

Sec. 1710. - Payment of insurance

(g) Handling and disposal of property; settlement of claims

Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, the Secretary shall have power to deal with, complete, rent, renovate, modernize, insure, or sell for cash or credit, in his discretion, any properties conveyed to him in exchange for debentures and certificates of claim as provided in this section; and notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection, by way of compromise or otherwise, all claims against mortgagors assigned by mortgagees to the Secretary as provided in this section: Provided, That section 5 of title 41 shall not be construed to apply to any contract for hazard insurance, or to any purchase or contract for services or supplies on account of such property if the amount thereof does not exceed \$1,000. The Secretary shall, by regulation, carry out a program of sales of such properties and shall develop and implement appropriate credit terms and standards to be used in carrying out the program. The power to convey and to execute in the name of the Secretary deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein heretofore or hereafter acquired by the Secretary pursuant to the provisions of this chapter, may be exercised by an officer appointed by him, without the execution of any express delegation of power or power of attorney: Provided, That nothing in this subsection shall be construed to prevent the Secretary from delegating such power by order or by power of attorney, in his discretion, to any officer, agent, or employee he may appoint: And provided further, That a conveyance or transfer of title to real or personal property or an interest therein to the Secretary of Housing and Urban Development, his successors and assigns, without identifying the Secretary therein, shall be deemed a proper conveyance or transfer to the same extent and of like effect as if the Secretary were personally named in such conveyance or transfer. The Secretary may sell real and personal property acquired by the Secretary pursuant to the provisions of this chapter on such terms and conditions as the Secretary may prescribe.

(h) Disposition of assets in revitalization areas

(1) In general

The purpose of this subsection is to require the Secretary to carry out a program under which eligible assets (as such term is defined in paragraph (2)) shall be made available for sale in a manner that promotes the revitalization, through expanded homeownership opportunities, of revitalization areas. Notwithstanding the authority under the last sentence

of subsection (g) of this section, the Secretary shall dispose of all eligible assets under the program and shall establish the program in accordance with the requirements under this subsection.

(2) Eligible assets

For purposes of this subsection, the term "eligible asset" means any of the following assets of the Secretary:

(A) Properties

Any property that -

- (i) is designed as a dwelling for occupancy by 1 to 4 families;
- (ii) is located in a revitalization area;
- (iii) is previously subject to a mortgage insured under the provisions of this chapter; and
- (iv) is owned by the Secretary pursuant to the payment of insurance benefits under this chapter.

(B) Mortgages

Any mortgage that -

- (i) is an interest in a property that meets the requirements of clauses (i) and (ii) of subparagraph (A);
- (ii) was previously insured under the provisions of this chapter; and
- (iii) is held by the Secretary pursuant to the payment of insurance benefits under this chapter.

For purposes of this subsection, an asset under this subparagraph shall be considered to be located in a revitalization area, or in the asset control area of a preferred purchaser, if the property described in clause (i) is located in such area.

(C) Future interests

Any contingent future interest of the Secretary in an asset described in subparagraph (A) or (B).

(3) Revitalization areas

The Secretary shall designate areas as revitalization areas for purposes of this subsection. Before designation of an area as a revitalization area, the Secretary shall consult with affected units of general local government and

interested nonprofit organizations. The Secretary may designate as revitalization areas only areas that meet one of the following requirements:

(A) Very low income area

The median household income for the area is less than 60 percent of the median household income for -

- (i) in the case of any area located within a metropolitan area, such metropolitan area; or
- (ii) in the case of any area not located within a metropolitan area, the State in which the area is located.

(B) High concentration of eligible assets

A high rate of default or foreclosure for single family mortgages insured under this chapter has resulted, or may result, in the area -

- (i) having a disproportionately high concentration of eligible assets, in comparison with the concentration of such assets in surrounding areas; or
- (ii) being detrimentally impacted by eligible assets in the vicinity of the area.

(C) Low home ownership rate

The rate for home ownership of single family homes in the area is substantially below the rate for homeownership in the metropolitan area.