

Introduced by

Industry, Business and Labor Committee

(At the request of the Housing Finance Agency)

1 A BILL for an Act to amend and reenact sections 54-17-07.2 and 54-17-07.3 of the North  
2 Dakota Century Code, relating to multifamily housing facilities, leasehold mortgage loans, and  
3 refinancing previously purchased mortgage loans; ~~to provide an effective date;~~ and to declare  
4 an emergency.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 54-17-07.2 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **54-17-07.2. ~~(Effective through June 30, 2013) Definitions.~~**

9 ~~As used in sections 54-17-07.1 through 54-17-07.7 and section 54-17-07.10:~~

- 10 1. ~~"Lenders" means any bank or trust company chartered by the state of North Dakota or~~  
11 ~~any national banking association located in North Dakota, state or federal savings and~~  
12 ~~loan association located in North Dakota, and federal housing administration approved~~  
13 ~~mortgagee or other mortgage banking institutions actively engaged in home mortgage~~  
14 ~~lending in North Dakota approved by the industrial commission.~~
- 15 2. ~~"Multifamily housing facility" means any facility containing four or more residential~~  
16 ~~dwelling units; provided, that at least twenty percent of the units in each facility must~~  
17 ~~be held for occupancy by persons or families of low and moderate income for the~~  
18 ~~period of time as the industrial commission may determine and may include the~~  
19 ~~related public or private facilities intended for commercial, cultural, recreational,~~  
20 ~~community, or other civic purpose as the commission may approve.~~
- 21 3. ~~"Persons and families of low or moderate income" means persons or families whose~~  
22 ~~financial means are insufficient, taking into account such factors as the industrial~~  
23 ~~commission shall deem relevant, to secure decent, safe, and sanitary housing~~

1 provided by private industry without the financial assistance afforded by the housing-  
2 finance programs of the commission.

3 4. ~~"Single-family residential dwelling unit" means any residential real property that:~~

4 a. ~~Is designed for occupancy by one to four individual households;~~

5 b. ~~Is an individual condominium or equity cooperative unit; or~~

6 c. ~~Is an individual nonrental dwelling unit the ownership of which includes rights of~~  
7 ~~facilities in common.~~

8 **(Effective after June 30, 2013) Definitions.** As used in sections 54-17-07.1 through  
9 54-17-07.7 and section 54-17-07.10:

10 1. "Lenders" means any bank or trust company chartered by the state of North Dakota or  
11 any national banking association located in North Dakota, state or federal savings and  
12 loan association located in North Dakota, and federal housing administration approved  
13 mortgagee or other mortgage banking institutions actively engaged in home mortgage  
14 lending in North Dakota approved by the industrial commission.

15 2. "Multifamily housing facility" means any facility containing ~~five~~four or more residential  
16 dwelling units; provided, that at least twenty percent of the units in each facility must  
17 be held for occupancy by persons or families of low and moderate income for such  
18 period of time as the industrial commission may determine and may include such  
19 related public or private facilities intended for commercial, cultural, recreational,  
20 community, or other civic purpose as the commission may approve.

21 3. "Persons and families of low or moderate income" means persons or families whose  
22 financial means are insufficient, taking into account such factors as the industrial  
23 commission shall deem relevant, to secure decent, safe, and sanitary housing  
24 provided by private industry without the financial assistance afforded by the housing  
25 finance programs of the commission.

26 4. "Single-family residential dwelling unit" means any residential real property that:

27 a. Is designed for occupancy by one to four individual households;

28 b. Is an individual condominium or equity cooperative unit; or

29 c. Is an individual nonrental dwelling unit the ownership of which includes rights of  
30 facilities in common.

1       **SECTION 2. AMENDMENT.** Section 54-17-07.3 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **54-17-07.3. Housing finance programs.**

4       Acting in its capacity as a state housing finance agency, the industrial commission is  
5 authorized to establish the following housing finance programs:

- 6       1. Home mortgage finance program. A program or programs to provide financing or  
7 refinancing of loans made by lenders, including second mortgage loans and leasehold  
8 mortgage loans on tribal trust or other reservation lands, and leasehold mortgage  
9 loans that are insured ~~or~~ guaranteed, or assisted through an affordable housing  
10 program, to persons or families of low and moderate income for the purchase or  
11 substantial rehabilitation of owner occupied, single-family residential dwelling units,  
12 which includes mobile homes and manufactured housing. The commission may also  
13 authorize a program to provide refinancing of loans previously made by lenders and  
14 purchased under the home mortgage finance program.
- 15       2. Mobile home and manufactured housing finance program. A program or programs to  
16 provide for the purchase or guaranty of a loan made by a lender to finance the  
17 purchase of a mobile home or a manufactured housing unit other than on a real  
18 property mortgage basis. A program authorized under this subsection may provide  
19 assistance in the development of low-income to moderate-income housing or to  
20 otherwise assist a developing community in the state address an unmet housing need  
21 or alleviate a housing shortage.
- 22       3. Multifamily housing finance program. A program or programs to provide financing  
23 directly or indirectly of construction, permanent, and combined construction and  
24 permanent mortgage loans, including participations in mortgage loans, for the  
25 acquisition, construction, refurbishing, reconstruction, rehabilitation, or improvement of  
26 multifamily housing facilities.
- 27       4. Mortgage loan financing program. A program or programs to provide for the purchase  
28 or guaranty of a temporary or permanent mortgage loan originated by a lender on  
29 residential real property or on land to be developed into residential real property, in  
30 addition to a mortgage loan acquired or to be acquired under subsections 1 through 3.  
31 A program authorized under this subsection may provide assistance in the

1 development of low to moderate income housing or to otherwise assist a developing  
2 community in the state address an unmet housing need or alleviate a housing  
3 shortage.

4 5. Home improvement finance program. A program or programs to provide full or partial,  
5 indirect financing of improvements to existing residential dwelling units.

6 6. Housing grant program. A program or programs to provide a grant other than those  
7 authorized by section 54-17-07.6 to encourage and promote housing availability for  
8 persons of low or moderate income or to otherwise assist a developing community in  
9 this state address an unmet housing need or alleviate a housing shortage.

10 ~~SECTION 3. EFFECTIVE DATE. Section 1 of this Act becomes effective on July 1, 2013.~~

11 **SECTION 3. EMERGENCY.** ~~Section 1 of this~~ This Act is declared to be an emergency measure.