86-70 substituted “State” for “Territory” in two places.

1955—Act Aug. 11, 1955, reenacted section without change.

#### § 1748f. Rules and regulations

The Secretary is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this subchapter.

(June 27, 1934, ch. 847, title VIII, § 807, as added Aug. 8, 1949, ch. 403, § 1, 63 Stat. 576; amended Aug. 11, 1955, ch. 783, title IV, § 401, 69 Stat. 651; Pub. L. 90-19, § 1(a)(3), (q), May 25, 1967, 81 Stat. 17, 19.)

#### Editorial Notes

##### AMENDMENTS

1967—Pub. L. 90-19 substituted “Secretary” for “Commissioner” and struck out authorization for appointment by the Commissioner of a Special Assistant for Armed Services Housing for Mortgage Insurance with an adequate staff to expedite operations and eliminate administrative obstacles to this subchapter, respectively.

1955—Act Aug. 11, 1955, amended section generally, striking out provisions which stated that nothing should be construed as exempting property from taxation, and inserting provisions authorizing the Commissioner to make rules and regulations and to appoint a Special Assistant.

#### § 1748g. Cost certification

Except in the case of mortgages on multifamily rental housing projects insured under section 1748h-2 of this title, the cost certification required under section 1715r of this title shall not be required with respect to mortgages insured under the provisions of this subchapter.

(June 27, 1934, ch. 847, title VIII, § 808, as added Aug. 8, 1949, ch. 403, § 1, 63 Stat. 576; amended Aug. 11, 1955, ch. 783, title IV, § 401, 69 Stat. 651; Pub. L. 86-372, title VII, § 704(b), Sept. 23, 1959, 73 Stat. 686.)

#### Editorial Notes

##### AMENDMENTS

1959—Pub. L. 86-372 substituted “Except in the case of mortgages on multifamily rental housing projects insured under section 1748h-2 of this title, the” for “The”.

1955—Act Aug. 11, 1955, struck out provisions requiring cost certifications.

#### §§ 1748g-1, 1748h. Omitted

#### Editorial Notes

##### CODIFICATION

Section 1748g-1, act June 27, 1934, ch. 847, title VIII, § 810, as added Sept. 1, 1951, ch. 378, title VI, § 601(d), 65 Stat. 313, which related to mortgages on housing constructed for personnel of the Atomic Energy Commission, was omitted from the amendments to title VIII of act June 27, 1934, this subchapter, by act Aug. 11, 1955, ch. 783, title IV, § 401, 69 Stat. 646.

Section 1748h, act June 27, 1934, ch. 847, title VIII, § 809, as added May 2, 1950, ch. 151, 64 Stat. 97, which related to the procurement of services of architects and engineers by the Secretaries of the Army, Navy and Air Force to effectuate the purposes of this subchapter, was omitted from the amendment to title VIII of act June 27, 1934, this subchapter, by act Aug. 11, 1955, ch. 783, title IV, § 401, 69 Stat. 646.

#### § 1748h-1. Civilian employees of Armed Forces

##### (a) Requirements; certificate of need for housing and employment status

Notwithstanding any other provisions of this subchapter and in addition to mortgages insured under section 1748b of this title, the Secretary may insure any mortgage under this section which meets the eligibility requirements set forth in section 1709(b) of this title: *Provided*, That a mortgage insured under this section shall have been executed by a mortgagor who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of a change in his employment by the Armed Forces or a contractor thereof and to whom the Secretary of Defense or his designee has issued a certificate indicating that such person requires housing and is at the date of the certificate a civilian employee at a research or development installation of one of the military departments of the United States or a contractor thereof and is considered by such military department to be an essential, nontemporary employee at such date. Such certificate shall be conclusive evidence to the Secretary of the employment status of the mortgagor and of the mortgagor's need for housing.

##### (b) Certification of housing need to Secretary; guaranty from loss; authorization of appropriations

No mortgage shall be insured under this section unless the Secretary of Defense or his designee shall have certified to the Secretary that the housing is necessary to provide adequate housing for such civilians employed in connection with such a research or development installation and that there is no present intention to substantially curtail the number of such civilian personnel assigned or to be assigned to such installation. Such certification shall be conclusive evidence to the Secretary of the need for such housing but if the Secretary determines that insurance of mortgages on such housing is not an acceptable risk, he may require the Secretary of Defense to guarantee the General Insurance Fund from loss with respect to mortgages insured pursuant to this section: *Provided*, That the Secretary shall relieve the Secretary of Defense from any obligation to guarantee the General Insurance Fund from loss with respect to a mortgage assumed by a person ineligible to receive a certificate under subsection (a), if the original mortgagor is issued another certificate with respect to a mortgage insured under this section on property which the Secretary determines is not an acceptable risk. There are authorized to be appropriated such sums as may be necessary to provide for payment to meet losses arising from such guaranty.

##### (c) Economic soundness of property

The Secretary may accept any mortgage for insurance under this section without regard to any requirement in any other section of this chapter, that the project or property be economically sound or an acceptable risk.

##### (d) Insurance benefits to which mortgagee entitled

Any mortgagee under a mortgage insured under this section is entitled to the benefits of

insurance as provided in section 1710(a) of this title with respect to mortgages insured under section 1709 of this title.

**(e) Payment of insurance; meaning of terms**

The provisions of subsections (b), (c), (d), (e), (f), (g), (h),<sup>1</sup> (j), and (k)<sup>1</sup> of section 1710 of this title shall apply to mortgages insured under this section except that as applicable to those mortgages: (1) all references to the “Fund” or “Mutual Mortgage Insurance Fund” shall refer to the “General Insurance Fund” and (2) all references to section 1709 of this title shall refer to this section.

**(f) Provisions of subchapter applicable; termination date**

The provisions of sections 1748, 1748a,<sup>1</sup> 1748b(c), 1748b(i), 1748b(j), 1748c(a),<sup>1</sup> 1748c(b),<sup>1</sup> and 1748f of this title and the provisions of section 1748b(a) of this title relating to the aggregate amount of all mortgages insured under this subchapter, shall be applicable to mortgages insured under this section.

**(g) Housing for persons employed by National Aeronautics and Space Administration or Atomic Energy Commission; guaranty from loss; definitions**

(1) A mortgage secured by property which is intended to provide housing for a person (i) employed or assigned to duty at or in connection with any research or development installation of the National Aeronautics and Space Administration and which is located at or near such installation, or (ii) employed at any research or development installation of the Atomic Energy Commission and which is located at or near such installation, may (if the mortgage otherwise meets the requirements of this section) be insured by the Secretary under the provisions of this section. The Administrator of the National Aeronautics and Space Administration (or his designee), in the case of any mortgage secured by property intended to provide housing for any person employed or assigned to duty at any such installation of the National Aeronautics and Space Administration, or the Chairman of the Atomic Energy Commission (or his designee), in the case of any mortgage secured by property intended to provide housing for any person employed at such installation of the Atomic Energy Commission, is authorized to guarantee and indemnify the General Insurance Fund against loss to the extent required by the Secretary, in accordance with the provisions of subsection (b) of this section.

(2) For purposes of this subsection—

(i) The terms “Armed Forces”, “one of the military departments of the United States”, “military department”, “Secretary of Defense or his designee”, and “Secretary of Defense”, when used in subsections (a) and (b) of this section, shall be deemed to refer to the National Aeronautics and Space Administration (or the Administrator thereof), or the Atomic Energy Commission (or the Chairman thereof), as may be appropriate;

(ii) The term “Secretary of the Army, Navy, or Air Force”, when used in section 1748d of

this title, shall be deemed to refer to the National Aeronautics and Space Administration or the Administrator thereof, as may be appropriate;

(iii) The terms “civilian employee”, “civilians”, and “civilian personnel”, as used in this section, shall be deemed to refer to (A) employees of the National Aeronautics and Space Administration or a contractor thereof or to military personnel assigned to duty at an installation of the National Aeronautics and Space Administration, or (B) persons employed at or in connection with any research or development installation of the Atomic Energy Commission, as the case may be; and

(iv) The term “military installation” when used in section 1748d of this title shall be deemed to refer to an installation of the National Aeronautics and Space Administration.

(June 27, 1934, ch. 847, title VIII, § 809, as added June 13, 1956, ch. 381, 70 Stat. 273; amended Pub. L. 86-372, title I, § 116(b), Sept. 23, 1959, 73 Stat. 664; Pub. L. 86-578, July 5, 1960, 74 Stat. 314; Pub. L. 86-774, § 3, Sept. 13, 1960, 74 Stat. 915; Pub. L. 87-623, § 2, Aug. 31, 1962, 76 Stat. 418; Pub. L. 88-127, § 1, Sept. 23, 1963, 77 Stat. 633; Pub. L. 89-117, title II, § 202(c), title XI, § 1108(v), Aug. 10, 1965, 79 Stat. 466, 506; Pub. L. 90-19, § 1(a)(3), (r), May 25, 1967, 81 Stat. 17, 19; Pub. L. 91-78, § 2(d), Sept. 30, 1969, 83 Stat. 125; Pub. L. 91-152, title I, § 101(f), Dec. 24, 1969, 83 Stat. 379; Pub. L. 91-432, § 1(d), Oct. 2, 1970, 84 Stat. 887; Pub. L. 91-473, § 1(d), Oct. 21, 1970, 84 Stat. 1065; Pub. L. 91-525, § 1(d), Dec. 1, 1970, 84 Stat. 1384; Pub. L. 91-609, title I, §§ 101(f), 112, Dec. 31, 1970, 84 Stat. 1770, 1772; Pub. L. 92-503, § 1(f), Oct. 18, 1972, 86 Stat. 906; Pub. L. 93-85, § 1(f), Aug. 10, 1973, 87 Stat. 220; Pub. L. 93-117, § 1(f), Oct. 2, 1973, 87 Stat. 421; Pub. L. 93-383, title III, § 316(d), Aug. 22, 1974, 88 Stat. 685; Pub. L. 95-60, § 1(e), June 30, 1977, 91 Stat. 257; Pub. L. 95-80, § 1(e), July 31, 1977, 91 Stat. 339; Pub. L. 95-128, title III, § 301(h), Oct. 12, 1977, 91 Stat. 1131; Pub. L. 95-406, § 1(h), Sept. 30, 1978, 92 Stat. 879; Pub. L. 95-557, title III, § 301(h), Oct. 31, 1978, 92 Stat. 2096; Pub. L. 96-71, § 1(h), Sept. 28, 1979, 93 Stat. 501; Pub. L. 96-105, § 1(h), Nov. 8, 1979, 93 Stat. 794; Pub. L. 96-153, title III, § 301(h), Dec. 21, 1979, 93 Stat. 1112; Pub. L. 96-372, § 1(h), Oct. 3, 1980, 94 Stat. 1363; Pub. L. 96-399, title III, § 301(h), Oct. 8, 1980, 94 Stat. 1638; Pub. L. 97-35, title III, § 331(h)(1), Aug. 13, 1981, 95 Stat. 413; Pub. L. 97-289, § 1(h), Oct. 6, 1982, 96 Stat. 1230; Pub. L. 98-35, § 1(h), May 26, 1983, 97 Stat. 197; Pub. L. 98-109, § 1(h), Oct. 1, 1983, 97 Stat. 745; Pub. L. 98-181, title I [title IV, § 401(g)], Nov. 30, 1983, 97 Stat. 1208; Pub. L. 99-120, § 1(h)(1), Oct. 8, 1985, 99 Stat. 503; Pub. L. 99-156, § 1(h)(1), Nov. 15, 1985, 99 Stat. 815; Pub. L. 99-219, § 1(h)(1), Dec. 26, 1985, 99 Stat. 1730; Pub. L. 99-267, § 1(i)(1), Mar. 27, 1986, 100 Stat. 74; Pub. L. 99-272, title III, § 3007(h)(1), Apr. 7, 1986, 100 Stat. 105; Pub. L. 99-289, § 1(b), May 2, 1986, 100 Stat. 412; Pub. L. 99-345, § 1, June 24, 1986, 100 Stat. 673; Pub. L. 99-430, Sept. 30, 1986, 100 Stat. 986; Pub. L. 100-122, § 1, Sept. 30, 1987, 101 Stat. 793; Pub. L. 100-154, Nov. 5, 1987, 101 Stat. 890; Pub. L. 100-170, Nov. 17, 1987, 101 Stat. 914; Pub. L. 100-179, Dec. 3, 1987, 101 Stat. 1018; Pub. L. 100-200, Dec. 21, 1987, 101 Stat. 1327; Pub. L. 100-242, title IV, § 401(a)(5), Feb. 5, 1988, 101 Stat. 1898; Pub. L. 101-625, title IX, § 952(b), Nov. 28, 1990, 104 Stat.

<sup>1</sup> See References in Text note below.



4418; Pub. L. 102-550, title IX, §904(b), Oct. 28, 1992, 106 Stat. 3868.)

### Editorial Notes

#### REFERENCES IN TEXT

The General Insurance Fund, referred to in text, was established by section 1735c of this title.

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.

Sections 1748a and 1748c of this title, referred to in subsec. (f), were repealed by Pub. L. 89-117, title XI, §1108(aa), Aug. 10, 1965, 79 Stat. 507.

#### PRIOR PROVISIONS

A prior section 809 of title VIII of act June 27, 1934, as added May 2, 1950, ch. 151, 64 Stat. 97, which related to the procurement of services of architects and engineers by the armed services to effectuate purposes of this subchapter, was classified to section 1748h of this title.

#### AMENDMENTS

1992—Subsec. (h). Pub. L. 102-550 struck out subsec. (h) which related to an Advanced Building Technology Program. See section 1701j-2(h) of this title.

1990—Subsecs. (h) to (j). Pub. L. 101-625, §952(b), which directed the addition of subsec. (h) relating to an Advanced Building Technology Program and the redesignation of subsecs. (h) and (i) as (i) and (j), respectively, was executed by adding subsec. (h) because this section did not contain subsec. (h) or (i).

1988—Subsec. (f). Pub. L. 100-242 struck out “No more mortgages shall be insured under this section after March 15, 1988, except pursuant to a commitment to insure before such date.”

1987—Subsec. (f). Pub. L. 100-200 substituted “March 15, 1988” for “December 16, 1987”.

Pub. L. 100-179 substituted “December 16, 1987” for “December 2, 1987”.

Pub. L. 100-170 substituted “December 2, 1987” for “November 15, 1987”.

Pub. L. 100-154 substituted “November 15, 1987” for “October 31, 1987”.

Pub. L. 100-122 substituted “October 31, 1987” for “September 30, 1987”.

1986—Subsec. (f). Pub. L. 99-430 substituted “September 30, 1987” for “September 30, 1986”.

Pub. L. 99-345 substituted “September 30, 1986” for “June 6, 1986”.

Pub. L. 99-289 substituted “June 6, 1986” for “April 30, 1986”.

Pub. L. 99-272 made amendment identical to Pub. L. 99-219. See 1985 Amendment note below.

Pub. L. 99-267 substituted “April 30, 1986” for “March 17, 1986”.

1985—Subsec. (f). Pub. L. 99-219 substituted “March 17, 1986” for “December 15, 1985”.

Pub. L. 99-156 substituted “December 15, 1985” for “November 14, 1985”.

Pub. L. 99-120 substituted “November 14, 1985” for “September 30, 1985”.

1983—Subsec. (f). Pub. L. 98-181 substituted “September 30, 1985” for “November 30, 1983”.

Pub. L. 98-109 substituted “November 30, 1983” for “September 30, 1983”.

Pub. L. 98-35 substituted “September 30, 1983” for “May 20, 1983”.

1982—Subsec. (f). Pub. L. 97-289 substituted “May 20, 1983” for “September 30, 1982”.

1981—Subsec. (f). Pub. L. 97-35 substituted “1982” for “1981”.

1980—Subsec. (f). Pub. L. 96-399 substituted “September 30, 1981” for “October 15, 1980”.

Pub. L. 96-372 substituted “October 15, 1980” for “September 30, 1980”.

1979—Subsec. (f). Pub. L. 96-153 substituted “September 30, 1980” for “November 30, 1979”.

Pub. L. 96-105 substituted “November 30, 1979” for “October 31, 1979”.

Pub. L. 96-71 substituted “October 31, 1979” for “September 30, 1979”.

1978—Subsec. (f). Pub. L. 95-557 substituted “September 30, 1979” for “October 31, 1978”.

Pub. L. 95-406 substituted “October 31, 1978” for “September 30, 1978”.

1977—Subsec. (f). Pub. L. 95-128 substituted “September 30, 1978” for “September 30, 1977”.

Pub. L. 95-80 substituted “September 30, 1977” for “July 31, 1977”.

Pub. L. 95-60 substituted “July 31, 1977” for “June 30, 1977”.

1974—Subsec. (f). Pub. L. 93-383 substituted “June 30, 1977” for “October 1, 1974”.

1973—Subsec. (f). Pub. L. 93-117 substituted “October 1, 1974” for “October 1, 1973”.

Pub. L. 93-85 substituted “October 1, 1973” for “June 30, 1973”.

1972—Subsec. (f). Pub. L. 92-503 substituted “June 30, 1973” for “October 1, 1972”.

1970—Subsec. (b). Pub. L. 91-609, §112, inserted the proviso.

Subsec. (f). Pub. L. 91-609, §101(f), substituted “October 1, 1972” for “January 1, 1971”.

Pub. L. 91-525 substituted “January 1, 1971” for “December 1, 1970”.

Pub. L. 91-473 substituted “December 1, 1970” for “November 1, 1970”.

Pub. L. 91-432 substituted “November 1, 1970” for “October 1, 1970”.

1969—Subsec. (f). Pub. L. 91-152 substituted “October 1, 1970” for “January 1, 1970”.

Pub. L. 91-78 substituted “January 1, 1970” for “October 1, 1969”.

1967—Pub. L. 90-19, §1(a)(3), substituted “Secretary” for “Commissioner” wherever appearing in subsecs. (a) to (c) and (g)(1).

Subsec. (a). Pub. L. 90-19, §1(r)(1), substituted “Secretary of Defense” for “Secretary”.

Subsec. (b). Pub. L. 90-19, §1(r)(1), (2), substituted “Secretary of Defense” for “Secretary” wherever appearing.

Subsec. (g)(2). Pub. L. 90-19, §1(r)(3), (4), substituted “Secretary of Defense” for “Secretary” in cl. (i) and “the National Aeronautics and Space Administration” for “such Administration”, wherever appearing, respectively.

1965—Subsecs. (b), (e). Pub. L. 89-117, §1108(v), substituted “General Insurance Fund” for “Armed Services Housing Mortgage Insurance Fund” wherever appearing.

Subsec. (f). Pub. L. 89-117, §202(c), substituted “October 1, 1969” for “October 1, 1965”.

Subsec. (g). Pub. L. 89-117, §1108(v), substituted “General Insurance Fund” for “Armed Services Housing Mortgage Insurance Fund” wherever appearing.

1963—Subsec. (f). Pub. L. 88-127, §1(1), substituted “October 1, 1965” for “October 1, 1963”.

Subsec. (g)(1). Pub. L. 88-127, §1(2), substituted “or in connection with any” for “a”, struck out requirement that such installation belong to a military department of the United States on or after June 13, 1956, before its transfer to the Administration, in cl. (i), and extended cl. (ii) to include persons at any installation of the Atomic Energy Commission instead of only the one in Los Alamos County, N. Mex.

Subsec. (g)(2)(iii). Pub. L. 88-127, §1(3), extended cl. (B) to include persons at any installation of the Atomic Energy Commission instead of only the one in Los Alamos, N. Mex.

1962—Subsec. (f). Pub. L. 87-623 provided that no mortgages shall be insured under this section after October 1, 1963, except pursuant to a commitment before such date, and struck out “and the expiration date of the Commissioner’s authority to insure” after “amount of all mortgages insured”.

1960—Subsec. (g). Pub. L. 86-774 designated part of existing provisions as par. (1), inserting cl. (ii) and “in the case of any mortgage secured by property intended to provide housing for any person employed or assigned to duty at any such installation of the National Aeronautics and Space Administration, or the Chairman of the Atomic Energy Commission (or his designee), in the case of any mortgage secured by property intended to provide housing for any person employed at such installation of the Atomic Energy Commission” and striking out “in the case of mortgages referred to in this subsection” after “subsection (b) of this section”, and designated cl. (1) as par. (2)(i) and (ii), cl. (2) as par. (2)(iii), adding subpar. (B), and cl. (3) as par. (2)(iv).

Subsec. (g). Pub. L. 86-578 added subsec. (g).

1959—Subsec. (e). Pub. L. 86-372 inserted reference to subsec. (k) to section 1710 of this title.

#### Statutory Notes and Related Subsidiaries

##### 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.

##### TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of Title 42, The Public Health and Welfare. See also Transfer of Functions notes set out under those sections.

### § 1748h-2. Insurance of mortgages for defense housing for impacted areas

#### (a) Authorization

Notwithstanding any other provision of this subchapter, the Secretary may insure and make commitments to insure any mortgage under this section which meets the eligibility requirements hereinafter set forth.

#### (b) Eligibility requirements

No mortgage shall be insured under this section unless (1) the housing which is covered by the insured mortgage is necessary in the interest of national security in order to provide adequate housing for (A) military personnel and essential civilian personnel serving or employed in connection with any installation of one of the armed services of the United States, or (B) essential personnel employed or assigned to duty at or in connection with any research or development installation of the National Aeronautics and Space Administration or of the Atomic Energy Commission, (2) there is no present intention to curtail substantially the number of such personnel assigned or to be assigned to the installation, (3) adequate housing is not available for such personnel at reasonable rentals within reasonable commuting distances of such installation, and (4) the mortgaged property will not so far as can be reasonably foreseen substantially curtail occupancy in any existing housing in the vicinity of the installation which is covered by mortgages insured under this chapter.

#### (c) Economical soundness of property or project

The Secretary may accept any mortgage for insurance under this section without regard to any requirement in any other section of this chapter that the property or project be economically sound.

#### (d) Rental conditions; preferences and priorities in the sale or rental of dwellings

The Secretary shall require each project covered by a mortgage insured under this section to

be held for rental for a period of not less than five years after the project or dwelling is made available for initial occupancy or until he finds that the housing may be released from such rental condition. The Secretary shall prescribe such procedures as in his judgment are necessary to secure reasonable preference or priority in the sale or rental of dwellings covered by a mortgage insured under this section for military personnel and essential civilian employees of the armed services, employees of contractors for the armed services, and persons described in clause (1)(B) of subsection (b) of this section.

#### (e) Property held by mortgagor approved by Secretary; acquisition of stock or interest; redemption

For the purpose of providing multifamily rental housing projects or housing projects consisting of individual single-family dwellings for sale, the Secretary is authorized to insure mortgages (including advances on such mortgages during construction) which cover property held by a mortgagor approved by the Secretary. Any such mortgagor shall possess powers necessary therefor and incidental thereto and shall until the termination of all obligations of the Secretary under such insurance be regulated or restricted as to rents or sales, charges, capital structure, rate of return, and methods of operation to such extent and in such manner as to provide reasonable rentals to tenants and a reasonable return on the investment. The Secretary may make such contracts with, and acquire for not to exceed \$100 such stock or interest in, any such mortgagor as he may deem necessary to render effective such restriction or regulation. Such stock or interest shall be paid for out of the General Insurance Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Secretary under the insurance.

#### (f) Mortgage limitations for multifamily rental property or project

To be eligible for insurance under this section, a mortgage on any multifamily rental property or project shall involve a principal obligation in an amount not to exceed, for such part of such property or project as may be attributable to dwelling use, \$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, and not to exceed 90 per centum of the estimated value of the property or project when the proposed physical improvements are completed. The Secretary may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed 45 per centum in any geographical area where he finds that cost levels so require.

#### (g) Mortgage limitation for property or project constructed for eventual sale of single-family dwellings

To be eligible for insurance under this section a mortgage on any property or project constructed for eventual sale of single-family dwellings 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 the required payment on account of the property prescribed in such paragraph.

**(h) Amortization; interest; release of part of mortgaged property from lien; replacement of certain mortgages by individual mortgages; commercial and community facilities**

Any mortgage insured under this section shall provide for complete amortization by periodic payments within such terms as the Secretary may prescribe but not to exceed the maximum term applicable to mortgages under section 1713 of this title and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee, except that individual mortgages of the character described in subsection (g) covering the individual dwellings in the project may have a term not in excess of the maximum term applicable to mortgages insured under section 1709 of this title or the unexpired term of the project mortgage at the time of the release of the mortgaged property from such project mortgage, whichever is the greater, 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 of the character described in subsection (g) of this section may provide that, at any time after the release of the project from the rental period prescribed by subsection (d), 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 may include eight or more family units and may include such commercial and community facilities as the Secretary deems adequate to serve the occupants.

**(i) Limitation on aggregate number of dwelling units**

The aggregate number of dwelling units (including all units in multifamily projects or individual dwellings) covered by outstanding commitments to insure and mortgages insured under this section shall at no time exceed five thousand dwelling units.

**(j) Applicability of other laws**

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 of the character described in subsection (g) 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),<sup>1</sup> (j), and (k)<sup>1</sup> of section 1710 of this title shall be applicable: *Provided*, That wherever the words “Fund” or “Mutual Mortgage Insurance Fund” appear in section 1710 of this title, such reference shall refer to the General Insurance Fund with respect to mortgages insured under this section.

**(k) Aggregate amount of mortgages insured; termination date**

The provisions of sections 1748, 1748a,<sup>1</sup> 1748b(c), 1748b(i), 1748b(j), 1748c(a), 1748c(b),<sup>1</sup> and 1748f of this title and the provisions of section 1748b(a) of this title relating to the aggregate amount of all mortgages insured under this subchapter shall be applicable to mortgages insured under this section.

(June 27, 1934, ch. 847, title VIII, §810, as added Pub. L. 86-372, title VII, §704(a), Sept. 23, 1959, 73 Stat. 683; amended Pub. L. 87-70, title VI, §611(a), June 30, 1961, 75 Stat. 180; Pub. L. 87-623, §3, Aug. 31, 1962, 76 Stat. 418; Pub. L. 88-127, §2, Sept. 23, 1963, 77 Stat. 163; Pub. L. 88-560, title I, §107(f), Sept. 2, 1964, 78 Stat. 776; Pub. L. 89-117, title II, §202(c), title XI, §1108(w), Aug. 10, 1965, 79 Stat. 466, 506; Pub. L. 90-19, §1(a)(3), May 25, 1967, 81 Stat. 17; Pub. L. 90-448, title XVII, §1722(f), Aug. 1, 1968, 82 Stat. 611; Pub. L. 91-78, §2(e), Sept. 30, 1969, 83 Stat. 125; Pub. L. 91-152, title I, §101(g), Dec. 24, 1969, 83 Stat. 379; Pub. L. 91-432, §1(e), Oct. 2, 1970, 84 Stat. 887; Pub. L. 91-473, §1(e), Oct. 21, 1970, 84 Stat. 1065; Pub. L. 91-525, §1(e), Dec. 1, 1970, 84 Stat. 1384; Pub. L. 91-609, title I, §101(g), Dec. 31, 1970, 84 Stat. 1770; Pub. L. 92-503, §1(g), Oct. 18, 1972, 86 Stat. 906; Pub. L. 93-85, §1(g), Aug. 10, 1973, 87 Stat. 220; Pub. L. 93-117, §1(g), Oct. 2, 1973, 87 Stat. 421; Pub. L. 93-383, title III, §§304(j), 316(e), Aug. 22, 1974, 88 Stat. 678, 685; Pub. L. 95-60, §1(f), June 30, 1977, 91 Stat. 257; Pub. L. 95-80, §1(f), July 31, 1977, 91 Stat. 339; Pub. L. 95-128, title III, §301(i), Oct. 12, 1977, 91 Stat. 1131; Pub. L. 95-406, §1(i), Sept. 30, 1978, 92 Stat. 879; Pub. L. 95-557, title III, §301(i), Oct. 31, 1978, 92 Stat. 2096; Pub. L. 96-71, §1(i), Sept. 28, 1979, 93 Stat. 501; Pub. L. 96-105, §1(i), Nov. 8, 1979, 93 Stat. 794; Pub. L. 96-153, title III, §301(i), Dec. 21, 1979, 93 Stat. 1112; Pub. L. 96-372, §1(i), Oct. 3, 1980, 94 Stat. 1363; Pub. L. 96-399, title III, §301(i), Oct. 8, 1980, 94 Stat. 1639; Pub. L. 97-35, title III, §331(h)(2), Aug. 13, 1981, 95 Stat. 413; Pub. L. 97-289, §1(i), Oct. 6, 1982, 96 Stat. 1230; Pub. L. 98-35, §1(i), May 26, 1983, 97 Stat. 197; Pub. L. 98-109, §1(i), Oct. 1, 1983, 97 Stat. 745; Pub. L. 98-181, title I [title IV, §401(h)], Nov. 30, 1983, 97 Stat. 1208; Pub. L. 99-120, §1(h)(2), Oct. 8, 1985, 99 Stat. 503; Pub. L. 99-156, §1(h)(2), Nov. 15, 1985, 99 Stat. 816; Pub. L. 99-219, §1(h)(2), Dec. 26, 1985, 99 Stat. 1731; Pub. L. 99-267, §1(i)(2), Mar. 27, 1986, 100 Stat. 74; Pub. L. 99-272, title III, §3007(h)(2), Apr. 7, 1986, 100 Stat. 105; Pub. L. 99-289, §1(b), May 2, 1986, 100 Stat. 412; Pub. L. 99-345, §1, June 24, 1986, 100 Stat. 673; Pub. L. 99-430, Sept. 30, 1986, 100 Stat. 986; Pub. L. 100-122, §1, Sept. 30, 1987, 101 Stat. 793; Pub. L. 100-154, Nov. 5, 1987, 101 Stat. 890; Pub. L. 100-170, Nov. 17, 1987, 101 Stat. 914; Pub. L. 100-179, Dec. 3, 1987, 101 Stat. 1018;

<sup>1</sup> See References in Text note below.

Pub. L. 100-200, Dec. 21, 1987, 101 Stat. 1327; Pub. L. 100-242, title IV, §§401(a)(6), 429(k), Feb. 5, 1988, 101 Stat. 1898, 1919.)

### Editorial Notes

#### REFERENCES IN TEXT

The General Insurance Fund, referred to in text, was established by section 1735c of this title.

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

Sections 1748a and 1748c of this title, referred to in subsec. (k), were repealed by Pub. L. 89-117, title XI, §1108 (aa), Aug. 10, 1965, 79 Stat. 507.

#### PRIOR PROVISIONS

A prior section 810 of title VIII of act June 27, 1934, ch. 847, as added Sept. 1, 1951, ch. 378, title VI, §601(d), 65 Stat. 313, which related to mortgage on housing constructed for personnel of the Atomic Energy Commission, was classified to section 1748g-1 of this title.

#### AMENDMENTS

1988—Subsec. (h). Pub. L. 100-242, §429(k), substituted “at such rate as may be agreed upon by the mortgagor and the mortgagee” for “(exclusive of premium charges for insurance) at not to exceed the rate applicable to mortgages insured under section 1713 of this title” and “such rate as may be agreed upon by the mortgagor and the mortgagee” for “not to exceed the rate applicable to mortgages insured under section 1709 of this title”.

Subsec. (k). Pub. L. 100-242, §401(a)(6), struck out “No more mortgages shall be insured under this section after March 15, 1988, except pursuant to a commitment to insure before such date.”

1987—Subsec. (k). Pub. L. 100-200 substituted “March 15, 1988” for “December 16, 1987”.

Pub. L. 100-179 substituted “December 16, 1987” for “December 2, 1987”.

Pub. L. 100-170 substituted “December 2, 1987” for “November 15, 1987”.

Pub. L. 100-154 substituted “November 15, 1987” for “October 31, 1987”.

Pub. L. 100-122 substituted “October 31, 1987” for “September 30, 1987”.

1986—Subsec. (k). Pub. L. 99-430 substituted “September 30, 1987” for “September 30, 1986”.

Pub. L. 99-345 substituted “September 30, 1986” for “June 6, 1986”.

Pub. L. 99-289 substituted “June 6, 1986” for “April 30, 1986”.

Pub. L. 99-272 made amendment identical to Pub. L. 99-219. See 1985 Amendment note below.

Pub. L. 99-267 substituted “April 30, 1986” for “March 17, 1986”.

1985—Subsec. (k). Pub. L. 99-219 substituted “March 17, 1986” for “December 15, 1985”.

Pub. L. 99-156 substituted “December 15, 1985” for “November 14, 1985”.

Pub. L. 99-120 substituted “November 14, 1985” for “September 30, 1985”.

1983—Subsec. (k). Pub. L. 98-181 substituted “September 30, 1985” for “November 30, 1983”.

Pub. L. 98-109 substituted “November 30, 1983” for “September 30, 1983”.

Pub. L. 98-35 substituted “September 30, 1983” for “May 20, 1983”.

1982—Subsec. (k). Pub. L. 97-289 substituted “May 20, 1983” for “September 30, 1982”.

1981—Subsec. (k). Pub. L. 97-35 substituted “1982” for “1981”.

1980—Subsec. (k). Pub. L. 96-399 substituted “September 30, 1981” for “October 15, 1980”.

Pub. L. 96-372 substituted “October 15, 1980” for “September 30, 1980”.

1979—Subsec. (k). Pub. L. 96-153 substituted “September 30, 1980” for “November 30, 1979”.

Pub. L. 96-105 substituted “November 30, 1979” for “October 31, 1979”.

Pub. L. 96-71 substituted “October 31, 1979” for “September 30, 1979”.

1978—Subsec. (k). Pub. L. 95-557 substituted “September 30, 1979” for “October 31, 1978”.

Pub. L. 95-406 substituted “October 31, 1978” for “September 30, 1978”.

1977—Subsec. (k). Pub. L. 95-128 substituted “September 30, 1978” for “September 30, 1977”.

Pub. L. 95-80 substituted “September 30, 1977” for “July 31, 1977”.

Pub. L. 95-60 substituted “July 31, 1977” for “June 30, 1977”.

1974—Subsec. (f). Pub. L. 93-383, §304(j)(1), struck out “(1) not to exceed \$5,000,000 or (2)” after “in an amount”.

Subsec. (g). Pub. L. 93-383, §304(j)(2), struck out “not to exceed \$5,000,000 and” after “in an amount”.

Subsec. (k). Pub. L. 93-383, §316(e), substituted “June 30, 1977” for “October 1, 1974”.

1973—Subsec. (k). Pub. L. 93-117 substituted “October 1, 1974” for “October 1, 1973”.

Pub. L. 93-85 substituted “October 1, 1973” for “June 30, 1973”.

1972—Subsec. (k). Pub. L. 92-503 substituted “June 30, 1973” for “October 1, 1972”.

1970—Subsec. (k). Pub. L. 91-609 substituted “October 1, 1972” for “January 1, 1971”.

Pub. L. 91-525 substituted “January 1, 1971” for “December 1, 1970”.

Pub. L. 91-473 substituted “December 1, 1970” for “November 1, 1970”.

Pub. L. 91-432 substituted “November 1, 1970” for “October 1, 1970”.

1969—Subsec. (k). Pub. L. 91-152 substituted “October 1, 1970” for “January 1, 1970”.

Pub. L. 91-78 substituted “January 1, 1970” for “October 1, 1969”.

1968—Subsec. (e). Pub. L. 90-448 substituted “mortgagor approved by the Secretary” for “private corporation, association, cooperative society, or trust” in first sentence, and “mortgagor” for “corporation, association, cooperative society, or trust” in third and fourth sentences.

1967—Pub. L. 90-19 substituted “Secretary” for “Commissioner” wherever appearing in subsecs. (a), (c) to (f), and (h).

1965—Subsec. (e). Pub. L. 89-117, §1108(w)(1), substituted “General Insurance Fund” for “Armed Services Housing Mortgage Insurance Fund”.

Subsec. (j). Pub. L. 89-117, §1108(w)(2), (3), struck out reference to subsecs. (m) and (p) of section 1713 of this title and, in proviso, substituted “General Insurance Fund” for “Armed Services Housing Mortgage Insurance Fund” and struck out reference to the appearance of “Housing Insurance Fund” in sections 1710 and 1713 of this title and the appearance of “Fund” or “Mutual Mortgage Insurance Fund” in section 1713 of this title.

Subsec. (k). Pub. L. 89-117, §202(c), substituted “October 1, 1969” for “October 1, 1965”.

1964—Subsec. (f). Pub. L. 88-560 changed limits on mortgages for multifamily rental property or project, in cl. (2) of the first sentence 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”; and, in the second sentence, inserted “, by regulation,” and substituted provisions 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 \$1,000 per room”, respectively.

1963—Subsec. (b)(1). Pub. L. 88-127, §2(1), included essential personnel employed or assigned to duty at or in

connection with any research or development installation of the National Aeronautics and Space Administration or of the Atomic Energy Commission.

Subsec. (d). Pub. L. 88-127, §2(2), included persons described in cl. (1)(B) of subsec. (b) of this section.

Subsec. (k). Pub. L. 88-127, §2(3), substituted "October 1, 1965" for "October 1, 1963".

1962—Subsec. (k). Pub. L. 87-623 provided that no mortgages shall be insured under this section after October 1, 1963, except pursuant to a commitment before such date, and struck out "and the expiration date of the Commissioner's authority to insure" after "amount of all mortgages insured".

1961—Subsec. (b). Pub. L. 87-70, §611(a)(1), struck out provisions which required certification by Secretary of Defense or his designee.

Subsec. (d). Pub. L. 87-70, §611(a)(2), struck out provisions which related to certification and advice of Secretary of Defense or his designee.

Subsec. (l). Pub. L. 87-70, §611(a)(3), repealed subsec. (l) which required Secretary of Defense to guarantee Armed Services Housing Mortgage Insurance Fund from loss.

#### Statutory Notes and Related Subsidiaries

##### 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.

##### TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of Title 42, The Public Health and Welfare. See, also, Transfer of Functions notes set out under those 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. (f) of this section by section 107(f) 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.

#### § 1748h-3. Payments in lieu of taxes; limitations; exemption from taxation

(a) The Secretary is authorized to make payments in lieu of taxes on any real property to which title has been or is hereafter acquired by him in fee under section 1748b of this title as effective prior to August 11, 1955, and on which taxes or payments in lieu of such taxes were payable or paid prior to acquisition by the Secretary. Such payments may be made in connection with tax years occurring prior to or subsequent to October 5, 1962. The amount of any such payments shall not exceed taxes on similar property and shall not include interest or penalties. If the Secretary has acquired or hereafter acquires title in fee to real property by foreclosure or by transfer from some other department or agency of the Government or otherwise during a tax year, he may make a payment in lieu of taxes prorated for that portion of the year remaining after his acquisition of title. This subsection shall not authorize any lien against property held by the Secretary, nor the payment of any tax, nor any payment in lieu of any tax, on any interest of the Secretary as lessee or mortgagee.

(b) Nothing in this subchapter shall be construed to exempt any real property which has been or is hereafter acquired and held by the Secretary under section 1748h-1 or 1748h-2 of this title from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

(June 27, 1934, ch. 847, title VIII, §811, as added Pub. L. 87-756, Oct. 5, 1962, 76 Stat. 751; amended Pub. L. 90-19, §1(a)(3), May 25, 1967, 81 Stat. 17.)

#### Editorial Notes

##### AMENDMENTS

1967—Subsecs. (a), (b). Pub. L. 90-19 substituted "Secretary" for "Commissioner" wherever appearing.

#### § 1748i. Omitted

#### Editorial Notes

##### CODIFICATION

Section, act Sept. 28, 1951, ch. 434, title V, §505, 65 Stat. 365, related to appropriation and expenditure of funds for acquisition of land, installation of outside utilities, and site preparation for housing projects constructed under this subchapter.

#### SUBCHAPTER IX—HOUSING FOR EDUCATIONAL INSTITUTIONS

#### §§ 1749 to 1749c. Repealed. Pub. L. 99-498, title VII, § 702, Oct. 17, 1986, 100 Stat. 1545

Section 1749, acts Apr. 20, 1950, ch. 94, title IV, § 401, 64 Stat. 77; June 30, 1953, ch. 170, §24(b), 67 Stat. 128; Aug. 2, 1954, ch. 649, title VIII, §808(b), 68 Stat. 646; Aug. 11, 1955, ch. 783, title III, §301, 69 Stat. 644; Aug. 7, 1956, ch. 1029, title VI, §601, 70 Stat. 1113; July 12, 1957, Pub. L. 85-104, title VI, §601(a), 71 Stat. 303; Sept. 23, 1959, Pub. L. 86-372, title VI, §§601, 603(b), 73 Stat. 681, 682; Sept. 14, 1960, Pub. L. 86-788, §2(b), 74 Stat. 1028; June 30, 1961, Pub. L. 87-70, title IV, §401, 75 Stat. 172; Aug. 10, 1965, Pub. L. 89-117, title VI, §§601, 602, 604(b), 79 Stat. 489; May 24, 1966, Pub. L. 89-429, §3(b), 80 Stat. 166; Nov. 3, 1966, Pub. L. 89-754, title X, §1014(b), 80 Stat. 1292; May 25, 1967, Pub. L. 90-19, §8(a), 81 Stat. 22; Aug. 1, 1968, Pub. L. 90-448, title XVII, §1705(b)-(e), (g)(1), 82 Stat. 604, 605; Dec. 24, 1969, Pub. L. 91-152, title II, §219, 83 Stat. 390; July 24, 1970, Pub. L. 91-351, title VII, §710, 84 Stat. 463; Dec. 31, 1970, Pub. L. 91-609, title II, §205, 84 Stat. 1777; Oct. 17, 1984, Pub. L. 98-479, title II, §203(e)(1), 98 Stat. 2230, authorized Federal loans and grants to assist educational institutions in providing housing and other educational facilities for students and faculties.

Section 1749a, acts Apr. 20, 1950, ch. 94, title IV, § 402, 64 Stat. 78; Sept. 23, 1959, Pub. L. 86-372, title VI, §602, 73 Stat. 681; May 25, 1967, Pub. L. 90-19, §8(a), (b), 81 Stat. 22; Jan. 2, 1975, Pub. L. 93-604, title VII, §705(b), 88 Stat. 1964; Oct. 31, 1983, Pub. L. 98-139, title III, §308, 97 Stat. 895; Oct. 17, 1984, Pub. L. 98-479, title II, §§201(d)(1), 203(e)(2)-(4), 204(d), 98 Stat. 2228, 2230, 2233; Nov. 8, 1984, Pub. L. 98-619, title III, §308, 98 Stat. 3329; Dec. 12, 1985, Pub. L. 99-178, title III, §307, 99 Stat. 1128; Oct. 18, 1986, Pub. L. 99-500, §101(i) [H.R. 5233, title III, §307], 100 Stat. 1783-287, and Oct. 30, 1986, Pub. L. 99-591, §101(i) [H.R. 5233, title III, §307], 100 Stat. 3341-287; Dec. 22, 1987, Pub. L. 100-202, §106, 101 Stat. 1329-433, related to powers and duties of Secretary in carrying out subchapter.

Section 1749b, acts Apr. 20, 1950, ch. 94, title IV, § 403, 64 Stat. 80; June 30, 1961, Pub. L. 87-70, title IV, § 402, 75 Stat. 173; Aug. 1, 1968, Pub. L. 90-448, title XVII, §1705(f), 82 Stat. 604, related to apportionment of funds.

Section 1749c, acts Apr. 20, 1950, ch. 94, title IV, § 404, 64 Stat. 80; Aug. 11, 1955, ch. 783, title III, §§302, 303, 69