

**TITLE 2: NATURAL RESOURCES**  
**DIVISION 4: LAND RESOURCES**

**§ 40301. Title.**

This chapter shall be known and shall be cited as “The Lease-to-Own Housing Program Act.”

**Source:** PL 12-15, § 2, modified.

**Commission Comment:** PL 12-15 that created this chapter took effect August 25, 2000. PL 12-15 contained legislative findings and purposes, severability, and savings clause provisions as follows:

**Section 1. Legislative Findings and Purposes.** The Legislature finds key problems that are adverse to the eligibility of first-time homebuyers in purchasing of a residential home, much less participate in the various single family housing development in the CNMI. Key problems include:

- (a) high debt to income ratios of five (5) year short-term debts; and
- (b) clients are unable to meet the required closing cost and down payment for their first-time home; and
- (c) first-time homebuyers may need the lease-to-own housing program so that they may utilize the lease term to re-establish his or her credit and thus qualify for a typical residential loan at the time of escrow closing of the purchase.

In its diligence and commitment to promote affordable housing programs for the people, the legislature finds that many individuals and families are unable to save enough money for the initial cost of buying a home, such as down payment and closing costs. To effectuate additional housing programs, a “*Lease-to-Own Housing Program*” would afford opportunities for the private and government sector to invest in affordable housing developments particularly those that offer lease-to-own provisions with options to exercise purchase within three to five years. This program would encourage public and private partnership in providing for a creative financing mechanism which could benefit the families who can afford to purchase homes given financial assistance for closing costs and down payment. The Legislature encourages the participation of the private sector working through the authority vested in the Northern Marianas Housing Corporation NMHC through this Act.

**Section 10. Severability.** If any provision of this law or its application to any person or circumstance is found to be invalid or contrary to law, such invalidity shall *not* affect other provisions or applications of this law which can be given effect without the invalid provisions or applications, and to this ends the provisions of this law of severable.

**Section 11. Savings Clause.** This Act and any repealer contained herein shall not be construed as effecting any existing right acquired under contract or acquired under statuses. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of this Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence at the date this Act becomes effective.