

§ 1955.1

- 1955.82 State supplements.
- 1955.83-1955.99 [Reserved]
- 1955.100 OMB control number.
- EXHIBIT A TO SUBPART B—MEMORANDUM OF UNDERSTANDING BETWEEN THE FEDERAL EMERGENCY MANAGEMENT AGENCY AND THE FARMERS HOME ADMINISTRATION OR ITS SUCCESSOR AGENCY UNDER PUBLIC LAW 103-354 [NOTE]
- EXHIBIT B TO SUBPART B—NOTIFICATION OF TRIBE OF AVAILABILITY OF FARM PROPERTY FOR PURCHASE
- EXHIBIT C TO SUBPART B—COOPERATIVE AGREEMENT (EXAMPLE) [NOTE]
- EXHIBIT D TO SUBPART B—FACT SHEET—THE FEDERAL INTERAGENCY TASK FORCE ON FOOD AND SHELTER FOR THE HOMELESS [NOTE]

**Subpart C—Disposal of Inventory Property**

INTRODUCTION

- 1955.101 Purpose.
  - 1955.102 Policy.
  - 1955.103 Definitions.
  - 1955.104 Authorities and responsibilities.
- CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT (CONACT) REAL PROPERTY
- 1955.105 Real property affected (CONACT).
  - 1955.106 Disposition of farm property.
  - 1955.107 Sale of FSA property (CONACT).
  - 1955.108 Sale of (CONACT) property other than FSA property.
  - 1955.109 Processing and closing (CONACT).

RURAL HOUSING (RH) REAL PROPERTY

- 1955.110 [Reserved]
- 1955.111 Sale of real estate for RH purposes (housing).
- 1955.112 Method of sale (housing).
- 1955.113 Price (housing).
- 1955.114 Sales steps for program property (housing).
- 1955.115 Sales steps for nonprogram (NP) property (housing).
- 1955.116 Requirements for sale of property not meeting decent, safe and sanitary (DSS) standards (housing).
- 1955.117 Processing credit sales on program terms (housing).
- 1955.118 Processing cash sales or MFH credit sales on NP terms.
- 1955.119 Sale of SFH inventory property to a public body or nonprofit organization.
- 1955.120 Payment of points (housing).

CHattel PROPERTY

- 1955.121 Sale of acquired chattels (chattel).
- 1955.122 Method of sale (chattel).
- 1955.123 Sale procedures (chattel).
- 1955.124 Sale with inventory real estate (chattel).
- 1955.125-1955.126 [Reserved]

7 CFR Ch. XVIII (1-1-12 Edition)

USE OF CONTRACTORS TO DISPOSE OF INVENTORY PROPERTY

- 1955.127 Selection and use of contractors to dispose of inventory property.
- 1955.128 Appraisers.
- 1955.129 Business brokers.
- 1955.130 Real estate brokers.
- 1955.131 Auctioneers.

GENERAL

- 1955.132 Pilot projects.
- 1955.133 Nondiscrimination.
- 1955.134 Loss, damage, or existing defects in inventory real property.
- 1955.135 Taxes on inventory real property.
- 1955.136 Environmental Assessment (EA) and Environmental Impact Statement (EIS).
- 1955.137 Real property located in special areas or having special characteristics.
- 1955.138 Property subject to redemption rights.
- 1955.139 Disposition of real property rights and title to real property.
- 1955.140 Sale in parcels.
- 1955.141 Transferring title.
- 1955.142-1955.143 [Reserved]
- 1955.144 Disposal of NP or surplus property to, through, or acquisition from other agencies.
- 1955.145 Land acquisition to effect sale.
- 1955.146 Advertising.
- 1955.147 Sealed bid sales.
- 1955.148 Auction sales.
- 1955.149 Exception authority.
- 1955.150 State supplements.

EXHIBIT A TO SUBPART C—NOTICE OF FLOOD, MUDSLIDE HAZARD, OR WETLAND AREA

AUTHORITY: 5 U.S.C. 301; 7 U.S.C. 1989; 42 U.S.C. 1480.

SOURCE: 50 FR 23904, June 7, 1985, unless otherwise noted.

**Subpart A—Liquidation of Loans Secured by Real Estate and Acquisition of Real and Chattel Property**

§ 1955.1 Purpose.

This subpart delegates authority and prescribes procedures for the liquidation of loans to individuals and to organizations as identified in §1955.3 of this subpart. It pertains to the Multi-Family Housing (MFH) and Community Facility (CF) programs of the Rural Housing Service (RHS), and direct programs of the Rural Business-Cooperative Service (RBS). Guaranteed RBS loans are liquidated upon direction from the Deputy Administrator, Business Programs, RBS. This subpart

## RHS, RBS, RUS, FSA, USDA

## § 1955.3

does not apply to Farm Service Agency, Farm Loan Programs, to RHS single family housing loans, or to CF loans sold without insurance in the private sector. These CF loans will be serviced in the private sector, and future revisions to this subpart no longer apply to such loans. This subpart does not apply to the Rural Rental Housing, Rural Cooperative Housing, or Farm Labor Housing Programs of RHS. In addition, this subpart does not apply to Water and Waste Programs of the Rural Utilities Service, Watershed loans, and Resource Conservation and Development loans, which are serviced under part 1782 of this title.

[72 FR 55019, Sept. 28, 2007, as amended at 72 FR 64123, Nov. 15, 2007]

### § 1955.2 Policy.

When it has been determined in accordance with applicable loan servicing regulations that further servicing will not achieve loan objectives and that voluntary sale of the property by the borrower (except for Multiple Family Housing (MFH) loans subject to prepayment restrictions) cannot be accomplished, the loan(s) will be liquidated through voluntary conveyance of the property to FmHA or its successor agency under Public Law 103-354 or by foreclosure as outlined in this subpart. For MFH loans subject to the prepayment restrictions, voluntary liquidation may be accomplished only through voluntary conveyance to FmHA or its successor agency under Public Law 103-354 in accordance with applicable portions of §1955.10 of this subpart. Nonprogram (NP) loans, except for Community and Business Programs, will be liquidated as provided in subpart J of part 1951 of this chapter, unless specifically referenced in this subpart.

[51 FR 4138, Feb. 3, 1986, as amended at 53 FR 27826, July 25, 1988; 58 FR 52652, Oct. 12, 1993]

### § 1955.3 Definitions.

As used in this subpart, the following definitions apply:

*Closing agent.* An attorney or title insurance company which is approved as a loan closing agent in accordance with subpart B of part 1927 of this chapter.

*CONACT or CONACT property.* Property acquired or sold pursuant to the Consolidated Farm and Rural Development Act. Within this subpart, it shall also be construed to cover property which secured loans made pursuant to the Agriculture Credit Act of 1978; the Emergency Agricultural Credit Adjustment Act of 1978; the Emergency Agricultural Credit Act of 1984; the Food Security Act of 1985; and other statutes giving agricultural lending authority to FmHA or its successor agency under Public Law 103-354.

*Farmer Programs loans.* The term "Farmer Program loans" (FP) refers to the following types of loans: Farm Ownership (FO), Soil and Water (SW), Recreation (RL), Economic Opportunity (EO), Operating (OL), Emergency (EM), Economic Emergency (EE), Softwood Timber (ST), and Rural Housing Loans for farm service buildings (RHF).

*Government.* The United States of America acting through the Farmers Home Administration or its successor agency under Public Law 103-354 (FmHA or its successor agency under Public Law 103-354), U.S. Department of Agriculture; used interchangeably herein with "FmHA or its successor agency under Public Law 103-354."

*Homestead protection.* The Farmer Programs borrower-owner's right to lease with an option to purchase the principal residence located on or off the farm and up to 10 acres of adjoining land possessed and occupied by the borrower-owner, including a reasonable number of farm outbuildings located on the adjoining land that are useful to the occupants of the homestead.

*Interest credit.* The terms "interest credit" and "interest credit assistance," as they relate to Single Family Housing (SFH) loans, are interchangeable with the term "payment assistance." Payment assistance is the generic term for the subsidy provided to eligible SFH borrowers to reduce mortgage payments.

*Loans to individuals.* Farm Ownership (FO), Soil and Water (SW), Recreation (RL), Special Livestock (SL), Economic Opportunity (EO), Operating (OL), Emergency (EM), Economic Emergency (EE), Softwood Timber (ST), and Rural Housing loans for farm