Amendment to Rules Commitee Print 118-8 Offered by M_.

Page 5, after line 9, insert the following:

1SEC. 6. ELIMINATION OF LOAN LEVEL PRICE ADJUST-2MENTS FOR MORTGAGES FOR FIRST-TIME,3FIRST-GENERATION HOMEBUYERS.

4 Subpart A of part 2 of subtitle A of the Federal
5 Housing Enterprises Financial Safety and Soundness Act
6 of 1992 (12 U.S.C. 4541 et seq.) is amended by adding
7 at the end the following new section:

8 "SEC. 1329. PROHIBITION OF LOAN LEVEL PRICE ADJUST-

9 MENTS FOR MORTGAGES FOR FIRST-TIME,
10 FIRST-GENERATION HOMEBUYERS.

11 "(a) PROHIBITION.—The Director of the Federal 12 Housing Finance Agency shall prohibit the Federal Na-13 tional Mortgage Association and the Federal Home Loan 14 Mortgage Corporation from applying up-front fees based 15 on the characteristics of an individual mortgage to mort-16 gages on single-family residences that—

"(1) are purchased or delivered on or after the
date of enactment of this Act or delivered into mortgage backed securities with issue dates on or after
the date of enactment of this Act; and

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1	"(2) are made to a mortgagor who is a first-
2	time, first-generation homebuyer whose household
3	income does not exceed—
4	"(A) except as provided in subparagraph
5	(B), 120 percent of median income for the area
6	(as determined by the Secretary) within
7	which—
8	"(i) the residence subject to such
9	mortgage is located; or
10	"(ii) the place of residence of the
11	homebuyer is located; or
12	"(B) in the case of a homebuyer acquiring
13	an eligible home that is located in a high-cost
14	area. as determined by the Director, 140 per-
15	cent of the median income for the area within
16	which the eligible home to be acquired using
17	such assistance is located.
18	"(b) DEFINITIONS.—For purposes of this section, the
19	following definitions shall apply:
20	"(1) FIRST-GENERATION HOMEBUYER.—The
21	term 'first-generation homebuyer' means a home-
22	buyer who, as self-attested by the homebuyer, is—
23	"(A) an individual—
24	(((:)
∠ +	"(i) whose parents or legal guardians

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death, to the best of the individual's knowl edge, have any present ownership interest
 in a residence in any State, excluding own ership of heir property or ownership of
 chattel; and

6 "(ii) whose spouse or domestic part-7 ner has not, during the 3-year period end-8 ing upon acquisition of the residence to be 9 acquired with such mortgage, had any 10 present ownership interest in a residence 11 in any State, excluding ownership of heir 12 property or ownership of chattel, whether 13 the individual is a co-borrower on the loan 14 or not; or

15 "(B) an individual who has at any time 16 been placed in foster care or institutional care 17 whose spouse or domestic partner has not, dur-18 ing the 3-year period ending upon acquisition of 19 the residence to be acquired with such mort-20 gage, had any ownership interest in a residence 21 in any State, excluding ownership of heir prop-22 erty or ownership of chattel, whether such indi-23 viduals are co-borrowers on the loan or not.

24 "(2) FIRST-TIME HOMEBUYER.—The term
25 "first-time homebuyer' means a homebuyer who, as

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1	self-attested by the homebuyer, is a first-time home-
2	buyer, as such term is defined in section 104 of the
3	Cranston Gonzalez National Affordable Housing Act
4	(42 U.S.C. 12704), except that for the purposes of
5	this section the reference in such section 104 to title
6	II shall be considered to refer to this section, and
7	except that ownership of heir property shall not be
8	treated as owning a home for purposes of deter-
9	mining whether a borrower qualifies as a first-time
10	homebuyer.
11	"(3) Heir property.—The term 'heir prop-
12	erty' means residential property for which title
13	passed by operation of law through intestacy and is
14	held by two or more heirs as tenants in common.
15	"(4) Ownership interest.—The term 'owner-
16	ship interest' means any ownership, excluding any
17	interest in heir property, in—
18	"(A) real estate in fee simple;
19	"(B) a leasehold on real estate under a
20	lease for not less than ninety-nine years which
21	is renewable; or
22	"(C) a fee interest in, or long-term lease-
23	hold interest in, real estate consisting of a one-
24	family unit in a multifamily project, including a
25	project in which the dwelling units are attached,

or are manufactured housing units, semi-de tached, or detached, and an undivided interest
 in the common areas and facilities which serve
 the project.".

Page 5, line 10, strike "SEC. 6" and insert "SEC. 7".

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