

**AMENDMENT TO TITLE VII OF H.R. 4173**  
**OFFERED BY MR. GARRETT OF NEW JERSEY**

(Page and line numbers refer to amendment as posted on  
Rules Committee website)

Page 198, after line 15, insert the following new  
subtitle:

1                   **Subtitle K—FHA Mortgage**  
2                   **Requirements**

3   **SEC. 9921. 5 PERCENT DOWNPAYMENT REQUIREMENT;**  
4                   **PROHIBITION OF FINANCING OF CLOSING**  
5                   **COSTS; 10 PERCENT RETENTION REQUIRE-**  
6                   **MENT.**

7           Section 203 of the National Housing Act (12 U.S.C.  
8 1709) is amended—

9           (1) in subsection (b)(9)(A), by striking “3.5  
10 percent” and inserting “5.0 percent”;

11           (2) in subsections (b)(2) and (k)(3)(A), by  
12 striking “(including such initial service charges, ap-  
13 praisal, inspection, and other fees as the Secretary  
14 shall approve)” each place such term appears and  
15 inserting “(which may not include any initial service  
16 charges, appraisal, inspection, or other fees or clos-  
17 ing costs as the Secretary shall prohibit)”; and

1           (3) by inserting after subsection (k) the fol-  
2           lowing new subsection:

3           “(1) LIMITATION ON PORTION OF OUTSTANDING  
4           PRINCIPAL INSURED.—Mortgage insurance provided after  
5           the date of the enactment of the Wall Street Reform and  
6           Consumer Protection Act of 2009 under this section or  
7           any other provision of this title, with respect to a one-  
8           to four-family dwelling, shall insure against loss with re-  
9           spect to not more than 90 percent of the outstanding prin-  
10          cipal obligation under the mortgage.”

