

Enrolled
House Bill 4025

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Veterans' Services and Emergency Preparedness)

CHAPTER

AN ACT

Relating to loans from the Department of Veterans' Affairs; amending ORS 407.205; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 407.205 is amended to read:

407.205. (1) Applications for loans for acquisition of a home or farm under this chapter shall be made to the Department of Veterans' Affairs. *[Loans]* **A loan made under this section**, exclusive of funds disbursed under ORS 407.145 (2) and 407.275 (4), may not exceed the maximum original principal balance permitted on a single-family first mortgage loan by the Federal National Mortgage Association, as published in its announcements and subsequently included in its Selling Guide, at a rate of interest provided by ORS 407.325. An eligible individual may not receive or, under ORS 407.305, assume more than four loans under this chapter. An applicant may not borrow more than the maximum amount allowed **for a loan** under this section, except that when a loan is made on property that is destroyed by fire or other natural hazard, taken through condemnation or lost or disposed of for a compelling reason devoid of fault on the part of the applicant and when the loan is repaid or the property is transferred by deed or otherwise, the loan may be excluded from consideration in computing the maximum loan **amount** allowable. However, the loan right provided in this section may be restored not more than once while an unrepaid balance remains on a previous loan granted to the applicant.

(2) For the purposes of this section, an applicant owns a home when the applicant has fee simple title to the home or is the purchaser of the home under a contract of sale or other instrument of sale. Earnest money or preliminary sales agreements, options or rights of first refusal are not contracts or instruments of sale under this subsection.

(3) As used in this section, "home" includes mobile homes and houseboats.

SECTION 2. This 2014 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect on its passage.

Passed by House February 13, 2014

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Ramona J. Line, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate February 24, 2014

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Peter Courtney, President of Senate

Received by Governor:

.....M,....., 2014

Approved:

.....M,....., 2014

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M,....., 2014

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Kate Brown, Secretary of State