Subpart A—Overview

§ 767.1 Introduction.

(a) Purpose. This part describes the Agency’s policies for:

1. Managing inventory property;
2. Selling inventory property;
3. Leasing inventory property;
4. Managing real and chattel property;
5. Selling or leasing inventory property with important resources, or located in special hazard areas; and
6. Conveying interest in real property for conservation purposes.

(b) Basic policy. The Agency maintains, manages and sells inventory property as necessary to protect the Agency’s financial interest.

§ 767.2 Abbreviations and definitions.

Abbreviations and definitions for terms used in this part are provided in § 761.2 of this chapter.

§§ 767.3–767.50 [Reserved]

Subpart B—Property Abandonment and Personal Property Removal

§ 767.51 Property abandonment.

The Agency will take actions necessary to secure, maintain, preserve, manage, and operate the abandoned security property, including marketing perishable security property on behalf of the borrower when such action is in the Agency’s financial interest. If the security is in jeopardy, the Agency will take the above actions prior to completing servicing actions contained in 7 CFR part 766.

§ 767.52 Disposition of personal property from real estate inventory property.

(a) Preparing to dispose of personal property.

If, at the time of acquisition, personal property has been left on the real estate inventory property, the Agency will notify the former real estate owner and any known lienholders that the Agency will dispose of the personal property. Property of value may be sold at a public sale.

(b) Reclaiming personal property.

The owner or lienholder may reclaim personal property at any time prior to the property’s sale or disposal by paying all expenses incurred by the Agency in connection with the personal property.

(c) Use of proceeds from sale of personal property.

Proceeds from the public sale of personal property will be distributed as follows:

1. To lienholders in order of lien priority less a pro rata share of the sale expenses;
2. To the inventory account up to the amount of expenses incurred by the Agency in connection with the sale of personal property;
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§ 767.151 General requirements.

Subject to § 767.152, the Agency will attempt to sell its inventory property as follows:

(a) The Agency will combine or divide inventory property, as appropriate, to maximize the opportunity for beginning farmers or socially disadvantaged farmers to purchase real property.

(b) The Agency will advertise all real estate inventory property that can be used for any authorized FO loan purpose for sale to beginning farmers or socially disadvantaged farmers no later than 15 days after the Agency obtains title to the property.

(c) If more than one eligible beginning farmer or socially disadvantaged farmer applies, the Agency will select a purchaser by a random selection process open to the public.

(1) All applicants will be advised of the time and place of the selection.

(2) All drawn offers will be numbered.

(3) Offers drawn after the first will be held in suspense pending sale to the successful applicant.