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DIVISION 31. HOUSING AND HOME FINANCE [50000 - 54913] (*Division 31 repealed and added by Stats. 1977, Ch. 610.*)

PART 3. CALIFORNIA HOUSING FINANCE AGENCY [50900 - 51532] (*Heading of Part 3 amended (as amended by Stats. 1994, Ch. 94) by Stats. 2000, Ch. 471, Sec. 17.5.*)

CHAPTER 5. Financing of Housing Developments and Residential Structures [51100 - 51252] (*Heading of Chapter 5 amended by Stats. 2000, Ch. 471, Sec. 21.*)

ARTICLE 2. Loans Through Intermediary Lenders and Mortgage Purchase and Sale [51125 - 51128] (*Article 2 added by Stats. 1977, Ch. 610.*)

51125. The agency may invest in, purchase, or make commitments to purchase, and take assignments from qualified mortgage lenders of, construction loans, mortgage loans, property improvement loans, obligations secured by construction loans, mortgage loans, property improvement loans and participations therein for financing or refinancing of housing developments and residential structures.

The agency may also invest in, purchase, or make commitments to purchase, and take assignments from qualified mortgage lenders of, loans for rehabilitation or home improvements not secured by a mortgage but wholly or partially insured by an agency or instrumentality of the United States, or participation in such loans.

Such construction loans, mortgage loans, property improvement loans, obligations secured by construction loans, property improvement loans or mortgage loans, rehabilitation and home improvement loans, or participations therein may be held or sold by the agency, or the agency may create pools of such loans, obligations, and participations held by the agency and may sell securities backed by such pools.

(Amended by Stats. 1981, Ch. 1031.)

51126. The agency may invest in, purchase, or make commitments to purchase any residential mortgage or any obligation secured by a residential mortgage or participation therein, and sell such obligations, residential mortgages, or participations or create pools of such obligations, residential mortgages, or participations held by the agency and issue and sell securities backed by such pools. The agency shall require the seller of such obligations, residential mortgages, or participations purchased by the agency to use the proceeds for the purpose of financing housing developments and residential structures.

(Amended by Stats. 1981, Ch. 1031.)

51127. The agency may insure or guarantee any obligation held by the agency and secured by a mortgage on a housing development or residential structure for the purpose of increasing its acceptability or value for sale or as security for other obligations. The agency may also insure or guarantee any loan, or participation in a loan, for rehabilitation or home improvement which is insured by an agency or instrumentality of the United States and which is held by the agency. Nothing in this section shall, however, be construed as authorizing the creation of a debt or liability of the state within the meaning of Section 1 of Article XVI of the State Constitution.

(Amended by Stats. 1987, Ch. 1034, Sec. 35.)

51128. Sales of mortgage obligations and securities pursuant to this article may be made at public or private sale, with or without public bidding, whether directly or through a contract with a private marketing intermediary.

(Added by Stats. 1977, Ch. 610.)