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CHAPTER 3. ADMINISTRATIVE INSTRUCTIONS

PART 2. SECTION 220(h)

- 3-1. NATURE OF PROGRAM. Major home improvements involving 1 to 11 family properties in urban renewal areas may be financed by loans insured under this program, including loans to repair properties in urban renewal areas damaged as a result of a disaster.
- 3-2. AMOUNT OF LOAN. Loans in maximum amounts up to \$12,000 per family unit can be insured.
- 3-3. INTEREST AND MATURITY. Interest on the insured loan may not exceed 7% (plus 1/2% mortgage insurance premium) and the loan may be repaid over a term not to exceed 20 years.
- 3-4. SECURITY FOR LOAN. Security in the form of a recorded lien is required but is not necessary that this take the form of a first mortgage. Inferior liens are acceptable.
- 3-5. INCORPORATION BY REFERENCE. In general, regulations, instructions and processing with respect to insured home improvement loans under Section 203(k) of the Act apply to home improvement loans under this program.