

Dr. LEE. I would think so. There are some group practices, of course, that may include optometrists and podiatrists. They may be included in large medical groups where they work in association with physicians and dentists. But this would not be the case with chiropractors, I am sure.

Mr. ST GERMAIN. It says that the builder will have to agree that the building would be used for the practice of medicine for the term of the mortgage. That is what the act states.

Mr. BROWNSTEIN. Yes, the sponsor will have to agree to this.

Mr. ST GERMAIN. Am I to understand from that that the requirement could be contained in the mortgage?

Mr. BROWNSTEIN. There would be a regulatory agreement executed at the time of the mortgage, Mr. St Germain, which would have this in it.

Mr. ST GERMAIN. Would it be a part of the mortgage, or a separate instrument unrecorded?

Mr. BROWNSTEIN. It would be a separate instrument, but it would be a part of the mortgage transaction.

Mr. ST GERMAIN. But it would not be a recorded instrument?

Mr. BROWNSTEIN. The regulatory agreement is recorded.

Mr. ST GERMAIN. It is recorded?

Mr. BROWNSTEIN. Yes.

Mr. ST GERMAIN. Where is it recorded?

Mr. BROWNSTEIN. With the recorder of deeds, where the mortgage is recorded.

Mr. ST GERMAIN. I am trying to figure it out legally, Mr. Brownstein.

Mr. BROWNSTEIN. It is in effect a part of the mortgage.

Mr. ST GERMAIN. It is a part of the mortgage. And therefore if someone else were to purchase this building subsequently, he would be on notice in looking at the mortgage?

Mr. BROWNSTEIN. Yes. Also, FHA approval is required for any proposed sale.

Mr. ST GERMAIN. If I wished to purchase the mortgage also he would be on notice of the fact that he must comply with this condition?

Mr. BROWNSTEIN. All parties would be on notice of this.

Mr. ST GERMAIN. Now, is there a penalty clause—should the individual who builds the building 12 years after he has built the building, could he decide that this would no longer be used for group medical practices, and take half of the building and rent it out to a discount house, for instance, is there a penalty attached?

Mr. BROWNSTEIN. What we would do in a case of that kind, Mr. St Germain, is proceed under the regulatory agreement. And we could take it over from him.

Mr. ST GERMAIN. Take the building over from him?

Mr. BROWNSTEIN. Yes.

Mr. ST GERMAIN. Would you then sell it?

Mr. BROWNSTEIN. We could go into court and enjoin him from doing this.

Mr. ST GERMAIN. No further questions, Mr. Chairman.

Mr. BARRETT. Mr. Gonzalez?

Mr. GONZALEZ. Mr. Chairman, I will defer in view of the limitation of time.