[Title 24 CFR ]

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PART 203\_SINGLE FAMILY MORTGAGE INSURANCE

Sale, Assignment and Pledge of Insured Mortgage

203.430 Sale of interests in insured mortgages.

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Sec. 203.433 Assignments, pledges and transfers by approved mortgagee.

 (a) An assignment, pledge, or transfer of an insured mortgage or

group of insured mortgages, not constituting a final sale, may be made

by an approved mortgagee to another approved mortgagee provided the

following requirements are met:

 (1) The assignor, pledgor or transferor shall remain the mortgagee

of record.

 (2) The Commissioner shall have no obligation to recognize or deal

with any party other than the mortgagee of record with respect to the

rights, benefits and obligations of the mortgagee under the contract of

insurance.

 (b) An assignment or transfer of an insured mortgage or group of

insured mortgages may be made by an approved mortgagee to other than an

approved mortgagee provided the requirements under paragraphs (a)(1) and

(2) of this section are met and the following additional requirements

are met:

 (1) The assignee or transferee shall be a corporation, trust or

organization (including but not limited to any pension trust or profit-

sharing plan) which certifies to the approved mortgagee that:

 (i) It has assets of $100,000 or more; and

 (ii) It has lawful authority to hold an insured mortgage or group of

insured mortgages.

 (2) The assignment or transfer shall be made pursuant to an

agreement under which the transferor or assignor is obligated to take

one of the following alternate courses of action within 1 year from the

date of the assignment or within such additional period of time as may

be approved by the Commissioner:

 (i) The transferor or assignor shall repurchase and accept a

reassignment of such mortgage or group of mortgages.

 (ii) The transferor or assignor shall obtain a sale and transfer of

such mortgage or group of mortgages to an approved mortgagee.

 (c) Notice to or approval of the Commissioner is not required in

connection with assignments, pledges or transfers pursuant to this

section.

Sec. 203.434 Declaration of trust.

 A sale of a beneficial interest in a group of insured mortgages,

where the interest to be acquired is related to all of the mortgages as

an entirety, rather than an interest in a specific mortgage shall be

made only pursuant to a declaration of trust, which has been approved by

the Commissioner prior to any such sale.