

FEDERAL RESERVE BANK
OF DALLAS

Dallas, Texas, January 9, 1952

REAL ESTATE CREDIT
AMENDMENT TO REGULATION X

*To all Persons Engaged in the Business of Extending Real Estate Credit
in the Eleventh Federal Reserve District:*

There is quoted below the text of a statement issued today by the Board of Governors of the Federal Reserve System relating to an amendment to Regulation X (as amended September 1, 1951).

“The Board of Governors of the Federal Reserve System announced today an amendment to Regulation X—Real Estate Credit—designed to clarify the position of veterans and other persons financing the purchase of a home in cases where secondary loans are combined with loans made, insured, or guaranteed by a department or agency of the United States Government.”

The text of the amendment is set forth on the reverse side of this letter.

This bank and its branches at El Paso, Houston, and San Antonio will be glad to furnish any information which may be desired concerning the Regulation.

Yours very truly,

R. R. GILBERT

President

REAL ESTATE CREDIT

AMENDMENT NO. 9 TO REGULATION X

Issued by the Board of Governors
of the Federal Reserve System
with the concurrence of the
Housing and Home Finance Administrator

Regulation X is hereby amended as follows, effective January 9, 1952:

1. Add the following new subsection (*p*) to Section 5:

(*p*) **Certain Government-aided Loans.**—The prohibitions of subsections (*a*) and (*b*) of section 4 of this regulation shall not apply to a secondary loan to a borrower when the primary loan is made, insured, or guaranteed, in whole or in part, by any department or agency of the United States, if (1) the total amount of the primary and secondary loans does not exceed the maximum loan which legally could have been made, insured, or guaranteed by the department or agency for the borrower, and (2) the department or agency approves the making of the secondary loan.