

STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966 (EXCERPT)
Act 346 of 1966

125.1433 General reserve fund; creation; payments into fund; use of fund.

Sec. 33.

The authority shall create and establish a special fund, referred to as general reserve fund, and, subject to agreements with bondholders and noteholders, shall pay into the fund all fees and charges collected by the authority on loans made from and residential mortgages acquired with the proceeds of the sale of bonds and any moneys which the authority shall transfer from the capital reserve fund. Such moneys and any other moneys paid into the general reserve fund, in the discretion of the authority but subject to agreements with bondholders and noteholders, may be used by the authority (a) for the repayment of advances from the state in accordance with the provisions of repayment agreements between the authority and the director of the budget, (b) to pay all costs, expenses, and charges of financing, including fees and expenses of trustees and paying agents, (c) for transfers to the capital reserve fund, (d) for the payment of the principal of and interest on bonds or notes issued by the authority when they shall become due whether at maturity or on call for redemption and for the payment of any redemption premium required to be paid where the bonds or notes are redeemed prior to their stated maturities, and to purchase bonds or notes, or (e) for such other corporate purposes of the authority as the authority in its discretion shall determine and provide.

History: 1966, Act 346, Eff. Mar. 10, 1967 ;-- Am. 1976, Act 410, Imd. Eff. Jan. 9, 1977