

policies and programs relate to family concerns.

List of Subjects in 24 CFR Part 81

Accounting, Federal Reserve System, Mortgages, Reporting and recordkeeping requirements, Securities.

1. For the reasons set out in the preamble, part 81 of Title 24 of the Code of Federal Regulations is revised to read as follows:

PART 81—THE SECRETARY OF HUD'S REGULATION OF THE FEDERAL NATIONAL MORTGAGE ASSOCIATION (FANNIE MAE) AND THE FEDERAL HOME LOAN MORTGAGE CORPORATION (FREDDIE MAC)

Subpart A—General

- Sec.
- 81.1 Scope of part.
- 81.2 Definitions.

Subpart B—Housing Goals

- Sec.
- 81.11 General.
- 81.12 Low- and Moderate-Income Housing Goal.
- 81.13 Central Cities, Rural Areas, and Other Underserved Areas Housing Goal.
- 81.14 Special Affordable Housing Goal.
- 81.15 General requirements.
- 81.16 Special counting requirements.
- 81.17 Affordability—Income level definitions—family size and income known (owner-occupied units, actual tenants, and prospective tenants).
- 81.18 Affordability—Income level definitions—family size not known (actual or prospective tenants).
- 81.19 Affordability—Rent level definitions—tenant income is not known.
- 81.20 Actions to be taken to meet the goals.
- 81.21 Notice and determination of failure to meet goals.
- 81.22 Housing plans.

Subpart C—Fair Housing

- Sec.
- 81.41 General.
- 81.42 Prohibitions against discrimination.
- 81.43 Reports; underwriting and appraisal guideline review.
- 81.44 Submission of information to the Secretary.
- 81.45 Obtaining and disseminating information.
- 81.46 Remedial actions.
- 81.47 Violations of provisions by the GSEs.

Subpart D—New Program Approval

- Sec.
- 81.51 General.
- 81.52 Requirement for program requests.
- 81.53 Processing of program requests.
- 81.54 Review of disapproval.

Subpart E—Reporting Requirements

- Sec.
- 81.61 General.
- 81.62 Mortgage reports.
- 81.63 Annual Housing Activities Report.
- 81.64 Periodic reports.

- 81.65 Other information and analyses.
- 81.66 Submission of reports.

Subpart F—Access to Information

- Sec.
- 81.71 General.
- 81.72 Public-use database and public information.
- 81.73 GSE request for proprietary treatment.
- 81.74 Secretarial determination on GSE request.
- 81.75 Proprietary information withheld by order or regulation.
- 81.76 FOIA requests and protection of GSE information.
- 81.77 Requests for GSE information on behalf of Congress, the Comptroller General, a subpoena, or other legal process.

Subpart G—Procedures for Actions and Review of Actions

- Sec.
- 81.81 General.
- 81.82 Cease-and-desist proceedings.
- 81.83 Civil money penalties.
- 81.84 Hearings.
- 81.85 Public disclosure of final orders and agreements.
- 81.86 Enforcement and jurisdiction.
- 81.87 Judicial review.

Subpart H—Book-Entry Procedures

- Sec.
- 81.91 Definitions.
- 81.92 Authority of Reserve Bank.
- 81.93 Scope and effect of book-entry procedure.
- 81.94 Transfer or pledge.
- 81.95 Withdrawal of Fannie Mae securities.
- 81.96 Delivery of Fannie Mae securities.
- 81.97 Registered bonds and notes.
- 81.98 Servicing book-entry Fannie Mae securities; payment of interest; payment at maturity or upon call.
- 81.99 Treasury Department regulations; applicability to Fannie Mae.

Subpart I—Other Provisions

- Sec.
 - 81.101 Equal employment opportunity.
 - 81.102 Independent verification authority.
- Authority: 12 U.S.C. 1451 *et seq.*, 1716–1723h, and 4501–4641; 42 U.S.C. 3535(d) and 3601–3619.

Subpart A—General

§ 81.1 Scope of part.

(a) *Authority.* The Secretary has general regulatory power respecting the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac") (referred to collectively as Government-sponsored enterprises ("GSEs")) and is required to make such rules and regulations as are necessary and proper to ensure that the provisions of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 ("FHEFSSA"), codified generally at 12 U.S.C. 4501–4641; the Fannie Mae Charter Act, 12 U.S.C. 1716–1723h; and

the Freddie Mac Act, 12 U.S.C. 1451–59, are accomplished.

(b) *Relation between this part and the authorities of OFHEO.* The Director of the Office of Federal Housing Enterprise Oversight ("OFHEO") will issue separate regulations implementing the Director's authority respecting the GSEs. In this part, OFHEO and the Director are only referenced when the Director's responsibilities are connected with the Secretary's responsibilities.

§ 81.2 Definitions.

(a) *Statutory terms.* All terms defined in FHEFSSA (12 U.S.C. 4502) are used in accordance with their statutory meaning unless otherwise defined in paragraph (b) of this section.

(b) *Other terms.* As used in this part, the term—

AHAR means the Annual Housing Activities Report that a GSE submits to the Secretary under sections 309(n) of the Fannie Mae Charter Act or 307(f) of the Freddie Mac Act.

AHAR information means data or information contained in the AHAR.

AHS means the American Housing Survey published by HUD and the Department of Commerce.

Balloon mortgage means a mortgage providing for payments at regular intervals, with a final payment ("balloon payment") that is at least 5 percent more than the periodic payments. The periodic payments may cover some or all of the periodic principal or interest. Typically, the periodic payments are level monthly payments that would fully amortize the mortgage over a stated term and the balloon payment is a single payment due after a specified period (but before the mortgage would fully amortize) and pays off or satisfies the outstanding balance of the mortgage.

Central city means the underserved areas located in any political subdivision designated as a central city by the Office of Management and Budget of the Executive Office of the President.

Charter Act means the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 *et seq.*) or the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 *et seq.*).

Contract rent means the total rent that is, or is anticipated to be, specified in the rental contract as payable by the tenant to the owner for rental of a dwelling unit, including fees or charges for management and maintenance services and those utility charges that are included in the rental contract. In determining contract rent, rent concessions shall not be considered, *i.e.*, contract rent is not decreased by any