

MAY BE AS THE ADMINISTRATION DETERMINES NECESSARY OR DESIRABLE FOR GUARANTY BY THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION, NOTWITHSTANDING INCONSISTENT PROVISIONS OF THIS SUBHEADING RELATING TO BONDS OR NOTES ISSUED BY THE ADMINISTRATION. EXCEPT AS SO DETERMINED, THE PROVISIONS OF THIS SUBHEADING RELATING TO BONDS OR NOTES ISSUED BY THE ADMINISTRATION APPLY TO THESE SECURITIES.

266DD-6.

(c) The Administration may borrow money and issue bonds or notes to provide funds for making or participating in making mortgage loans for any community development project, PURCHASING SECURITIES BACKED BY A MORTGAGE LOAN OR LOANS FOR A COMMUNITY DEVELOPMENT PROJECT, meeting any development cost, purchasing a residential mortgage loan, or interest in the loan, making a loan to a mortgage lender, making a residential mortgage loan to a family of limited income, or achieving any other of its purposes. Every issuance of bonds or notes shall be pursuant to a determination that the issuance is necessary to achieve one or more purposes of the Administration. The determination shall be made by the Director of the Administration or by any person designated by the Secretary of Economic and Community Development, and approved by the Secretary of Economic and Community Development. The determination is effective upon that approval, without any other proceeding, action, or approval, and is conclusive of the matters determined therein.

266DD-8.

(h) [Any] NO new [or existing] residential mortgage LOAN which is purchased by the Administration or in which the Administration purchases an interest, NO RESIDENTIAL MORTGAGE LOAN MADE WITH THE PROCEEDS OF PURCHASE OF RESIDENTIAL MORTGAGES, and [any] NO RESIDENTIAL mortgage LOAN made with the proceeds of a loan [made] by the Administration to a mortgage lender may [not] be assigned to or assumed by any person not qualified under the appropriate Administration program, EXCEPT AS REQUIRED TO QUALIFY FOR INSURANCE OR GUARANTY BY AN AGENCY OR INSTRUMENTALITY OF THE FEDERAL GOVERNMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1980.

Approved May 20, 1980.

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CHAPTER 550

(Senate Bill 310)