

1651.0091 PARTICIPATION REPURCHASE.

A. An originating lender is under no obligation to repurchase any RFA participation interest in a seller-sponsored first mortgage loan except as provided in this part.

B. A lender may, at its option and upon written approval by the RFA, repurchase a RFA participation interest at any time.

C. A lender must repurchase the RFA participation interest whenever the first mortgage loan is paid in full or refinanced.

D. A lender must repurchase the RFA participation interest if the lender has made misrepresentations or fails to perform its obligations under the participation agreement, has received written notice from the RFA, and has not corrected the representation or performance under the notice.

E. Any repurchase must be for the principal balance of the RFA participation plus accrued interest and any penalties or costs incurred by the RFA to secure repurchase.

Statutory Authority: *MS s 41B.07*

History: *20 SR 2251(NO. 42)*

Published Electronically: *October 26, 2005*