

**§ 203.680**

(b) HUD will notify the occupant to vacate the property and, if necessary, will take appropriate eviction action in any of the following situations:

(1) Failure of the occupant to execute the lease required by §203.674 (a)(2) and (b)(2), or failure to pay the rental amount required, including the initial payment at the time of execution of the lease, or to comply with the terms of the lease;

(2) Failure of the occupant to allow access to the property upon request in accordance with §203.674 (a)(4) and (b)(5);

(3) Necessity to prepare the property for sale; or

(4) Assignment of the property by the Secretary to a different use or program.

[53 FR 876, Jan. 14, 1988, and 53 FR 8626, Mar. 16, 1988; 61 FR 36266, July 9, 1996]

**§ 203.680 Approval of occupancy after conveyance.**

When an occupied property is conveyed to HUD before HUD has had an opportunity to consider continued occupancy (e.g., where HUD has taken more than 90 days to make a final decision on continued occupancy in accordance with §203.670(c)), a determination regarding continued occupancy will be made in accordance with the conditions for the initial approval of occupied conveyance. Any such determination shall be in accordance with HUD's obligations under the terms of any month-to-month lease that has been executed.

[53 FR 876, Jan. 14, 1988, and 53 FR 8626, Mar. 16, 1988]

**§ 203.681 Authority of HUD Field Office Managers.**

Field Office Managers shall act for the Secretary in all matters relating to assignment and occupied conveyance determinations. The decision of the Field Office Manager under §203.677 will be final and not be subject to further administrative review.

[53 FR 876, Jan. 14, 1988, and 53 FR 8626, Mar. 16, 1988]

**24 CFR Ch. II (4-1-04 Edition)**

**PART 204—COINSURANCE**

AUTHORITY: 12 U.S.C. 1715z-9; 42 U.S.C. 3535(d).

**§ 204.1 Termination of program.**

Effective December 29, 1994, of final rule the authority to coinsure mortgages under this part is terminated, except that the Department will honor legally binding and validly issued borrower approvals issued by lenders before the termination date. This part 204, as it existed immediately before the termination date, will continue to govern the rights and obligations of co-insured lenders, mortgagors, and the Department of Housing and Urban Development with respect to loans co-insured under this part.

[59 FR 39957, Aug. 5, 1994]

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SOURCE: 54 FR 24833, June 9, 1989, unless otherwise noted.

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AUTHORITY: 12 U.S.C. 1715b, 1715z-1720; 42 U.S.C. 3535(d).

**Subpart A—General**

**§ 206.1 Purpose.**

The purposes of the Home Equity Conversion Mortgage Insurance program are set out in section 255(a) of the National Housing Act, Public Law 73-479, 48 STAT. 1246 (12 U.S.C. 1715z-20) (“NHA”).

[61 FR 49032, Sept. 17, 1996]

**§ 206.3 Definitions.**

As used in this part, the following terms shall have the meaning indicated.

*Contract of insurance.* (See 24 CFR 203.251(j)).

*Day* means calendar day, except where the term *business day* is used.

*Estate planning service firm* means an individual or entity that is not a mortgagee approved under part 202 of this chapter or a housing counseling agency approved under §206.41 and that charges a fee that is:

(1) Contingent on the homeowner obtaining a mortgage loan under this part, except the origination fee authorized by §206.31 or a fee specifically authorized by the Secretary; or

(2) For information that homeowners must receive under §206.41, except a fee by:

(i) A housing counseling agency approved under §206.41; or

(ii) An individual or company, such as an attorney or accountant, in the *bona fide* business of generally providing tax or other legal or financial advice; or

(3) For other services that the provider of the services represents are, in whole or in part, for the purpose of improving an elderly homeowner’s access to mortgages covered by this part, except where the fee is for services specifically authorized by the Secretary.

*Expected average mortgage interest rate* means the mortgage interest rate used to calculate future payments to the mortgagor and is established when the mortgage interest rate is established. For fixed rate mortgages, it is the fixed mortgage interest rate. For adjustable rate mortgages, it is the sum of the mortgagee’s margin plus the weekly