

TITLE 2: NATURAL RESOURCES
DIVISION 4: LAND RESOURCES

**§ 4337. Mariana Islands Housing Authority Home Construction Loans;
Homestead Permit Termination and Deed Transfer.**

(a) The Department of Public Lands shall transmit to the Northern Marianas Housing Corporation a list of village homestead recipients for all homestead subdivisions in the Northern Mariana Islands and shall update the list from time to time as necessary.

(b) Northern Marianas Housing Corporation shall review the list of village homestead recipients and shall certify to the Department of Public Lands all those homestead recipients whose applications for a Northern Marianas Housing Corporation home construction loan have been conditionally approved. The term “conditionally approved” means that the loan has been approved pending transfer of the deed to the Northern Marianas Housing Corporation. The term “home construction loan” in this section includes any loan under the terms of 2 CMC § 4481 et seq.

(c) Upon receipt of certification of conditional home construction loan approval from the Northern Marianas Housing Corporation, the Department of Public Lands shall terminate the village homestead permit issued to the homesteader, with the homesteader’s consent, and shall deed the lot to the Northern Marianas Housing Corporation for its home construction loan program.

(d)(1) The Northern Marianas Housing Corporation shall issue homestead permits for the lots received from the Department of Public Lands to the village homestead recipients in order for the home construction loans to be disbursed and the home financing secured in accord with the spirit and intent of this article. The Northern Marianas Housing Corporation shall be the successor to the Department of Public Lands with respect to such homesteads for purposes of N.M.I. Const. art. XI, §§ 4(f) and 5(a). The date of the homestead permit issued by the Northern Marianas Housing Corporation shall relate back to the date of the original grant of the homestead for purposes of compliance with N.M.I. Const. art. XI, § 5(a). The Northern Marianas Housing Corporation may delegate any specific tasks, duties, or functions in the administration of these homesteads to the Department of Public Lands as will contribute to effective and efficient administration.

(2) Compliance with the terms and conditions of the home loan shall be an additional condition on the homestead permit. In the event of default by the homesteader in the terms and conditions of the home loan, the Northern Marianas Housing Corporation shall cancel the homestead permit and foreclose on the mortgage of the improvements. Homestead lots for which permits have been canceled pursuant to this subsection may be sold, together with the improvements thereon, in the same manner as prescribed in 2 CMC § 4485(b), with the proceeds to be applied in the manner prescribed by the governing law for the home loan program involved.

(3) The Northern Marianas Housing Corporation shall issue certificates of compliance and deeds of conveyance pursuant to 2 CMC § 4308 for homesteads under its jurisdiction. Every such certificate of compliance shall be subject to creation of a mortgage interest to secure the home loan outstanding

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to the homesteader. No deed of conveyance shall be delivered except concurrently with execution of a mortgage to secure the home loan, refinanced home loan, or takeout loan.

(e) The Department of Public Lands shall convey and deed to the Northern Marianas Housing Corporation homestead sites for the purpose of assisting homesteaders to finance and build residential housing.

(f) Any laws, rules and regulations or fundamental policies governing homestead programs of Department of Public Lands shall be applicable to Mariana Islands Housing Authority's actions pursuant to this section.

Source: PL 8-33 § 4, modified (repealing DL 5-17, § 1); amended by PL 10-29, § 12, modified; (a), (b), (c), (d)(1), (e), and (f) global amendments by PL 15-2, § 4.

Commission Comment: With respect to the references to the "Marianas Public Land Corporation," the "Division of Public Lands, Department of Lands and Natural Resources," and the "Mariana Islands Housing Authority," see Executive Order 94-3 (effective August 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to 1 CMC § 2001; see also the comments to 2 CMC §§ 4142 and 4332.

PL 15-2, which was enacted on February 22, 2006, abolished the Marianas Public Lands Authority and created a Department of Public Lands in its place. PL 15-2 contained short title, legislative findings and declaration of policy, repealer, global amendment, transition, severability, and savings clauses. See 1 CMC § 2801 for detailed information regarding PL 15-2.