

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-1

§ 42-55-1. Short title

[Currentness](#)

This chapter shall be known and may be cited as the “Rhode Island Housing and Mortgage Finance Corporation Act”.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1986, ch. 198, § 36.

Gen. Laws, 1956, § 42-55-1, RI ST § 42-55-1

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-2

§ 42-55-2. Legislative findings

Currentness

(a) It is hereby found and declared as follows: there exists a serious shortage of safe and sanitary residential housing and shelter in the state available to and affordable by persons and families of low and moderate income, the elderly and workers, and their families; this condition is conducive to disease, crime, environmental decline, and poverty, and impairs the economic development of the state and communities and the economic value of large areas, which are characterized by depreciated value, impaired investments, and reduced capacity to pay taxes and is a menace to the health, safety, morals, and welfare of the citizens of the state; this condition results in a loss of population and further deterioration accompanied by added costs to communities in the creation of new public facilities and services elsewhere; it is difficult and uneconomical for individual owners independently to remedy this condition; it is desirable to encourage joint efforts to clear, re-plan, rehabilitate, and reconstruct these areas; it is necessary to create inducements and opportunities for private and public investment in these activities in these areas with appropriate planning, land use, and construction policies; it is also necessary to assist owners of residential housing to retain and operate these units; these activities on a large scale are necessary for the public welfare and are public uses and purposes for which private property may be acquired; one major cause of this condition has been recurrent shortages of funds from private sources; these shortages have contributed to reductions in construction of new residential units, have resulted in the sale of existing housing owned by persons and families of low and moderate income, and have made the purchase of existing residential units a virtual impossibility in certain parts of the state; hospital and other healthcare services provided at reasonable cost are of vital concern to the health, safety, and welfare of the people of the state, and existing hospitals and other healthcare facilities are no longer adequate to meet the needs of modern medical care; the ordinary operations of private enterprise have not in the past corrected these conditions; the reduction in residential and healthcare facility construction has caused substantial unemployment and under-employment in the construction industry which results in hardships, wastes human resources, increases the public assistance burdens of the state, impairs the security of family life, impedes the economic and physical development of the state, and adversely affects the welfare, health, and prosperity of all the people of the state; a stable supply of adequate funds for residential and healthcare facility financing is required to encourage new housing and healthcare facilities in an orderly and sustained manner and thereby reduce these results; it is necessary to create a state housing and mortgage finance corporation to encourage the investment of private capital and stimulate and assist in the construction, rehabilitation, operation, retention, and maintenance of residential housing and healthcare facilities through the use of public financing, to provide construction and mortgage loans, to make grants to shelters for the homeless, and to make provision for the purchase of mortgage loans and otherwise; it is further necessary that the corporation be provided with the power to acquire and operate housing projects on an individual or partnership basis in order to meet the housing demands of the state; and all of the foregoing are public purposes and uses for which public moneys may be borrowed, expended, advanced, loaned, or granted.

(b) It is further found and declared as follows: Rhode Island has distinctive historical development patterns and natural systems, which are critical to public health, welfare, community and neighborhood identity and functionality, and quality of life, and which merit preservation, protection, and enhancement; state and local government have planning and regulatory processes that have as their purposes the accomplishment of this preservation, protection, and enhancement; it is necessary that the corporation exercise its powers and administer its programs and responsibilities in a manner that is consistent with and advances the purposes of duly adopted state plans, including specifically the state guide plan, adopted pursuant to § 42-11-10, and with

local comprehensive plans, prepared and adopted pursuant to chapter 22.2 of title 45, that have been approved as consistent with the state guide plan.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1982, ch. 295, § 1; P.L. 1987, ch. 287, § 1; [P.L. 2004, ch. 286, § 2](#); [P.L. 2004, ch. 324, § 2](#).

Gen. Laws, 1956, § 42-55-2, RI ST § 42-55-2

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-3

§ 42-55-3. Definitions

Currentness

The following words and terms, unless the context clearly indicates a different meaning, shall have the following meanings:

- (1) “Bonds, notes, and other obligations” or “bonds, bond anticipation notes, or other obligations” means any bonds, notes, debentures, interim certificates, or other evidences of financial indebtedness issued by the corporation pursuant to this chapter.
- (2) “Corporation” means the Rhode Island housing and mortgage finance corporation created by this chapter.
- (3) “Earned surplus” shall have the same meaning as in generally accepted accounting standards.
- (4) “Energy saving improvements” means improvements for the purpose of promoting energy savings or efficiency in residential housing and shall include, but not be limited to, the installation or upgrading of ceiling, wall, floor, and duct insulation, storm windows and doors, caulking and weather stripping, solar, passive or other alternative energy sources, hot water heaters, heating or cooling systems, and any other improvements of a similar nature as may from time to time be determined by the corporation.
- (5) “Federally insured mortgage” means a mortgage loan for land development or residential housing or healthcare facilities insured or guaranteed by the United States or a governmental agency or instrumentality of the United States, or a commitment by the United States or a governmental agency or instrumentality of the United States to insure that mortgage.
- (6) “Federal mortgage” means a mortgage loan for land development or residential housing or healthcare facility made by the United States or a governmental agency or instrumentality of the United States or for which there is a commitment by the United States or a governmental agency or instrumentality of the United States to make that mortgage loan.
- (7) “Governmental agency” or “instrumentality” means any department, division, public corporation, public agency, political subdivision, or other public instrumentality of the state, the federal government, any other state or public agency, or any two (2) or more of these.
- (8) “Healthcare facilities” means real property (or a lease of the fee of real property) located in the state and improved by buildings, structures, or other improvements, including fixtures and equipment, constituting a facility providing services by or under the supervision of a physician or, in the case of a dental clinic or dental dispensary, of a dentist, for the prevention, diagnosis, or treatment of a human disease, pain, injury, deformity, or physical condition or constituting a facility providing to occupants nursing care to sick, invalid, infirm, disabled, or convalescent persons in addition to lodging and board or health-

related service or providing nursing care and health-related service to persons who are not occupants of the facilities, or unimproved if the proceeds of an eligible mortgage shall be used for the purpose of erecting these buildings, structures, or other improvements.

(9) “Housing development” or “housing project” means any work or undertaking, whether new construction or rehabilitation, constituting a single family or multi-family residence including without limitation mobile homes and shelters, which are designed and financed pursuant to the provisions of this chapter for the primary purpose of providing sanitary, decent, and safe dwelling accommodations for persons and families of low or moderate income in need of housing; this undertaking may include any buildings, land, equipment, facilities, or other real or personal properties which are necessary, convenient, or desirable in connection therewith, including, but not limited to, streets, sewers, utilities, parks, site preparation, landscaping, and those stores, offices, and other non-housing facilities such as administrative, community, health, recreational, educational, commercial, and welfare facilities that the corporation determines to be necessary, convenient, or desirable.

(10) “Housing development costs” means the sum total of all costs incurred in the development of a housing development or housing project, which are approved by the corporation as reasonable and necessary, which costs shall include, but are not necessarily limited to:

(i) Cost of land acquisition and any buildings thereon, including payments for options, deposits, or contracts to purchase properties on the proposed housing project or housing development site or payments for the purchase of the properties;

(ii) Cost of site preparation, demolition, and clearing;

(iii) Architectural, engineering, legal, accounting, corporation, and other fees paid or payable in connection with the planning, execution, and financing of the housing development and for finding an eligible mortgagee or mortgagees for the housing development;

(iv) Cost of necessary studies, surveys, plans, and permits;

(v) Insurance, interest, financing, tax and assessment costs, and other operating and carrying costs during construction;

(vi) Cost of construction, rehabilitation, reconstruction, fixtures, furnishings, equipment, machinery, apparatus, and similar facilities related to the real property;

(vii) Cost of land improvements, including without limitation, landscaping and off-site improvements, whether or not these costs have been paid for in cash or in a form other than cash;

(viii) Necessary expenses in connection with initial occupancy of the housing development or housing project;

(ix) A reasonable profit and risk fee in addition to job overhead to the general contractor and, if applicable, a limited profit housing sponsor;

- (x) An allowance established by the corporation for working capital and contingency reserves, and reserves for any anticipated operating deficits during construction and for the first two (2) years of occupancy; and
- (xi) The cost of any other items, including tenant relocation, that the corporation shall determine to be reasonable and necessary for the development of the housing development, less any and all net rents and other net revenues received from the operation of the real and personal property on the development site during construction.
- (11) “Housing sponsor,” “healthcare sponsor” or “sponsor” means individuals, joint ventures, partnerships, limited partnerships, trusts, firms, associations, or other legal entities or any combination thereof, corporations, cooperatives, and condominiums, approved by the corporation as qualified either to own, construct, acquire, rehabilitate, operate, manage, or maintain a housing development, housing project or residential housing or healthcare facilities whether for profit, nonprofit, or organized for limited profit subject to the regulatory powers of the corporation and other terms and conditions set forth in this chapter.
- (12) “Land development” means the process of acquiring land primarily for residential housing construction for persons and families of low and moderate income, or for construction of healthcare facilities, and making, installing, or constructing nonresidential housing or healthcare facility improvements, including water, sewer, and other utilities, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or works, whether on or off the site, which the corporation deems necessary or desirable to prepare the land primarily for residential housing or healthcare facility construction within the state.
- (13) “Mortgage” means a mortgage deed, deed of trust, security agreement or other instrument which shall constitute a lien on real property in fee simple or on a leasehold under a lease having a remaining term, at the time the mortgage is acquired, which does not expire for at least that number of years beyond the maturity date of the obligation secured by the mortgage as is equal to the number of years remaining until the maturity date of the obligation and on related personal property constituting the housing development, housing project, or residential housing.
- (14) “Mortgage lender” means any bank or trust company, federal national mortgage association approved mortgage banker, savings bank, savings and loan association, industrial bank, credit union, national banking association, federal savings and loan association, or federal credit union, or other financial institutions or governmental agencies which are eligible to provide service or otherwise aid in the financing of mortgages on single family residential housing or multifamily residential housing or healthcare facilities located in the state.
- (15) “Mortgage loan” means an interest-bearing obligation secured by a mortgage on land and improvements in the state constituting a housing development or housing project or healthcare facility or residential housing.
- (16) “Multi-family residential housing” means residential housing consisting of five (5) or more family units.
- (17) “Municipality” means any city, town, or other political subdivision of the state.
- (18) “Persons and families of low and moderate income” means persons and families irrespective of race, creed, national origin, or sex deemed by the corporation to require any assistance made available by this chapter on account of insufficient personal or family income, taking into consideration, without limitation, such factors as:

- (i) The amount of the total income of those persons and families available for housing needs;
 - (ii) The size of the family;
 - (iii) The cost and condition of housing facilities available;
 - (iv) The eligibility of those persons and families for federal housing assistance of any type predicated upon a low income basis or upon the basis of the age of the persons;
 - (v) The ability of those persons and families to compete successfully in the normal housing market and to pay the amounts at which private enterprise is providing decent, safe, and sanitary housing, and deemed by the corporation to be eligible to occupy residential housing constructed and financed, wholly or in part, with insured construction loans or insured mortgages, or with other public or private assistance.
- (19) “Real property” means all lands including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest, and right, legal or equitable, therein, including terms of years and liens by way of judgment, mortgage, or otherwise and the indebtedness secured by those liens.
- (20) “Residential housing” means:
- (i) A specific work or improvement within this state whether in single family or multi-family units undertaken primarily to provide dwelling accommodations for persons and families of low and moderate income and for the elderly, including the acquisition, construction, or rehabilitation of land, buildings, and improvements thereto, and other non-housing facilities incidental or appurtenant thereto; and
 - (ii) Existing housing owned and occupied by, and shelters for, persons or families of low or moderate income or the elderly.
- (21) “Shelter” means an entity or organization located in the state which provides on-site temporary residential shelter to homeless, abused, battered, or neglected individuals and/or families, and which receives a portion of its operating funds from the state.
- (22) “Single family residential housing” means residential housing consisting of four (4) or fewer family units.
- (23) “State” means the state of Rhode Island.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1975, ch. 128, § 1; P.L. 1977, ch. 195, § 1; P.L. 1980, ch. 167, § 1; P.L. 1982, ch. 295, § 2; P.L. 1986, ch. 198, § 36; P.L. 1987, ch. 287, § 1; P.L. 1988, ch. 617, § 2.

Gen. Laws, 1956, § 42-55-3, RI ST § 42-55-3

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-4

§ 42-55-4. Creation of corporation--Composition--Personnel--Compensation

Currentness

(a) There is authorized the creation and establishment of a public corporation of the state, having a distinct legal existence from the state and not constituting a department of the state government, with the politic and corporate powers as are set forth in this chapter to be known as the "Rhode Island housing and mortgage finance corporation" to carry out the provisions of this chapter. The corporation is constituted a public instrumentality exercising public and essential governmental functions, and the exercise by the corporation of the powers conferred by this chapter shall be deemed and held to be the performance of an essential governmental function of the state. It is the intent of the general assembly by the passage of this chapter to authorize the incorporation of a public corporation and instrumentality and agency of the state for the purpose of carrying on the activities authorized by this chapter, and to vest the corporation with all of the powers, authority, rights, privileges, and titles that may be necessary to enable it to accomplish these purposes. This chapter shall be liberally construed in conformity with the purpose expressed.

(b) The powers of the corporation shall be vested in seven (7) commissioners consisting of the director of administration, or the director's designee; the general treasurer, or the general treasurer's designee; the director of business regulation, or the director's designee; and four (4) members to be appointed by the governor with the advice and consent of the senate who shall among them be experienced in all aspects of housing design, development, finance, management, and state and municipal finance. On or before July 1, 1973, the governor shall appoint one member to serve until the first day of July, 1974, and until his or her successor is appointed and qualified, one member to serve until the first day of July, 1975, and until his or her successor is appointed and qualified, one member to serve until the first day of July, 1976, and until his or her successor is appointed and qualified, one member to serve until the first day of July, 1977, and until his or her successor is appointed and qualified. During the month of June, 1974, and during the month of June annually thereafter, the governor shall appoint a member to succeed the member whose term will then next expire to serve for a term of four (4) years commencing on the first day of July then next following and until his or her successor is appointed and qualified. A vacancy in the office of a commissioner, other than by expiration, shall be filled in like manner as an original appointment, but only for the unexpired portion of the term. If a vacancy occurs when the senate is not in session, the governor shall appoint a person to fill the vacancy, but only until the senate shall next convene and give its advice and consent to a new appointment. A member shall be eligible to succeed him or herself. The governor shall designate a member of the corporation to serve as chairperson. Any member of the corporation may be removed by the governor for misfeasance, malfeasance, or willful neglect of duty.

(c) The commissioners shall elect from among their number a vice-chairperson annually and those other officers as they may determine. Meetings shall be held at the call of the chairperson or whenever two (2) commissioners so request. Four (4) commissioners of the corporation shall constitute a quorum and any action taken by the corporation under the provisions of this chapter may be authorized by resolution approved by a majority but not less than three (3) of the commissioners present at any regular or special meeting. No vacancy in the membership of the corporation shall impair the right of a quorum to exercise all of the rights and perform all of the duties of the corporation.

(d) Commissioners shall receive no compensation for the performance of their duties, but each commissioner shall be reimbursed for the commissioner's reasonable expenses incurred in carrying out the commissioner's duties under this chapter.

(e) Notwithstanding the provisions of any other law, no officer or employee of the state shall be deemed to have forfeited or shall forfeit his or her office or employment by reason of his or her acceptance of membership of the corporation or his or her service to the corporation.

(f) The commissioners shall employ an executive director who shall also be the secretary and who shall administer, manage, and direct the affairs and business of the corporation, subject to the policies, control, and direction of the commissioners. The commissioners may employ technical experts and other officers, agents, and employees, permanent and temporary, and fix their qualifications, duties, and compensation. These employed persons shall not be subject to the provisions of the classified service. The commissioners may delegate to one or more of their agents or employees those administrative duties they may deem proper.

(g) The secretary shall keep a record of the proceedings of the corporation and shall be custodian of all books, documents, and papers filed with the corporation and of its minute book and seal. The secretary, or the secretary's designee, or the designee of the board of commissioners, shall have authority to cause to be made copies of all minutes and other records and documents of the corporation and to give certificates under the seal of the corporation to the effect that the copies are true copies and all persons dealing with the corporation may rely upon the certificates.

(h) Before entering into his or her duties, each commissioner of the corporation shall execute a surety bond in the penal sum of fifty thousand dollars (\$50,000) and the executive director shall execute a surety bond in the penal sum of one hundred thousand dollars (\$100,000) or, in lieu of this, the chairperson of the corporation shall execute a blanket bond covering each commissioner, the executive director and the employees or other officers of the corporation, each surety bond to be conditioned upon the faithful performance of the duties of the office or offices covered, to be executed by a surety company authorized to transact business in this state as surety and to be approved by the attorney general and filed in the office of the secretary of state. The cost of each bond shall be paid by the corporation.

(i) Notwithstanding any other law to the contrary, it shall not be or constitute a conflict of interest for a director, officer, or employee of any financial institution, investment banking firm, brokerage firm, commercial bank or trust company, architecture firm, insurance company, or any other firm, person, or corporation to serve as a member of the corporation. If any commissioner, officer, or employee of the corporation shall be interested either directly or indirectly, or shall be a director, officer, or employee of or have an ownership interest in any firm or corporation interested directly or indirectly in any contract with the corporation, including any loan to any housing sponsor or healthcare sponsor, that interest shall be disclosed to the corporation and shall be set forth in the minutes of the corporation and the commissioner, officer, or employee having an interest therein shall not participate on behalf of the corporation in the authorization of this contract.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1985, ch. 181, art. 61, § 15; P.L. 1986, ch. 198, § 36; P.L. 1986, ch. 461, § 1; P.L. 1987, ch. 287, § 1.

Gen. Laws, 1956, § 42-55-4, RI ST § 42-55-4

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-5

§ 42-55-5. General powers

Currentness

The corporation shall have all of the powers necessary and convenient to carry out and effectuate the purposes and provisions of this chapter; including, but without limiting the generality of the foregoing, the power to:

- (1) Sue and be sued in its own name;
- (2) Have an official seal and alter it at pleasure;
- (3) Have perpetual succession;
- (4) Maintain an office in the city of Providence or at any other place or places within this state as it may designate;
- (5) Adopt and from time to time amend and repeal bylaws, rules, and regulations, not inconsistent with this chapter, to carry into effect the powers and purposes of the corporation and the conduct of its business, and such bylaws, rules, and regulations may contain provisions indemnifying any person who is or was a commissioner, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a commissioner, director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, in the manner and to the extent provided in [§ 7-1.2-814](#);
- (6) Make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this chapter;
- (7) Acquire real or personal property, or any interest therein, on either a temporary or long term basis in its own name by gift, purchase, transfer, foreclosure, lease, or otherwise, including rights or easements in property; to hold, sell, assign, lease, encumber, mortgage, or otherwise dispose of any real or personal property or any interest therein; to hold, sell, assign, or otherwise dispose of any mortgage interest owned by it or under its control, custody or in its possession; and to release or relinquish any right, title, claim, lien, interest, easement, or demand, however acquired, including any equity or right of redemption in property foreclosed by it, and to do any of the foregoing by public or private sale, with or without public bidding, notwithstanding the provisions of any other law;
- (8) Enter into agreements or other transactions with and accept grants and the cooperation of the United States or any governmental agency or instrumentality thereof or of the state or any governmental agency or instrumentality thereof in furtherance of the purposes of this chapter, including, but not limited to, the development, maintenance, operation, and financing

of any housing development, housing project, or healthcare facility, and to do any and all things necessary in order to avail itself of such aid and cooperation;

(9) Make contracts with the state or any governmental agency thereof, municipalities, and counties of the state, the federal government, public corporations or bodies, and private corporations or individuals;

(10) Receive and accept aid or contributions from any source of money, property, labor, or other things of value, to be held, used, and applied to carry out the purposes of this chapter subject to the conditions upon which the grants and contributions may be made, including, but not limited to, gifts or grants from any governmental agency or instrumentality of the United States or this state for payment of rent supplements to eligible persons or families or for the payment in whole or in part of the interest expense for a housing development, housing project, or healthcare facility or for any other purpose consistent with this chapter;

(11) Provide, contract, or arrange for consolidated processing of any aspect of a housing development, housing project, or healthcare facility in order to avoid duplication thereof by either undertaking that processing in whole or in part on behalf of any governmental agency, or instrumentality of the United States or of this state, or, in the alternative, to delegate the processing in whole or in part to any governmental agency or instrumentality;

(12) Stimulate environmental planning for housing for persons of low and moderate income in order to enhance opportunities of those persons for self-development and employment;

(13) Employ architects, engineers, attorneys, accountants, housing construction and financial experts, and any other advisors, consultants, and agents that may be necessary in its judgment and to fix their compensation;

(14) Procure insurance against any loss in connection with its property and other assets, including mortgages and mortgage loans, in any amounts and from any insurers as it deems desirable;

(15) Subject to any agreement with bondholders or note holders, invest monies of the corporation not required for immediate use, including proceeds from the sale of any bonds or notes, in any securities, obligations, time or other deposit accounts as shall be permitted by law for investment or deposit of state funds by the general treasurer and in secured promissory notes held by municipal corporations which notes represent the borrowings by third parties of federal grants;

(16) Include in any borrowing any amount deemed necessary by the corporation to pay financing charges, interest on these obligations for any period the corporation shall permit, consultant, advisory and legal fees, and those other expenses that are necessary or incident to this borrowing;

(17) Subject to any agreements with bondholders or note holders, to purchase bonds or notes of the corporation out of any funds or money of the corporation available for this purpose, and to hold, cancel, or resell those bonds or notes;

(18) Make and publish rules and regulations respecting its lending programs and any other rules and regulations that are necessary to effectuate its corporate purposes;

(19) Make and execute contracts with mortgage bankers or other financial institutions in this state for the servicing of mortgages acquired by the corporation pursuant to this chapter, and pay the reasonable value of services rendered to the corporation pursuant to these contracts;

(20) Subject to any agreement with bondholders or note holders, renegotiate, refinance, or foreclose, or contract for the foreclosure of, any mortgage in default; waive any default or consent to the modification of the terms of any mortgage; commence any action to protect or enforce any right conferred upon it by any law, mortgage, contract, or other agreement, and bid for and purchase property at any foreclosure or at any other sale, or acquire or take possession of property; operate, manage, lease, dispose of, and otherwise deal with this property, in any manner necessary to protect the interest of the corporation and the holders of its bonds, notes, and other obligations;

(21) Borrow money and issue bonds and notes or other evidences of indebtedness;

(22) Subject to any agreement with bondholders or note holders, consent to any modification with respect to rate of interest, time, and payment of any installment of principal or interest security or any other term of any contract, mortgage, mortgage loan, mortgage loan commitment, contract, or agreement of any kind to which the corporation is a party;

(23) Procure or agree to the procurement of insurance or guarantees from the federal government or any governmental agency or instrumentality thereof, or from any private insurance company, of the payment of any bonds or notes or any other evidences of indebtedness issued by the corporation including the power to pay premiums on that insurance;

(24) Insure long-term mortgage loans made by mortgage lenders approved by the corporation to eligible housing sponsors as determined by the corporation. The corporation may establish any terms and conditions it deems necessary for the supervision of the holders of corporation insured loans and for its insurance program, including the maximum amount which may be insured, maximum interest rates, down payment requirements, refinancing terms, insurance premium requirements, and remedies on default or foreclosure;

(25) Make temporary loans, with or without interest, to eligible housing sponsors of single-family residential housing units to be owned and occupied by the sponsor to defray down payment costs and charges on mortgage loans purchased or made by the corporation;

(26) Make and undertake to make any and all contracts and agreements, including the payment of fees, with mortgage lenders in this state for assistance rendered to the corporation;

(27) Subject to any agreement with bondholders or note holders, to purchase and make commitments for the purchase of, to invest in, and dispose of securities or other obligations issued by mortgage lenders to finance residential housing for persons and families of low and moderate income, including, but not limited to, securities or other obligations payable from, backed by or otherwise evidencing an interest in mortgages securing mortgage loans to finance residential housing for persons and families of low and moderate income;

(28) To the extent permitted under its contract with the holders of bonds, bond anticipation notes and other obligations, enter into contracts with any mortgagor containing provisions enabling the mortgagor to reduce the rental or carrying charges to

families of persons unable to pay the regular schedule of charges for housing where, by reason of other income or payment from any department, agency, or instrumentality of the United States or this state, the reductions can be made without jeopardizing the economic stability of housing being financed;

(29) Establish any programs of compensation, including deferred compensation and retirement plans, as the commissioner may deem appropriate;

(30) Do any and all things necessary or convenient to carrying out its purposes and exercise the powers given and granted in this chapter;

(31) Issue assurances and guarantees and to secure them with any collateral that the corporation may deem appropriate;

(32) Notwithstanding any other law to the contrary, to make subsidies in furtherance of its corporate purposes, whether in the form of interest cost savings or otherwise, and to require a recipient thereof to repay all or any portion of that subsidy upon those terms and conditions that the corporation may establish;

(33) Establish an insurance fund and to insure therefrom, either alone or in conjunction with private enterprise, the state, the United States, or any governmental agency or instrumentality thereof, mortgage loans or participations whether or not made or acquired by the corporation;

(34) Establish an equal employment and affirmative action program applicable to direct and indirect recipients of funds of the corporation; and

(35) To administer and manage Section 8 tenant based certificate programs and Section 8 rental voucher programs in those municipalities that do not have a local housing authority and in those municipalities whose local housing authority elects to contract with Rhode Island housing mortgage and finance corporation.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1977, ch. 195, § 2; P.L. 1982, ch. 295, § 3; P.L. 1986, ch. 20, § 1; P.L. 1986, ch. 454, § 1; P.L. 1986, ch. 461, § 1; P.L. 1987, ch. 287, § 1; P.L. 1988, ch. 617, § 2; [P.L. 1998, ch. 31, art. 29, § 4](#); [P.L. 2005, ch. 36, § 26](#); [P.L. 2005, ch. 72, § 26](#).

Gen. Laws, 1956, § 42-55-5, RI ST § 42-55-5

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-5.1

§ 42-55-5.1. Subsidiary corporations

Currentness

(a) To further its purposes, the corporation shall have the power to form one or more subsidiary corporations under either § 7-1.2-101 et seq. or § 7-6-1 et seq. in accordance with the procedures therein contained. Each subsidiary corporation shall be governed by the section under which it is formed, provided that each shall be subject to the same restrictions and limitations as to its powers and purposes to which the corporation is subject under this chapter and shall be deemed a state agency only for the purposes of § 42-46-1 et seq. and § 38-2-1 et seq. The corporation may delegate any of its powers, obligations, and duties under this chapter to any subsidiary corporation by inclusion of its powers, obligations, and duties in the articles of incorporation of the subsidiary corporation. Subsidiary corporations so formed shall constitute legal entities separate and distinct from each other, the corporation, and the state. The corporation shall not be liable for the debts or obligations or for any actions or inactions of its subsidiary corporations unless the corporation expressly agrees otherwise in writing. The corporation may make loans or grants to a subsidiary corporation from time to time to enable the subsidiary corporation to carry out its purposes. The commissioners of the corporation shall constitute all of the directors of each subsidiary corporation.

(b) The state, any municipality or any state commission, public authority, agency, officer, department, board, or division authorized and empowered to enter into agreements with, to grant, convey, lease, or otherwise transfer any property to, or to otherwise transact business with the corporation, shall have the same authorization and power to engage in these activities with each subsidiary corporation of the corporation.

(c) Any subsidiary entity of the corporation whose principal purpose is the acquisition or betterment of real property is, subject to the period of limitations set forth in § 9-1-25, liable in actions of tort only to the extent that those actions do not arise from the performance of any functions found or deemed to be essential or discretionary governmental functions. Any recovery in an action or any recovery by any person in one or more of any actions against the subsidiary entity, its directors, employees, or agents shall not exceed one hundred thousand dollars (\$100,000) per plaintiff in the absence of fraud or willful misconduct. In the absence of fraud or willful misconduct, the directors are not personally liable to any party on account of any action (whether tort or otherwise) arising from or related to the manner or terms of the disposition of the subsidiary's assets, nor shall the manner or terms of the disposition constitute a defense to any obligation owed to the corporation.

Credits

P.L. 1988, ch. 617, § 3; P.L. 2005, ch. 36, § 26; P.L. 2005, ch. 72, § 26; P.L. 2023, ch. 79, art. 6, § 1, eff. June 16, 2023.

Gen. Laws, 1956, § 42-55-5.1, RI ST § 42-55-5.1

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-5.2

§ 42-55-5.2. Consistency with plans

[Currentness](#)

The corporation shall exercise its powers under this chapter in a manner that is consistent on a programmatic basis with the state guide plan, adopted pursuant to [§ 42-11-10](#) and with local comprehensive plans, prepared and adopted pursuant to chapter 22.2 of title 45, that have been approved as consistent with the state guide plan.

Credits

[P.L. 2004, ch. 286, § 3](#); [P.L. 2004, ch. 324, § 3](#).

Gen. Laws, 1956, § 42-55-5.2, RI ST § 42-55-5.2

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-5.3

§ 42-55-5.3. Letters of eligibility

Currentness

The corporation shall issue all letters of eligibility for low- and moderate-income housing for applications made pursuant to chapter 53 of title 45.

(a) Evaluation of requests for letters of eligibility:

(1) The corporation shall establish for each application:

(i) The name and address of the applicant;

(ii) The address of the site and site description;

(iii) The number and type (homeownership or rental) of housing units proposed;

(iv) The name of the housing program under which project eligibility is sought;

(v) Relevant details of the particular project if not mandated by the housing program (including percentage of units for low- or moderate-income households, income eligibility standards, the duration of restrictions requiring low- or moderate-income housing); and

(2) The corporation shall determine:

(i) That the proposed project appears generally eligible under the requirements of the housing program, subject to final review of eligibility and to final approval;

(ii) That the subsidizing agency, or the corporation, has performed an on-site inspection of the site and has reviewed pertinent information submitted by the applicant;

(iii) That an initial pro forma has been reviewed and the project appears financially feasible on the basis of estimated development costs;

(iv) That the developer meets the general eligibility standards of the housing program; and

(v) That the applicant controls the site.

(b) The corporation shall provide a copy of the letter of eligibility to the administrative officer of the local review board of the city or town in which the project would be located.

Credits

P.L. 2004, ch. 286, § 3; P.L. 2004, ch. 324, § 3; P.L. 2022, ch. 407, § 2, eff. June 30, 2022; P.L. 2022, ch. 408, § 2, eff. June 30, 2022.

Gen. Laws, 1956, § 42-55-5.3, RI ST § 42-55-5.3

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-5.4

§ 42-55-5.4. Renewable energy in housing developments

[Currentness](#)

On or before July 1, 2009, the corporation shall establish, in appropriate housing development programs it administers, criteria for priority consideration of housing development proposals which include renewable energy features which are demonstrated to be cost-effective and can be implemented in a reasonable period of time.

Credits

[P.L. 2008, ch. 228, § 5](#), eff. July 4, 2008; [P.L. 2008, ch. 422, § 5](#), eff. July 8, 2008.

Gen. Laws, 1956, § 42-55-5.4, RI ST § 42-55-5.4

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-6

§ 42-55-6. Powers relative to making loans

Currentness

The corporation shall have all of the powers necessary or convenient to carry out and effectuate the purpose and provisions of this chapter, including the following powers in addition to others granted in this chapter:

- (1) Make, undertake commitments to make, and participate in the making of mortgage loans, including without limitation federally insured mortgage loans, and to make temporary loans and advances in anticipation of permanent mortgage loans to housing sponsors or healthcare sponsors to finance the construction or rehabilitation of, or installation of energy saving improvements to, residential housing designed and planned for occupancy primarily by persons and families of low and moderate income or healthcare facilities upon the terms and conditions set forth in [§ 42-55-9](#);
- (2) Make, undertake commitments to make, and participate in the making of mortgage loans to persons of low or moderate income who may purchase residential housing or who own and occupy residential housing used as security for loans where the proceeds may be dispersed at such time or times that the corporation may determine, including without limitation persons and families of low and moderate income who are eligible or potentially eligible for federally insured mortgage loans or federal mortgage loans. These loans shall be made only after a determination by the corporation that mortgage loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions;
- (3) Make, undertake commitments to make, and participate in the making of loans to persons of low or moderate income for the purpose of making energy saving improvements to residential housing. Any loan made pursuant to this subsection may be secured by a mortgage or otherwise, shall be repaid, shall bear interest and shall be upon any terms and conditions that may be determined by the corporation;
- (4) Make and publish rules and regulations respecting the grant of mortgage loans pursuant to this chapter, the regulation of borrowers, the admission of tenants and other occupants to housing developments pursuant to this chapter, and the construction of ancillary commercial facilities;
- (5) Enter into agreements and contracts with housing sponsors or healthcare sponsors under the provisions of this chapter;
- (6) Institute any action or proceeding against any housing sponsor or healthcare sponsor or persons and families of low and moderate income receiving a loan under the provisions hereof, or owning any housing development hereunder in any court of competent jurisdiction in order to enforce the provisions of this chapter or the terms and provisions of any agreement or contract between the corporation and the recipients of loans under the provisions hereof, or to foreclose its mortgage, or to protect the public interest, the occupants of the housing development, or the stockholders or creditors, if any, of the sponsor. In connection with an action or proceeding it may apply for the appointment of a receiver to take over, manage, operate, and

maintain the affairs of the housing sponsor or healthcare sponsor and the corporation, through the agent it shall designate, is hereby authorized to accept the appointment of the receiver of a sponsor when so appointed by a court of competent jurisdiction. In the event of the reorganization of any housing sponsor or healthcare sponsor to the extent possible under the provisions of law, the reorganization shall be subject to the supervision and control of the corporation, and no reorganization shall be had without the prior written consent of the corporation. In the event of a judgment against any housing sponsor or healthcare sponsor in any action not pertaining to the foreclosure of a mortgage, there shall be no sale of any of the real property included in any housing development, housing project, or healthcare facilities hereunder of a sponsor except upon sixty (60) days' written notice to the corporation. Upon receipt of that notice, the corporation shall take those steps that in its judgment may be necessary to protect the rights of all parties;

(7) Make, undertake commitments to make, and participate in the making of mortgage loans to persons of low or moderate income for the purpose of improving septic systems and wells on their residential property to substantially comply with standards as set by the department of environmental management and/or the department of health. Any loan made pursuant to this subsection may be secured by a mortgage or otherwise shall be repaid, shall bear interest, and shall be upon those terms and conditions that may be determined by the corporation;

(8) Make and participate in the making of grants to assist in the construction, rehabilitation, or operation of residential housing;

(9) Make and publish rules and regulations respecting the making of grants to assist in the construction, rehabilitation, or operation of residential housing;

(10) Provide grants to any existing private nonprofit housing program sponsor for the following use and purpose:

(i) Establish or expand an existing revolving loan fund, if the housing program sponsor matches the funds, those grants not to exceed one hundred thousand dollars (\$100,000).

(ii) Provided, however, that grants shall not be made more frequently than once per year and that the grants be made from funds held in the corporation's reserve fund.

(iii) In the event that the private nonprofit housing program sponsor should cease its operations, all unexpended funds shall revert back to the corporation;

(11) Guaranty "homeowners notes".

(i) A "homeowners note" is the promissory note secured by a second mortgage of any eligible home buyer made payable to any person, firm, corporation or other entity loaning money to the eligible home buyer to purchase his or her principal residence. The homeowners note shall be in a form, at an interest rate, in denominations and upon other terms and conditions established in rules and regulations promulgated by the corporation. Homeowners notes may be used solely to assist in the financing of the purchase of a principal residence by eligible home buyers.

- (ii) An eligible home buyer is a first-time buyer (defined as one who has not had an ownership interest in his or her principal residence for at least three (3) years) whose current income, as defined by federal regulation, does not exceed the median family income of Rhode Island residents, as determined annually by the U.S. Department of Housing and Urban Development.
- (iii) The corporation shall qualify eligible borrowers and issue a commitment to guaranty the homeowners note upon the terms and conditions set forth in the commitment. The commitment of guaranty will be valid for four (4) months after the date of issuance by the corporation.
- (iv) The principal face amount of the homeowners note to be guaranteed shall be determined by a formula to be developed and recalculated by the corporation, within thirty (30) days after new figures are determined by the U.S. Department of Housing and Urban Development, as follows:
- (A) The maximum principal amount for which eligible home buyers may qualify for a guarantee is twenty percent (20%) of the median home price in the state of Rhode Island, as determined by the U.S. Treasury Department.
- (B) The formula shall provide for eligibility by increments of five hundred dollars (\$500) with eligibility being rounded up to the next increment.
- (C) The formula shall provide that a prospective home buyer's eligibility shall be for a principal amount determined by multiplying: twenty percent (20%) of the median home price in the state of Rhode Island times (X) thrice the percentage by which the home buyer falls below the Rhode Island median family income, up to the maximum amount for which homeowners are eligible.
- (v) The guaranty shall become effective at the time of acquisition of the real estate; provided, that the eligible home buyer has complied with the terms and conditions of the commitment; the eligible home buyer has granted to the payee of the note a mortgage on the residence subject only to a purchase money mortgage and real estate taxes not yet due and payable; and a confirmed copy of the homeowners note and a certified copy of the recorded mortgage securing the note has been delivered to the corporation.
- (vi) A homeowners note shall mature at the end of seven (7) years from the date of endorsement or upon the sale or transfer of the title to the real estate securing the note, whichever shall first occur. Interest shall accrue, in arrears, from the date of endorsement and become due and payable at maturity of the homeowners note.
- (vii) The corporation may promulgate any rules and regulations as may be necessary to implement the homeowners notes program;
- (12) Establish the Environmentally Compromised Home Opportunity (ECHO) loan program.
- (i) The corporation may make, undertake commitments to make, and participate in the making of loans to persons owning residential property, the value of which has been significantly reduced by contamination.

(ii) Any loan made pursuant to this subsection (12) may be made on properties which have been certified by the department of environmental management as (A) within the boundaries, or directly abutting a site, known to be impacted by the release of hazardous materials or petroleum, or (B) within the boundaries, or directly abutting a site, listed on the National Priorities List as determined by the federal Comprehensive Environmental Response Compensation and Liability Act (CERCLA, as may from time to time be amended).

(iii) Any loan made pursuant to this subsection (12) may be secured by a mortgage or otherwise, shall be repaid, shall bear interest and shall be upon any terms and conditions that may be determined by the corporation; the principal amount of such loan shall not exceed twenty-five thousand dollars (\$25,000), but such loan shall not in any way limit any other loan or grant assistance which may otherwise be available.

(iv) The corporation shall have no liability under any environmental statute or regulation due to any loan made pursuant to this subsection (12).

Credits

P.L. 1973, ch. 262, § 1; P.L. 1975, ch. 128, § 2; P.L. 1980, ch. 167, § 2; P.L. 1982, ch. 295, § 4; P.L. 1984, ch. 332, § 1; P.L. 1987, ch. 287, § 1; P.L. 1987, ch. 373, § 1; P.L. 1988, ch. 437, § 3; P.L. 1989, ch. 310, § 3; [P.L. 2006, ch. 554, § 1](#), eff. July 10, 2006; [P.L. 2006, ch. 566, § 1](#), eff. July 10, 2006.

Gen. Laws, 1956, § 42-55-6, RI ST § 42-55-6

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-7

§ 42-55-7. Powers relative to purchase of and sale to mortgage lenders of loans--Loans to mortgage lender

Currentness

The corporation shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including the following powers in addition to others granted in this chapter:

(1) To invest in, purchase or to make commitments to purchase, and take assignments from mortgage lenders, of notes and mortgages evidencing loans for the construction, rehabilitation, installation of energy saving improvements to, purchase, leasing, or refinancing of housing for persons and families of low and moderate income or healthcare facilities in this state upon the terms set forth in § 42-55-10;

(2) To make loans to mortgage lenders under terms and conditions requiring the proceeds to be used by those mortgage lenders for the making of new residential mortgages or healthcare facilities upon the terms set forth in § 42-55-10;

(3) To make commitments to purchase, and to purchase, service and sell federally insured mortgages, and to make loans directly upon the security of a mortgage, provided the underlying mortgage loans shall have been made and shall be continued to be used solely to finance or refinance the construction, rehabilitation, purchase, or leasing of residential housing for persons and families of low and moderate income or healthcare facilities in this state;

(4) To sell, at public or private sale, with or without public bidding, any mortgage or other obligation held by the corporation;

(5) Subject to any agreement with bondholders or note holders, to collect, enforce the collection of, and foreclose on any collateral securing its loans to mortgage lenders and acquire or take possession of the collateral and sell it at public or private sale, with or without public bidding, and otherwise deal with such collateral as may be necessary to protect the interest of the corporation therein;

(6) To make or participate in the making of mortgage loans to persons of low or moderate income and owners of property subject to tax sale for the purpose of extinguishing tax liens, redeeming tax titles or preventing loss of property due to nonpayment of taxes. Any loan made pursuant to this subsection may be secured by a mortgage or otherwise, shall be repaid, shall bear interest and shall be upon any terms and conditions that may be determined by the corporation;

(7) To acquire at tax sales liens on one to four (4) family residential properties, to hold the lien while endeavoring to assist the property owner with retaining ownership, to hold and sell the property where consistent with the purpose of the corporation to encourage home ownership, particularly by low-income persons, productive and beneficial use of property, and other purposes of the corporation, and to adopt rules and regulations necessary to carry this program into effect.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1980, ch. 167, § 3; [P.L. 2005, ch. 286, § 1](#); [P.L. 2005, ch. 307, § 1](#).

Gen. Laws, 1956, § 42-55-7, RI ST § 42-55-7

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-7.1

§ 42-55-7.1. Powers relative to acquisition and operation of housing projects

Currentness

The corporation shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including the following powers in addition to others granted in this chapter:

- (1) To acquire on either a temporary or long-term basis, in its own name, from any person, joint venture, partnership, trust, association, firm, corporation, municipality, municipal agency or entity, governmental agency, housing sponsor, or other legal entity or combination thereof by grant, purchase, transfer, foreclosure, or otherwise, housing projects or any interest or any option in housing projects, and to sell, assign, exchange, transfer, mortgage, or encumber housing projects or any interest in housing projects and to accomplish any of the foregoing by public or private sale, with or without public bidding, notwithstanding the provisions of other laws;
- (2) To own, hold, clear, and improve, in its own name, housing projects or any interest in housing projects;
- (3) To construct, reconstruct, rehabilitate, improve, alter, repair, or provide for the construction, reconstruction, improvement, alteration, or repair of any housing project;
- (4) To operate, manage, and control housing projects, in its own name, and to do all things necessary and incidental to the ownership of housing projects, including making rules and regulations;
- (5) To lease, with or without an option to purchase, all or any part of a housing project to any person, firm, partnership, trust, joint venture, association, municipal or state entity, or corporation. The lease may provide for the assumption by the lessee of the management and control of the housing project, as well as the right of the lessee to collect all revenues;
- (6) To finance the acquisition and operation of housing projects in accordance with the provisions of this chapter; provided, however, that prior to the corporation issuing any obligations, it makes the findings as provided in [subsections \(1\), \(2\), and \(4\) of § 42-55-12](#);
- (7) To enter into all agreements and contracts with third parties, including owners, residents, housing sponsors, and tenants of housing projects, necessary to accomplish the purposes of this section, including the power to enter into leases, joint ventures, reverse annuity agreements, sales agreements, equity participation agreements, and mortgage agreements; and

(8) To enter into partnership agreements as a general or limited partner with any housing sponsor as a general or limited partner; these partnerships may exercise any and all of the powers granted to partnerships under the laws of this state, as well as exercise all of the rights, duties, and privileges of a housing sponsor under the provisions of this chapter.

Credits

P.L. 1982, ch. 295, § 5.

Gen. Laws, 1956, § 42-55-7.1, RI ST § 42-55-7.1

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-8

§ 42-55-8. Supervision of housing sponsors and healthcare sponsors

Currentness

The corporation shall have the power to supervise housing sponsors of multi-family residential housing units and single family residential housing units designed by the sponsor for occupancy primarily by persons and families of low and moderate income or sponsors of healthcare facilities and their real and personal property in the following respects:

- (1) The corporation may prescribe uniform systems of accounts and records for housing sponsors and healthcare sponsors and may require them to make reports and give answers to specific questions on those forms and at times necessary for the purposes of this chapter;
- (2) Through its agents or employees, the corporation may enter upon and inspect the lands, buildings, and equipment of a housing sponsor or healthcare sponsor, including all parts thereof, and may examine all books and records with reference to capital structure, income, expenditures, and other payments of a housing sponsor or healthcare sponsor;
- (3) The corporation may supervise the operation and maintenance of any housing development, housing project, or healthcare facilities, and may order any repairs that may be necessary to protect the public interest or the health, welfare, or safety of the housing development or housing project occupants or healthcare facility user;
- (4) The corporation may fix, and alter from time to time, a schedule of charges for any housing development, housing project, or healthcare facility;
- (5) The corporation may determine standards for, and may control resident selection by a housing sponsor or healthcare sponsor;
- (6) The corporation may require any housing sponsor or healthcare sponsor to pay to the corporation any fees that it may prescribe in connection with the examination, inspection, supervision, auditing, or other regulation of the housing sponsor;
- (7) The corporation may order any housing sponsor or healthcare sponsor to do, or to refrain from doing, those things necessary to comply with the provisions of law, the rules and regulations of the corporation, and the terms of any contract or agreement to which the housing sponsor or healthcare sponsor may be a party;
- (8) The corporation may regulate the retirement of any capital investment or the redemption of stock where the retirement or redemption when added to any dividend or other distribution shall exceed in any one fiscal year ten percent (10%) (or such lesser

amount as may be determined by the rules and regulations of the corporation) of the original face amount of any investment or equity in any housing sponsor or healthcare sponsor;

(9) The corporation may prescribe regulations specifying the categories of cost which shall be allowable in the construction or rehabilitation of a housing development or housing project or healthcare facility. The corporation may require any housing sponsor or healthcare sponsor to certify the actual housing development or healthcare facility costs upon completion of the housing development or healthcare facility, subject to audit and determination by the corporation. Notwithstanding the provisions of this subsection, the corporation may accept, in lieu of any certification of housing development or healthcare facility costs, any other assurances of the housing development or healthcare facility costs, in any form or manner whatsoever, as will enable the corporation to determine with reasonable accuracy the amount of the housing development or healthcare facility costs.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1977, ch. 195, § 3; P.L. 1982, ch. 295, § 6; P.L. 1987, ch. 287, § 1.

Gen. Laws, 1956, § 42-55-8, RI ST § 42-55-8

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-9

§ 42-55-9. Terms and conditions of loans

Currentness

Mortgage and other loans made by the corporation to housing sponsors of multi-family residential housing units or healthcare facilities shall be subject to the following terms and conditions:

(1) No application for a loan for a housing development or healthcare facility shall be processed unless the applicant is a housing sponsor or healthcare facility sponsor as defined in § 42-55-3;

(2) The ratio of loan to total housing development or healthcare facility cost and the amortization period of loans made under this chapter that are insured by any agency or instrumentality of the United States government shall be governed by the mortgage insurance commitment for each housing development or healthcare facility; but in no event shall the amortization period exceed fifty (50) years; in the case of a mortgage loan not insured by an agency or instrumentality of the United States government, the amount of the loan to: (i) nonprofit housing sponsors shall not exceed one hundred percent (100%) of the total housing development cost as determined by the corporation; and (ii) other housing sponsors and healthcare sponsors shall not exceed ninety-five percent (95%) of the total development cost as determined by the corporation, and the amortization period of the loan shall be determined in accordance with regulations formulated and published by the corporation, but in no event shall the amortization period exceed fifty (50) years;

(3) A loan made under this chapter may be prepaid to maturity after a period of years as determined by the rules and regulations of the corporation, provided the corporation finds that the prepayment of the loan will not result in a material escalation of rents charged to the persons and families of low and moderate income occupying the housing development or charges to the persons using the healthcare facilities;

(4) The corporation shall have authority to set from time to time the interest rates at which it shall make loans and commitments. The interest rates shall be established by the corporation at the lowest level consistent with the corporation's cost of operation and its responsibilities to the holders of its bonds, bond anticipation notes and other obligations. In addition to these interest charges, the corporation may make and collect those fees and charges, including, but not limited to, reimbursement of the corporation's financing costs, service charges, insurance premiums, and mortgage insurance premiums, that the corporation determines to be reasonable;

(5) In considering any application for a loan to finance a housing development or housing project, the corporation shall determine that the housing developments will be well planned and well designed; and shall also give consideration to:

(i) The comparative need for housing for persons and families of low and moderate income in the area to be served by the proposed development;

- (ii) The ability of the applicant sponsor to construct, operate, manage, and maintain the proposed housing development;
 - (iii) The existence of zoning or other regulations to adequately protect the proposed housing development against detrimental future uses which could cause undue depreciation in the value of the development;
 - (iv) The existence of federal and statewide housing, land use, and pollution abatement plans and programs;
 - (v) A detailed plan of security proposed for the safety of the inhabitants of any development hereinafter constructed within the city of Providence;
- (6) In considering any application for a loan to finance healthcare facilities, the corporation shall give consideration to:
- (i) The availability of healthcare facilities presently located or to locate in the area;
 - (ii) The ability of the sponsor to meet the health needs of the inhabitants of the area and to operate, manage, and maintain the proposed healthcare facilities;
 - (iii) The regulations of the state to standards of construction and design and equipment of healthcare facilities of the type proposed to be financed;
- (7) Each mortgage loan shall contain the terms and provisions and be in a form approved by the corporation. The corporation may require the housing sponsor or healthcare sponsor receiving a loan or its contractor to execute any other assurances and guarantees that the corporation may deem necessary, including without limitation, payment and performance bonds, and letters of credit;
- (8) Each loan shall be subject to an agreement between the corporation and the housing sponsor which will subject the sponsor and its principals or stockholders, if any, to limitations established by the corporation as to rentals and other charges, builders' and developers' profits and fees, and the disposition of its property and franchise to the extent more restrictive limitations are not provided by the law under which the borrower is incorporated or organized or by this chapter;
- (9) As a condition of the loan, the corporation shall have the power at all times during the construction or rehabilitation of a housing development or housing project by a housing sponsor or of healthcare facilities by a healthcare sponsor and the operation thereof:
- (i) To enter upon and inspect any housing development or housing project or health care facility, including all parts thereof, for the purpose of investigating the physical and financial condition thereof, and its construction, rehabilitation, operation, management, and maintenance, and to examine all books and records of the housing sponsor or healthcare sponsor with respect to capitalization, income and other related matters and to make any charges that may be required to cover the cost of those inspections and examinations;

(ii) To order any alterations, changes or repairs that may be necessary to protect the security of its investment in a housing development, housing project, or healthcare facility or the health, safety, and welfare of the occupants or users thereof and to insure that the housing development or healthcare facility is, or has been, constructed or rehabilitated in conformity with all applicable federal, state, and local building codes;

(iii) To order any managing agent, housing development or healthcare facility manager, or owner of a housing development or healthcare facility, or sponsors of these, to do those acts that may be necessary to comply with the provisions of all applicable laws, ordinances, or building codes or any rule or regulation of the corporation or the terms of any agreement concerning the development or facilities or to refrain from doing any acts in violation thereof, and in this regard the corporation shall be a proper party to file a complaint and to prosecute any violations of law, ordinances, or building codes as set forth herein;

(iv) A housing sponsor may not make distributions of income or earnings from a housing development or housing project financed by the corporation in any one year in excess of six percent (6%) (or a higher or lower percent as shall be prescribed by the rules and regulations of the corporation) of the housing sponsor's equity in the development, nor shall any of the principals or stockholders of the housing sponsor at any time earn, accept, or receive a return greater than six percent (6%) per annum (or a higher or lower percent as shall be prescribed by the rules and regulations of the corporation) of his or her investment in any housing development financed by the corporation. The sponsor's equity in a housing development shall consist of the difference between the corporation assisted mortgage loan and the total housing development cost. With respect to every housing development assisted by the provisions of this chapter the corporation shall, pursuant to regulations adopted by it, establish the sponsor's equity at the time of the making of the final mortgage advance and, for the purposes of this subsection (9)(iv), that figure shall remain constant during the life of the corporation's mortgage on the development;

Notwithstanding the above, the corporation shall allow existing project owners to withdraw a rate of return on redefined equity provided the corporation finds that the project is "stable and financially secure". Properties meeting this definition would have healthy finances and reserves and be in good condition, as determined by the corporation; provided, however, no project owner of a housing development financed by the corporation may apply for redefinition until fifteen (15) years from the date of financing. In addition, the following requirements must occur:

- (A) There is no deferred maintenance as determined by the corporation.
- (B) There are no major repairs or replacements (three thousand dollars (\$3,000) or more) anticipated or required for the coming year that would reduce the reserve accounts below required levels.
- (C) All operating expenses have been paid within thirty (30) days of their due date.
- (D) Operating account balance equals one month's total operating expenses.
- (E) The development has sustained ninety-five percent (95%) or greater economic occupancy for the prior twenty-four (24) consecutive months and has a current waiting list equal to at least one and one-half (1 ½) times the annual turnover for the two (2) preceding years.
- (F) The mortgage has not been delinquent for the preceding twenty-four (24) months.

(G) Reasonable reserve account balances.

(H) The owner agrees to limit future rent increases to the amount needed to pay all annual operating expenses including return on equity and maintaining reserves at five thousand dollars (\$5,000) per unit or twenty percent (20%) of the outstanding mortgage.

(I) The owner agrees to maintain the housing affordable to persons of low and moderate income for (a) a minimum of twenty (20) years from the date that owner could prepay a mortgage securing a development, as that term is defined in § 34-45-4, or could elect not to renew a Section 8 assistance contract under § 34-45-5 or (b) twenty (20) years from the maturity date of a note evidencing indebtedness to the corporation which is secured by a housing development.

Not-for-profit sponsors shall be eligible to receive unlimited annual cash flow, subject to the above criteria, up to the cumulative amount of their initial equity investment. Subsequent annual cash flow may be distributed provided the distributions are restricted to low and moderate income housing related expenditures.

Equity would be redefined by either capitalizing the annual cash flow using corporation-approved appraisal practices or by the difference between the fair market value of the housing project using corporation approved appraisal practices less the unpaid principal balance of any outstanding mortgage loans, whichever is greater.

Equity would be subject to recalculation every five (5) years, or more frequently at the corporation's discretion.

The corporation shall receive a one-time fee equal to one-half percent (½ %) of the outstanding mortgage for redefining equity. This will be an eligible operating expense. The fee may be waived by the corporation in whole or in part;

(v) Whenever any housing sponsor accumulates an earned surplus, in addition to the reserves the corporation may require for maintenance, operation, and replacement, in excess of ten percent (10%) of the initial annual rent roll for the housing development, rents in the housing development shall be reduced to the extent necessary to lower the earned surplus accumulation to that ten percent (10%) figure in the following fiscal year. Every five (5) years the housing sponsor may seek the approval of the corporation for increases in those reserves. To the extent warranted the corporation may grant that approval if in its judgment there have been increased price levels or unusual maintenance and repayment requirements;

(vi) The corporation may provide by rules and regulations for the terms and conditions of mortgage loans to housing sponsors of single family residential housing units or healthcare facilities and the supervision of housing sponsors or healthcare sponsors.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1975, ch. 128, § 3; P.L. 1981, ch. 214, § 1; P.L. 1987, ch. 287, § 1; P.L. 1989, ch. 226, § 1; P.L. 1990, ch. 431, § 3; P.L. 1993, ch. 422, § 12.

Gen. Laws, 1956, § 42-55-9, RI ST § 42-55-9

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-10

§ 42-55-10. Terms and conditions of the purchase and sale to mortgage lender of loans--Loans to mortgage lenders

[Currentness](#)

(a) No obligation purchased from a mortgage lender shall be eligible for purchase or commitment to purchase by the corporation unless at or before the time of transfer to the corporation the mortgage lender certifies that in its judgment the loan would in all respects be a prudent investment for its own account.

(b) The corporation shall purchase mortgage loans at a purchase price equal to the outstanding principal balance; provided, however, that a discount from the principal balance or the payment of a premium may be employed to effect a fair rate of return, as determined by the rate of return on comparable investments under market conditions existing at the time of the purchase. In addition to this payment of outstanding principal balance, the corporation shall pay the accrued interest due on the date the loan or obligation is delivered against the payment.

(c) Loans purchased or sold may include, but shall not be limited to, loans which are insured, guaranteed, or assisted by the United States or a governmental agency or instrumentality thereof or for which there is a commitment by the United States or a governmental agency or instrumentality thereof to insure, guaranty, or assist that loan.

(d)(1) The corporation shall from time to time adopt, modify, or repeal rules and regulations governing the making of loans to mortgage lenders and the purchase and sale of mortgage loans and the application of the proceeds thereof, including rules and regulations as to any or all of the following:

(i) Procedures for the submission of requests or the invitation of proposals for the purchase and sale of mortgage loans or for loans to mortgage lenders;

(ii) Limitations or restrictions as to the number of family units, location, or other qualifications or characteristics of residences to be financed by those mortgage loans;

(iii) Restrictions as to the interest rates on those mortgage loans or the return realized by mortgage lenders;

(iv) Requirements as to commitments by mortgage lenders with respect to the application of the proceeds of that purchase or loan;

(v) Schedules of any fees and charges necessary to provide for the expenses and reserves of the corporation; and

(vi) Any other matters related to the duties and the exercise of the powers of the corporation under this section.

(2) These rules and regulations shall be designed to effectuate the general purposes of this chapter and the following specific objectives:

(i) The expansion of the supply of funds in the state available for mortgage loans for residential housing for occupancy by persons and families of low and moderate income;

(ii) Provision of the additional housing needed to remedy the shortage of adequate housing in the state and eliminate the existence of a large number of substandard dwellings; and

(iii) The restriction of the financial return and benefit on those mortgage loans to that level necessary to protect against the realization by mortgage lenders of a financial return or benefit in excess of prevailing market conditions.

(e) The corporation may from time to time make loans to mortgage lenders so as to furnish, as rapidly as possible, funds to mortgage lenders for eligible mortgages.

(f) Loans to mortgage lenders shall be general obligations of the respective mortgage lenders owing them and shall bear the date or dates, shall mature at the time or times, shall be evidenced by a note, bonds, or other certificate of indebtedness, shall be subject to prepayment, and shall contain other provisions consistent with this section, all as the corporation shall by resolution determine.

(g) Any other provision of this chapter to the contrary notwithstanding, the interest rate or rates and other terms of the loans to mortgage lenders made from the proceeds of any issue of bonds of the corporation shall be at least sufficient so as to assure the payment of the bonds, and the interest on the bonds as they become due, from the amounts received by the corporation in repayment of loans and interest on the loans.

(h) The corporation shall require as a condition of each loan to a mortgage lender that mortgage lender shall on or prior to the one hundred-eightieth (180th) day (or an earlier day that shall be prescribed by the rules and regulations of the corporation) following the receipt of the loan proceeds have entered into written commitments to make, and shall proceed as promptly as practicable to make and disburse from those loan proceeds, eligible mortgages in an aggregate principal amount equal to the amount of the loan.

(i)(1) The corporation shall require that the loans to mortgage lenders shall be additionally secured as to the payment of both principal and interest by a pledge of and lien upon collateral security in those amounts that the corporation shall by resolution determine to be necessary to assure the payment of the loans and the interest on the loans as they become due. The collateral security shall consist of:

(i) Direct obligations of, or obligations guaranteed by, the United States;

(ii) Bonds, debentures, notes, or other evidences of indebtedness, satisfactory to the agency, issued by any of the following federal agencies: bank for cooperatives, federal intermediate credit bank, federal home loan bank system, export-import bank of Washington, federal land banks, the federal national mortgage association, or the government national mortgage association;

(iii) Direct obligations of, or obligations guaranteed by, the state; or

(iv) Mortgages insured or guaranteed by the United States or an instrumentality of the United States as to payments of principal and interest;

(v) Mortgages secured by real estate on which there is located single family residential housing and which is insured by a mortgage guaranty insurance company licensed to do business by the state and approved by the corporation;

(vi) Uninsured mortgages secured by real estate on which there is located single family residential housing; or

(vii) Those other obligations and securities that the corporation shall by resolution determine to be necessary to assure the payment of those loans and the interest as they become due.

(2) The corporation may require in the case of any or all mortgage lenders that the collateral be lodged with a bank or trust company located in the state designated by the corporation as custodian. In the absence of the requirement, a mortgage lender shall upon receipt of the loan proceeds from the corporation enter into an agreement with the corporation containing those provisions that the corporation shall deem necessary to adequately identify and maintain that collateral and service it and shall provide that the mortgage lender shall hold the collateral as an agent for the corporation and shall be held accountable as the trustee of an express trust for the application and disposition thereof and the income therefrom solely for the uses and purposes in accordance with the provisions of the agreement. A copy of each agreement and any revisions or supplements shall be filed with the secretary of state and no further filing of other action under chapter 9 of title 6A or any other law of the state shall be required to perfect the security interest of the corporation in that collateral or any additions or substitutions, and the lien and trust for the benefit of the corporation created shall be binding from and after the time made against all parties having claims of any kind in tort, contract, or otherwise against the mortgage lender. The corporation may also establish any additional requirements that it shall deem necessary with respect to pledging, assigning, setting aside, or holding that collateral and making substitutions or additions to it and disposition of income and receipts from it.

(j) The corporation shall require the submission to it by each mortgage lender to which the corporation has made a loan of evidence satisfactory to the corporation of the making of eligible mortgages as required by this section and prescribed by rules and regulations of the corporation and in connection therewith may inspect the books and records of the mortgage lender.

(k) The corporation may require as a condition of any loans to mortgage lenders those representations and warranties that it shall determine to be necessary to secure those loans and carry out the purposes of the chapter.

(l) All eligible mortgages made as required by this section shall comply with the applicable provisions of the laws of the state, and, where federal law or the law of another jurisdiction governs the affairs of the mortgage lender, shall comply with applicable provisions of that law.

(m) Compliance by any mortgage lender with the terms of this section and its undertaking to the corporation with respect to the making of eligible mortgages may be enforced by a decree of the superior court for the county of Providence. The corporation may require as a condition of any loan to any mortgage lender the consent of the mortgage lender to the jurisdiction of the superior court for the county of Providence over this proceeding. The corporation may also require agreement by any mortgage lender, as a condition of the loan to the mortgage lender, to the payment of penalties to the corporation for violation by the mortgage lender of any provision of this section or its undertaking to the corporation with respect to the making of eligible mortgages, and those penalties shall be recoverable at the suit of the corporation.

(n) If at any time the corporation shall determine that an adequate supply of funds exists in regular banking channels for eligible mortgages, the corporation shall discontinue making loans to mortgage lenders until the time that the corporation may subsequently determine that the supply of funds available for eligible mortgages is again inadequate.

(o) For the purposes of this section, the term “eligible mortgage” means a loan made by a mortgage lender and secured by a mortgage upon residential property, healthcare facilities, or housing for the elderly; provided that each mortgage loan shall be made to the original mortgagor from the proceeds of a loan made by the corporation to the mortgage lender pursuant to this section of the chapter.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1975, ch. 128, § 4; P.L. 1977, ch. 195, § 4; P.L. 1980, ch. 167, § 4; P.L. 1982, ch. 295, § 7.

Gen. Laws, 1956, § 42-55-10, RI ST § 42-55-10

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-11

§ 42-55-11. Admission and income limitations relative to housing developments

Currentness

(a) Admission to housing developments financed or insured by corporation mortgage loans or by the proceeds of mortgage loans purchased by the corporation or the proceeds of a loan to a mortgage lender or financed by the proceeds of obligations issued by the corporation pursuant to the provisions of this chapter shall be limited primarily to persons or families of low and moderate income.

(b) The corporation shall approve a residential selection plan submitted by a housing sponsor for a housing development to be financed pursuant to the provisions of this chapter. The corporation shall make and publish regulations from time to time governing the terms of the resident selection plans. These plans shall include criteria for resident selection which establish income limits for eligible residents which may vary with the size and circumstances of the person or family. Subject to the approval of the corporation, resident selection plans may provide, with respect to dwelling accommodations, that any local housing authority created pursuant to the Rhode Island law in the municipality in which the housing development is located, shall have the right to designate residents, who are otherwise eligible for these accommodations as they become available, either in the initial occupancy of the housing development, or as vacancies occur.

(c) The corporation shall by rules and regulations provide for the periodic examination of the income of any person or family residing in any housing development financed with a loan from the corporation.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1975, ch. 128, § 5; P.L. 1982, ch. 295, § 8.

Gen. Laws, 1956, § 42-55-11, RI ST § 42-55-11

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-12

§ 42-55-12. Procedure prior to financing of housing developments undertaken by housing sponsors

Currentness

Notwithstanding any other provision of this chapter, the corporation is not empowered to finance any housing development undertaken by a housing sponsor pursuant to §§ 42-55-6 and 42-55-7 unless, prior to financing any housing development under this chapter, the corporation finds:

- (1) That there exists a shortage of decent, safe, and sanitary housing at rentals or prices which persons and families of low or moderate income can afford within the general housing market area to be served by the proposed housing development;
- (2) That private enterprise and investment have been unable, without assistance, to provide an adequate supply of decent, safe, and sanitary housing in the general housing market area at prices which persons or families of low and moderate income can afford or to provide sufficient mortgage financing for residential housing for occupancy by those persons or families;
- (3) That the housing sponsor or sponsors undertaking the proposed housing development in this state will supply well-planned, well designed housing for persons or families of low and moderate income and that those sponsors are financially responsible institutions;
- (4) That the housing development to be assisted pursuant to the provisions of this chapter will be of public use and will provide a public benefit;
- (5) That the housing development will be undertaken and the housing sponsor or sponsors regulated pursuant to the authority and within the restrictions provided for by this chapter.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-12, RI ST § 42-55-12

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-13

§ 42-55-13. Bonds and notes

Currentness

(a)(1) The corporation shall have the power and is hereby authorized to issue from time to time its negotiable notes and bonds, whether tax exempt or taxable in the principal amount that the corporation shall determine to be necessary to provide sufficient funds for achieving any of its corporate purposes including the payment of interest on the notes and bonds of the corporation, establishment of reserves to secure those notes and bonds including the reserve funds created pursuant to [§ 42-55-14](#), and all other expenditures of the corporation incident to and necessary or convenient to carry out its corporate purposes and powers.

(2) The corporation shall have the power, from time to time, to issue (i) notes to renew notes and (ii) bonds to pay notes, including the interest on these notes and, whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly for any of its corporate purposes.

(3) Except as may otherwise be expressly provided by resolution of the corporation, every issue of its notes and bonds shall be general obligations of the corporation payable out of any revenues or moneys of the corporation, subject only to any agreements with the holders of particular notes or bonds pledging any particular revenues.

(4) Notwithstanding any other provision contained in this section, proceeds of bonds issued by the corporation may be used to finance any housing development that constitutes a qualified residential rental project under [§ 142 of the Internal Revenue Code of 1986](#), [26 U.S.C. § 142](#), and all regulations promulgated thereunder.

(b) The notes and bonds shall be authorized by resolution or resolutions of the corporation, shall bear the date or dates and shall mature at the time or times that the resolution or resolutions may provide, except that no bond shall mature more than sixty-five (65) years from the date of its issue. The bonds may be issued as serial bonds payable in annual installments or as term bonds or as a combination of bonds. The notes and bonds shall bear interest at the rate or rates, be in the denominations, be in the form, either coupon or registered, carry the registration privileges, be executed in the manner, be payable in the medium of payment, at the place or places within or without the state and be subject to the terms or redemption that the resolution or resolutions may provide. The notes and bonds of the corporation may be sold by the corporation, at public or private sale, at the price or prices that the corporation shall determine.

Credits

P.L. 1973, ch. 262, § 1; P.L. 1982, ch. 295, § 9; P.L. 1987, ch. 287, § 1.

Gen. Laws, 1956, § 42-55-13, RI ST § 42-55-13

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-14

§ 42-55-14. Reserve funds and appropriations

Currentness

(a) The corporation may create and establish one or more special funds (“capital reserve funds”), and shall pay into each capital reserve fund (1) any moneys appropriated and made available by the state for the purpose of the fund, (2) any proceeds of sale of notes or bonds to the extent provided in the resolution or resolutions of the corporation authorizing the issuance thereof, and (3) any other moneys which may be made available to the corporation for the purpose of the fund from any other source or sources. All moneys held in any capital reserve fund, except as provided in this section, shall be used, as required, solely from the payment of the principal of bonds secured in whole or in part by the fund or of the sinking fund payments hereinafter mentioned with respect to the bonds, the purchase or redemption of the bonds, the payment of interest on the bonds or the payment of any redemption premium required to be paid when the bonds are redeemed prior to maturity; provided, however, that moneys in the fund shall not be withdrawn at any time in an amount that would reduce the amount of the fund to less than the minimum capital reserve requirement established for the fund except for the purpose of making with respect to bonds secured in whole or in part by the fund payment when due, of principal, interest, redemption premiums, and the sinking fund payments for the payment of which other moneys of the corporation are not available. Any income or interest earned by, or incremental to, any capital reserve fund due to the investment thereof may be transferred by the corporation to other funds or accounts of the corporation to the extent it does not reduce the amount of the capital reserve fund below the minimum capital reserve fund requirement for that fund.

(b) The corporation shall not at any time issue bonds secured in whole or in part by a capital reserve fund, if upon the issuance of bonds, the amount in the capital reserve fund will be less than the minimum capital reserve fund requirement for that fund, unless the corporation, at the time of issuance of those bonds, shall deposit in the fund from the proceeds of the bonds so to be issued, or from other sources, an amount which, together with the amount then in the fund, will not be less than the minimum capital reserve fund requirement for the fund; provided, however, that the corporation by resolution may permit the issuance of bonds to provide loans to mortgage lenders pursuant to § 42-55-10(e) without complying with the foregoing limitation. For the purposes of this section, the term “minimum capital reserve fund requirement” shall mean, except to the extent the corporation by resolution may modify that term with respect to bonds issued to finance loans to mortgage lenders pursuant to § 42-55-10(e), as of any particular date of computation, an amount of money, as provided in the resolution or resolutions of the corporation authorizing the bonds or notes with respect to which that fund is established, equal to not more than the greatest of the respective amounts, for the current or any future fiscal year of the corporation, of annual debt service on the bonds of the corporation secured in whole or in part by that fund, the annual debt service for any fiscal year being the amount of money equal to the aggregate of:

(1) All interest payable during the fiscal year on all bonds secured in whole or in part by the fund outstanding on the date of computation; plus

(2) The principal amount of all of those bonds outstanding on the date of computation which mature during that fiscal year; plus

(3) All amounts specified in any resolution of the authority authorizing any of the bonds as payable during the fiscal year as a sinking fund payment with respect to any of the bonds which mature after the fiscal year, all calculated on the assumption that those bonds will, after the date of computation, cease to be outstanding by reason, but only by reason, of the payment of bonds when due and application in accordance with the resolution authorizing those bonds of all of those sinking fund payments payable at or after the date of computation.

(c) In computing the amount of the capital reserve funds for the purpose of this section, securities in which all or a portion of those funds shall be invested shall be valued at par or, if purchased at less than par, at their cost to the corporation.

(d) To assure the continued operation and solvency of the corporation for carrying out of its corporate purposes, provision is made in subsection (a) for the accumulation in each capital reserve fund of an amount equal to the minimum capital reserve fund requirements for the fund; provided, however, the foregoing computation shall not apply to bonds issued to fund loans to mortgage lenders pursuant to § 42-55-10(e). In order further to assure the maintenance of the capital reserve funds, the chairperson of the corporation shall annually, on or before December 1, make and deliver to the governor his or her certificate stating the sum, if any, required to restore each capital reserve fund to the minimum capital reserve fund requirement for the fund. During each January session of the general assembly, the governor shall submit to the general assembly printed copies of a budget including the sum, if any, required to restore each capital reserve fund to the minimum capital reserve fund requirement for the fund. All sums appropriated by the general assembly, if any, and paid to the corporation shall be deposited by the corporation in the applicable capital reserve fund.

(e) All amounts paid over to the corporation by the state pursuant to the provisions of this section shall constitute and be accounted for as advances by the state to the corporation and, subject to the rights of the holders of any bonds or notes of the corporation, shall be repaid to the state without interest from all available operating revenues of the corporation in excess of amounts required for the payment of bonds, notes, or other obligations of the corporation, the capital reserve funds, and operating expenses.

(f) The corporation shall create and establish any other fund or funds that may be necessary or desirable for its corporate purposes.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-14, RI ST § 42-55-14

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-15

§ 42-55-15. Issuance of refunding obligations

[Currentness](#)

The corporation may provide for the issuance of refunding obligations for the purpose of refunding any obligations then outstanding which have been issued under the provisions of this chapter, including the payment of any redemption premium and any interest accrued or to accrue to the date of redemption of those obligations and for any corporate purpose of the corporation. The issuance of those obligations, the maturities and other details, the rights of the holders, and the rights, duties, and obligations of the corporation in respect of the refunding obligations shall be governed by the provisions of this chapter which relate to the issuance of obligations, insofar as those provisions may be appropriate.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-15, RI ST § 42-55-15

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-16

§ 42-55-16. Sale of refunding obligations

[Currentness](#)

Refunding obligations issued as provided in [§ 42-55-15](#) may be sold or exchanged for outstanding obligations issued under this chapter and, if sold, the proceeds may be applied, in addition to any other authorized purposes, to the purchase, redemption, or payment of outstanding obligations. Pending the application of the proceeds of any refunding obligations, with any other available funds, to the payment of the principal, accrued interest, and any redemption premium on the obligations being refunded, and, if provided or permitted in the resolution authorizing the issuance of refunding obligations or in the trust agreement securing the refunding obligations, to the payment of any interest on the refunding obligations and any expenses in connection with the refunding, the proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by the United States which shall mature or which shall be subject to redemption by their holders, at the option of those holders, not later than the dates when the proceeds, together with the interest accruing on the proceeds, will be required for the purposes intended.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-16, RI ST § 42-55-16

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-17

§ 42-55-17. Remedies of bondholders and note holders

Currentness

(a) In the event that the corporation shall default in the payment of principal of or interest on any bonds or notes issued under this chapter after they shall become due, whether at maturity or upon call for redemption, and that default shall continue for a period of thirty (30) days, or in the event that the corporation shall fail or refuse to comply with the provisions of this chapter, or shall default in any agreement made with the holders of an issue of bonds or notes of the corporation, the holders of twenty-five percent (25%) in aggregate principal amount of the bonds or notes of the issue then outstanding, by instrument or instruments filed in the office of the secretary of state and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of the bonds or notes for the purposes provided in this section.

(b) The trustee may, and upon written request of the holders of twenty-five percent (25%) in principal amount of the bonds or notes then outstanding shall, in the trustee's own name:

(1) Enforce all rights of the bondholders or note holders, including the right to require the corporation to collect interest and amortization payments on the mortgages held by it adequate to carry out any agreement as to, or pledge of, the interest and amortization payments, and to require the corporation to carry out any other agreements with the holders of the bonds or notes and to perform its duties under this chapter;

(2) Enforce all rights of the bondholders or note holders, including the right to collect and enforce the payment of principal of and interest due or becoming due on loans to mortgage lenders and collect and enforce any collateral securing the loans or sell that collateral, so as to carry out any contract as to, or pledge of, revenues, and to require the corporation to carry out and perform the terms of any contract with the holders of the bonds or notes or its duties under this chapter;

(3) Bring suit upon all or any part of the bonds or notes;

(4) By action or suit, require the corporation to account as if it were the trustee of an express trust for the holders of the bonds or notes;

(5) By action or suit, enjoin any acts or things that may be unlawful or in violation of the rights of the holders of the bonds or notes;

(6) Declare all bonds or notes due and payable and if all defaults shall be made good then with the consent of the holders of twenty-five percent (25%) of the principal amount of the bonds or notes then outstanding, annul the declaration and its consequences.

(c) The trustee shall in addition to the foregoing have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of bondholders or note holders in the enforcement and protection of their rights.

(d) Before declaring the principal of bonds or notes due and payable, the trustee shall first give thirty (30) days' notice in writing to the governor, to the corporation, and to the attorney general of the state.

(e) The superior court of Providence County shall have jurisdiction of any suit, action, or proceeding by the trustee on behalf of bondholders or note holders.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-17, RI ST § 42-55-17

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-18

§ 42-55-18. Pledge of the state

[Currentness](#)

The state pledges to and agrees with the holders of any notes or bonds issued under this chapter that the state will not limit or alter the rights vested in the corporation to fulfill the terms of any agreements made with the holders or in any way impair the rights and remedies of those holders until those notes and bonds, together with their interest, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of those holders, are fully met and discharged. The corporation is authorized to include this pledge and agreement of the state in any agreement with the holders of those notes or bonds.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-18, RI ST § 42-55-18

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-19

§ 42-55-19. Credit of state not pledged

[Currentness](#)

Obligations issued under the provisions of this chapter shall not be deemed to constitute a debt or liability or obligation of the state or of any political subdivision of the state or a pledge of the faith and credit of the state or of any political subdivision of the state but shall be payable solely from the revenues or assets of the corporation. Each obligation issued under this chapter shall contain on its face a statement to the effect that the corporation shall not be obligated to pay the obligation or the interest on the obligation except from the revenues or assets pledged and that neither the faith and credit nor the taxing power of the state or of any political subdivision of the state is pledged to the payment of the principal of or the interest on the obligation.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-19, RI ST § 42-55-19

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-20

§ 42-55-20. Notes and bonds as legal investments

[Currentness](#)

The notes and bonds of the corporation shall be legal investments in which all public officers and public bodies of this state, its political subdivisions, all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, banking institutions including savings and loan associations, building and loan associations, trust companies, savings banks and savings associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees, and other fiduciaries, and all other persons who are now or may hereafter be authorized to invest in bonds or in other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them. The notes and bonds are also made securities which may properly and legally be deposited with and received by all public officers and bodies of the state or any agency or political subdivision of the state and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized by law.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-20, RI ST § 42-55-20

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-21

§ 42-55-21. Repealed by P.L. 1998, ch. 31, art. 29, § 2, eff. July 1, 1998

[Currentness](#)

Gen. Laws, 1956, § 42-55-21, RI ST § 42-55-21

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-22

§ 42-55-22. Annual reports

[Currentness](#)

The corporation shall, promptly following the close of each fiscal year, submit an annual report of its activities for the preceding year to the governor, general treasurer and the general assembly. Each report shall set forth a complete operating and financial statement of the corporation during that year. The corporation shall cause an audit of its books and accounts to be made at least once in each fiscal year.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-22, RI ST § 42-55-22

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-22.1

§ 42-55-22.1. Mortgage disclosure reports

Currentness

(a) Subject to the requirements of § 9-1-28.1, the corporation shall compile a report and deliver it on or before the close of calendar year 1986 to the governor, general treasurer, and general assembly containing the following information:

(1) The number and total dollar amount of loans the corporation has made or participated in pursuant to § 42-55-6(1), (2), (3), and (7) and § 42-55-7(3) during each calendar year from 1974 to 1985, inclusive, in each census tract in the state;

(2) The name of each mortgage lender, the number and total dollar amount of loans made to each mortgage lender by the corporation, pursuant to § 42-55-7(2) during each calendar year from 1974 to 1985, inclusive, in each census tract in the state. Notwithstanding the provisions of chapter 37 of title 34, the number, total dollar amount, and seller or assignor of loans the corporation has purchased or taken assignment of broken down by the race of the borrower, pursuant to § 42-55-7, during the calendar year in each census tract in the state;

(3) The number, total dollar amount, and seller or assignor of loans the corporation has purchased or taken assignment of pursuant to § 42-55-7(1) during each calendar year from 1974 to 1985, inclusive, in each census tract in the state;

(4) The number and total dollar amount of federally insured mortgages the corporation has bought or sold pursuant to § 42-55-7(3) during each calendar year from 1974 to 1985, inclusive, in each census tract in the state; and

(5) The number of mortgage loans, the average sale price of homes purchased, the average size of mortgage loans made by the corporation for the purchase of homes, the average household income of borrowers, the average loan to value ratio, and the total number of new and existing homes, respectively, purchased with loans made by the corporation, without revealing the name, address, or income of individual borrowers during each fiscal year from 1977 to 1985, inclusive, in each census tract in the state.

(b) Subject to the requirements of § 9-1-28.1, the corporation shall compile a report and deliver it on or before the close of calendar year 1986 and every calendar year thereafter to the governor, general treasurer, and general assembly containing the following information:

(1) The number and total dollar amount of loans the corporation has made or participated in pursuant to § 42-55-6(1), (2), (3), and (7) and § 42-55-7(3) during the calendar year in each census tract in the state;

- (2) The name of each mortgage lender, the number, and total dollar amount of loans made to each mortgage lender by the corporation, pursuant to § 42-55-7(2) during the calendar year in each census tract in the state;
- (3) The number, total dollar amount, and seller or assignor of loans the corporation has purchased or taken assignment of pursuant to § 42-55-7(1) during the calendar year in each census tract in the state;
- (4) The number and total dollar amount of federally insured mortgages the corporation has bought or sold pursuant to § 42-55-7(3) during the calendar year in each census tract in the state;
- (5) The number of mortgage loans, the average sale price of homes purchased, the average size of mortgage loans made by the corporation for the purchase of homes, the average household income of borrowers, the average loan to value ratio, and the total number of new and existing homes, respectively, purchased with loans made by the corporation, without revealing the name, address, or income of individual borrowers during the calendar year in each census tract in the state;
- (6) The aggregate number and average dollar value of all loans according to the age of the eldest applicant, in each of the following categories: 18-24; 25-34; 35-44; 45-54; 55-59; 60-64; 65-74; and 75 and older; and
- (7) The aggregate number and average dollar value of all loans by each of the state representative districts, as the districts from time to time exist.
- (c) The corporation shall make available to the public for inspection and copying at the corporation's office all reports compiled by the corporation pursuant to this section.

Credits

P.L. 1985, ch. 103, § 1; P.L. 1992, ch. 442, § 1; P.L. 2000, ch. 512, § 1.

Gen. Laws, 1956, § 42-55-22.1, RI ST § 42-55-22.1

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-22.2

§ 42-55-22.2. Fair housing policy reports

[Currentness](#)

The corporation shall administer all of its programs and activities relating to housing or community development in a manner affirmatively to further the policies of chapter 37 of title 34 (Rhode Island Fair Housing Practices Act). The corporation shall annually report to the general assembly on the measures it has taken affirmatively to further the policies of chapter 37 of title 34. The corporation shall compile a biennial affirmative action report which will indicate the extent of minority participation in the following corporation programs:

(1) Homeownership Programs

(i) First Homes

(ii) Buy-It-Fix-It

(iii) Mortgage Credit Certificates;

(2) Home Equity Conversion Mortgage;

(3) Home Repair Program

(i) Owner occupants

(ii) Tenants;

(4) Rental Housing Development

(i) Family

(ii) Elderly;

(5) Emergency Housing Assistance.

Credits

[P.L. 1992, ch. 442, § 2.](#)

Gen. Laws, 1956, § 42-55-22.2, RI ST § 42-55-22.2

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-22.3

§ 42-55-22.3. Emergency housing assistance

[Currentness](#)

The department of human services shall administer the emergency housing assistance program in accordance with the Rhode Island housing and mortgage finance corporation rules and regulations and contracts with community action program agencies, as those rules and regulations may be currently in force and effect. In so far as the board of directors may authorize funds for the support of this program, the receipt of those funds shall be deposited as general revenues and appropriated to the department of human services for the support of the program.

Credits

[P.L. 1995, ch. 370, art 40, § 165.](#)

Gen. Laws, 1956, § 42-55-22.3, RI ST § 42-55-22.3

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-23

§ 42-55-23. Authorization to accept appropriated moneys

[Currentness](#)

The corporation is authorized to accept any moneys appropriated from time to time by the general assembly for effectuating its corporate purposes including, without limitation, the payment of the initial expenses of administration and operation and the establishment of reserves or contingency funds to be available for the payment of the principal of and the interest on any bonds, notes, or other obligations of the corporation.

Credits

P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-23, RI ST § 42-55-23

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-24

§ 42-55-24. Tax exemption

Currentness

The exercise of the powers granted by this chapter will be in all respects for the benefit of the people of the state, for their wellbeing and prosperity and for the improvement of their social and economic conditions, and the corporation, or any subsidiary thereof created or authorized pursuant to [§ 42-55-5.1](#), shall not be required to pay any tax or assessment on any property owned by the corporation or by any subsidiary thereof under the provisions of this chapter or upon the income from the property; nor shall the corporation or any subsidiary thereof be required to pay any recording fee or transfer tax of any kind on account of instruments recorded by it or on its behalf. Any bonds, notes, or other obligations issued by the corporation or any subsidiary thereof under the provisions of this chapter, their transfer, and the income from them (including any profits made on their sale), shall at all times be free from taxation by the state or any political subdivision or other instrumentality of the state, excepting inheritance, estate, and gift taxes.

Credits

P.L. 1973, ch. 262, § 1; [P.L. 2023, ch. 79, art. 6, § 2](#), eff. June 16, 2023.

Gen. Laws, 1956, § 42-55-24, RI ST § 42-55-24

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-24.1

§ 42-55-24.1. Allocation of tax credits

[Currentness](#)

The corporation shall be the sole and exclusive agent for the allocation of all federal tax credits for low-income housing under [26 U.S.C. § 42](#). The corporation shall have all of the powers necessary to effectuate those allocations, including without limitation, the power to adopt rules, regulations, and policies regarding those allocations.

Credits

P.L. 1987, ch. 287, § 1.

Gen. Laws, 1956, § 42-55-24.1, RI ST § 42-55-24.1

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-25

§ 42-55-25. Repealed by P.L. 1999, ch. 354, § 25, eff. July 2, 1999

[Currentness](#)

Gen. Laws, 1956, § 42-55-25, RI ST § 42-55-25

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-26

§ 42-55-26. Qualified mortgage bonds

[Currentness](#)

Pursuant to the provisions of § 103A(g) ([26 U.S.C. § 103A\(g\)](#)) of the Internal Revenue Code of 1954, as amended by § 1102(a) of the Omnibus Reconciliation Act of 1980 ([P.L. 96-499](#)), the applicable limit of qualified mortgage bonds that may be issued by the corporation in any calendar year shall be one hundred percent (100%) of the state ceiling for that year.

Credits

G.L. 1956, § 42-44-28; P.L. 1982, ch. 295, § 10.

Gen. Laws, 1956, § 42-55-26, RI ST § 42-55-26

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-27

§ 42-55-27. Lead paint removal revolving fund

Currentness

(a) There is created, as a separate fund within the treasury, the lead paint removal revolving fund. The fund shall consist of any sums that the state may from time to time appropriate, as well as money received from donations, gifts, bequests, or otherwise from any public or private source, which money is intended to implement and encourage lead paint removal.

(b) The treasurer shall contract with the Rhode Island housing and mortgage finance corporation for the administration and disbursement of funding. The Rhode Island housing and mortgage finance corporation shall adopt rules and regulations in conjunction with the department of health and appropriate community groups consistent with the purposes of this section and the Administrative Procedures Act, chapter 35 of this title, which provide for the orderly and equitable disbursement and repayment of funds.

(c) All funds placed in the lead paint removal fund shall be made available:

(1) To make loans to individuals and nonprofit organizations for the purpose of reducing lead hazards in housing units for Rhode Islanders; and

(2) To fund improvements to residential property in conjunction with lead paint reduction as necessary to conduct lead hazard reduction.

(d) Loans made available under the provisions of this section may be made directly, or in cooperation with other public and private lenders, or any agency, department, or bureau of the federal government or the state.

(e) The proceeds from the repayment of any loans made for that purpose shall be deposited in and returned to the lead paint revolving fund to constitute a continuing revolving fund for the purposes provided in this section.

(f) The department of health and the Rhode Island housing and mortgage finance corporation, in coordination with cities and towns, shall take any action necessary to obtain federal assistance for lead hazard reduction to be used in conjunction with the lead paint removal revolving fund.

Credits

P.L. 1998, ch. 393, § 1.

Gen. Laws, 1956, § 42-55-27, RI ST § 42-55-27

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-28

§ 42-55-28. Inconsistent provisions in other laws superseded

[Currentness](#)

Insofar as the provisions of this chapter are inconsistent with the provisions of any other law, general, special, or local, the provisions of this chapter shall be controlling.

Credits

[G.L. 1956, § 42-55-26](#); P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-28, RI ST § 42-55-28

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-29

§ 42-55-29. Liberal construction

[Currentness](#)

Neither this chapter nor anything contained in this section is or shall be construed as a restriction or limitation upon any powers which the corporation might otherwise have under any laws of this state, and this chapter is cumulative to those powers. The corporation shall use its restricted fund balances only (i) for the provision of housing, including, but not limited to, the acquisition, retention, rehabilitation, construction, development, operation, and maintenance of housing units for low and moderate income persons; activities that support and assist the development of housing for low and moderate income persons; and the incidental expenses related to the financing of those activities and (ii) for the general administrative costs of the corporation. This chapter does and shall be construed to provide a complete, additional, and alternative authority for doing the things authorized hereby, and shall be regarded as supplemental and additional to powers conferred by other laws. The issuance of bonds, notes, and other obligations of the corporation under the provisions of this chapter need not comply with the requirements of any other state law applicable to the issuance of bonds, notes, and other obligations, and contracts for the construction and acquisition of any housing developments undertaken pursuant to this chapter need not comply with the provisions of any other state law applicable to contracts for the construction and acquisition of state owned property. No proceedings, notice, or approval under chapter 35 of this title or otherwise, shall be required for the issuance of any bonds, notes, and other obligations, any instrument as security therefor, or in connection with the adoption of any bond resolution, except as is provided in this chapter.

Credits

[G.L. 1956, § 42-55-25](#); P.L. 1973, ch. 262, § 1; P.L. 1987, ch. 287, § 1; [P.L. 1991, ch. 270, § 1](#).

Gen. Laws, 1956, § 42-55-29, RI ST § 42-55-29

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.

West's General Laws of Rhode Island Annotated
Title 42. State Affairs and Government
Chapter 55. Rhode Island Housing and Mortgage Finance Corporation

Gen.Laws 1956, § 42-55-30

§ 42-55-30. Severability

[Currentness](#)

If any clause, sentence, paragraph, section, or part of this chapter shall be adjudged by any court of competent jurisdiction to be invalid, that judgment shall not affect, impair, or invalidate the remainder of this chapter, but shall be confined in its operation to the clause, sentence, paragraph, section, or part directly involved in the controversy in which the judgment shall have been rendered.

Credits

[G.L. 1956, § 42-55-27](#); P.L. 1973, ch. 262, § 1.

Gen. Laws, 1956, § 42-55-30, RI ST § 42-55-30

Current with effective legislation through Chapter 457 of the 2024 Regular Session of the Rhode Island Legislature.

End of Document

© 2025 Thomson Reuters. No claim to original U.S. Government Works.