

Effective interest rate	on or after	prior to
6	Jan. 1, 2001	July 1, 2001
5 ⁷ / ₈	July 1, 2001	Jan. 1, 2002
5 ¹ / ₄	Jan. 1, 2002	July 1, 2002
5 ³ / ₄	July 1, 2002	Jan. 1, 2003
5	Jan. 1, 2003	July 1, 2003
4 ¹ / ₂	July 1, 2003	Jan. 1, 2004
5 ¹ / ₈	Jan. 1, 2004	July 1, 2004
5 ¹ / ₂	July 1, 2004	Jan. 1, 2005
4 ⁷ / ₈	Jan. 1, 2005	July 1, 2005
4 ¹ / ₂	July 1, 2005	Jan. 1, 2006
4 ⁷ / ₈	Jan. 1, 2006	July 1, 2006
5 ³ / ₈	July 1, 2006	Jan. 1, 2007
4 ³ / ₄	Jan. 1, 2007	July 1, 2007
5	July 1, 2007	Jan. 1, 2008
4 ¹ / ₂	Jan. 1, 2008	July 1, 2008
4 ⁵ / ₈	July 1, 2008	Jan. 1, 2009
4 ¹ / ₈	Jan. 1, 2009	July 1, 2009
4 ¹ / ₈	July 1, 2009	Jan. 1, 2010
4 ¹ / ₄	Jan. 1, 2010	July 1, 2010
4 ¹ / ₈	July 1, 2010	Jan. 1, 2011
3 ⁷ / ₈	Jan. 1, 2011	July 1, 2011
4 ¹ / ₈	July 1, 2011	Jan. 1, 2012

Section 215 of Division G, Title II of Public Law 108–199, enacted January 23, 2004 (HUD’s 2004 Appropriations Act) amended section 224 of the Act, to change the debenture interest rate for purposes of calculating certain insurance claim payments made in cash. Therefore, for all claims paid in cash on mortgages insured under section 203 or 234 of the National Housing Act and endorsed for insurance after January 23, 2004, the debenture interest rate will be the monthly average yield, for the month in which the default on the mortgage occurred, on United States Treasury Securities adjusted to a constant maturity of 10 years, as found in Federal Reserve Statistical Release H–15. The Federal Housing Administration has codified this provision in HUD regulations at 24 CFR 203.405(b) and 24 CFR 203.479(b).

Section 221(g)(4) of the Act provides that debentures issued pursuant to that paragraph (with respect to the assignment of an insured mortgage to the Secretary) will bear interest at the “going Federal rate” in effect at the time the debentures are issued. The term “going Federal rate” is defined to mean the interest rate that the Secretary of the Treasury determines, pursuant to a statutory formula based on the average yield on all outstanding marketable Treasury obligations of 8- to 12-year maturities, for the 6-month periods of January through June and July through December of each year. Section 221(g)(4) is implemented in the HUD regulations at 24 CFR 221.255 and 24 CFR 221.790.

The Secretary of the Treasury has determined that the interest rate to be borne by debentures issued pursuant to section 221(g)(4) during the 6-month

period beginning July 1, 2011, is 3 percent.

The subject matter of this notice falls within the categorical exemption from HUD’s environmental clearance procedures set forth in 24 CFR 50.19(c)(6). For that reason, no environmental finding has been prepared for this notice.

Authority: Sections 211, 221, 224, National Housing Act, 12 U.S.C. 1715b, 1715l, 1715o; Section 7(d), Department of HUD Act, 42 U.S.C. 3535(d).

Dated: July 28, 2011.

Carol J. Galante,

Acting Assistant Secretary for Housing—Federal Housing Commissioner.

[FR Doc. 2011–19735 Filed 8–3–11; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5527–N–02]

Notice of HUD-Held Multifamily Loan Sale (MLS 2011–2)

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice of sale of mortgage loans.

SUMMARY: This notice announces HUD’s sale of certain unsubsidized multifamily mortgage loans, without Federal Housing Administration (FHA) insurance, in a competitive, sealed bid sale (MLS 2011–2). This notice also describes generally the bidding process used for the sale and certain persons who were ineligible to bid. The Bidder’s Information Package (BIP) was made available online to qualified bidders on June 29, 2011. Submission of bids for the loans were required on the bid date, which was August 3, 2011. Awards were made no later than August 4, 2011. Closings are expected to take place by August 19, 2011.

FOR FURTHER INFORMATION CONTACT: John Lucey, Deputy Director, Asset Sales Office, Room 3136, Department of Housing and Urban Development, 451 7th Street, SW., Washington, DC 20410–8000; telephone number 202–708–2625, extension 3927. Hearing- or speech-impaired individuals may call 202–708–4594 (TTY). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: HUD announces the sale in MLS 2011–2 of certain unsubsidized mortgage loans (Mortgage Loans) secured by multifamily properties located throughout the United States. The Mortgage Loans were comprised of non-performing mortgage loans. A final

listing of the Mortgage Loans was included in the BIP. The Mortgage Loans were sold without FHA insurance and with servicing released. HUD offered qualified bidders the opportunity to bid competitively on the Mortgage Loans.

The Mortgage Loans may be stratified for bidding purposes into several mortgage loan pools. Each pool may contain Mortgage Loans that generally have similar performance, property type, geographic location, lien position and other characteristics. Qualified bidders were permitted to submit bids on one or more pools of Mortgage Loans or on individual loans. A mortgagor who was a qualified bidder was permitted to submit an individual bid on its own Mortgage Loan. Interested Mortgagors were advised to review the Qualification Statement to determine whether they were eligible to qualify to submit bids on one or more pools of Mortgage Loans or on individual loans in MLS 2011–2.

The Bidding Process

The BIP described in detail the procedure for bidding in MLS 2011–2. The BIP also included a standardized non-negotiable loan sale agreement (Loan Sale Agreement).

As part of its bid, each bidder was required to submit a deposit equal to the greater of \$100,000 or 10% of the bid price. In the event the bidder’s aggregate bid was less than \$100,000.00, the minimum deposit was not less than fifty percent (50%) of the bidder’s aggregate bid. HUD evaluated the bids submitted and determined the successful bids in its sole and absolute discretion. If a bidder was successful, the bidder’s deposit was non-refundable and will be applied toward the purchase price. Deposits were returned to unsuccessful bidders. Closings are scheduled to occur by August 19, 2011.

These were the essential terms of sale. The Loan Sale Agreement, included in the BIP, contained additional terms and details. To ensure a competitive bidding process, the terms of the bidding process and the Loan Sale Agreement were not subject to negotiation.

Due Diligence Review

The BIP described the due diligence process for reviewing loan files in MLS 2011–2. Qualified bidders were able to access loan information remotely via a high-speed Internet connection. Further information on performing due diligence review of the Mortgage Loans was provided in the BIP.

Mortgage Loan Sale Policy

HUD reserved the right to add Mortgage Loans to or delete Mortgage

Loans from MLS 2011-2 at any time prior to the Award Date. HUD also reserved the right to reject any and all bids, in whole or in part, without prejudice to HUD's right to include any Mortgage Loans in a later sale. Mortgage Loans will not be withdrawn after the Award Date except as is specifically provided in the Loan Sale Agreement.

This sale of unsubsidized mortgage loans was pursuant to Section 204(a) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act of 1997, 12 U.S.C. 1715z-11a(a).

Mortgage Loan Sale Procedure

HUD selected a competitive sale as the method to sell the Mortgage Loans. This method of sale optimizes HUD's return on the sale of these Mortgage Loans, afforded the greatest opportunity for all qualified bidders to bid on the Mortgage Loans, and provided the quickest and most efficient vehicle for HUD to dispose of the Mortgage Loans.

Bidder Eligibility

In order to bid in the sale, prospective bidders were required to complete, execute and submit both a Confidentiality Agreement and a Qualification Statement acceptable to HUD. The following individuals and entities were ineligible to bid on any of the Mortgage Loans included in MLS 2011-2:

(1) Any employee of HUD, a member of such employee's household, or an entity owned or controlled by any such employee or member of such an employee's household;

(2) Any individual or entity that is debarred, suspended, or excluded from doing business with HUD pursuant to Title 24 of the Code of Federal Regulations, part 24, and Title 2 of the Code of Federal Regulations, part 2424;

(3) Any contractor, subcontractor and/or consultant or advisor (including any agent, employee, partner, director, principal or affiliate of any of the foregoing) who performed services for, or on behalf of, HUD in connection with MLS 2011-2;

(4) Any individual who was a principal, partner, director, agent or employee of any entity or individual described in subparagraph 3 above, at any time during which the entity or individual performed services for or on behalf of HUD in connection with MLS 2011-2;

(5) Any individual or entity that uses the services, directly or indirectly, of any person or entity ineligible under subparagraphs 1 through 4 above to assist in preparing any of its bids on the Mortgage Loans;

(6) Any individual or entity which employs or uses the services of an employee of HUD (other than in such employee's official capacity) who is involved in MLS 2011-2;

(7) Any affiliate, principal or employee of any person or entity that, within the two-year period prior to August 1, 2011, serviced any of the Mortgage Loans or performed other services for or on behalf of HUD;

(8) Any contractor or subcontractor to HUD that otherwise had access to information concerning the Mortgage Loans on behalf of HUD or provided services to any person or entity which, within the two-year period prior to August 1, 2011, had access to information with respect to the Mortgage Loans on behalf of HUD;

(9) Any employee, officer, director or any other person that provides or will provide services to the potential bidder with respect to such Mortgage Loans during any warranty period established for the Loan Sale, that (x) serviced any of the Mortgage Loans or performed other services for or on behalf of HUD or (y) within the two-year period prior to August 1, 2011, provided services to any person or entity which serviced, performed services or otherwise had access to information with respect to the Mortgage Loans for or on behalf of HUD;

(10) Any mortgagor or operator that failed to submit to HUD on or before June 30, 2011, audited financial statements for fiscal years 2007 through 2010 (for such time as the project has been in operation or the prospective bidder served as operator, if less than three (3) years) for a project securing a Mortgage Loan;

(11) Any individual or entity and any Related Party (as such term is defined in the Qualification Statement) of such individual or entity that is a mortgagor in any of HUD's multifamily and or healthcare housing programs and that is in default under such mortgage loan or is in violation of any regulatory or business agreements with HUD, unless such default or violation is cured on or before June 30, 2011;

Freedom of Information Act Requests

HUD reserves the right, in its sole and absolute discretion, to disclose information regarding MLS 2011-2, including, but not limited to, the identity of any successful bidder and its bid price or bid percentage for any pool of loans or individual loan, upon the closing of the sale of all the Mortgage Loans. Even if HUD elects not to publicly disclose any information relating to MLS 2011-2, HUD will have the right to disclose any information that HUD is obligated to disclose

pursuant to the Freedom of Information Act and all regulations promulgated thereunder.

Scope of Notice

This notice applied to MLS 2011-2 and does not establish HUD's policy for the sale of other mortgage loans.

Dated: July 29, 2011.

Carol J. Galante,

*Acting Assistant Secretary for Housing,
Federal Housing Commissioner.*

[FR Doc. 2011-19736 Filed 8-3-11; 8:45 am]

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5545-D-02]

Order of Succession for the Office of Public and Indian Housing

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice of order of succession.

SUMMARY: In this notice, the Assistant Secretary for Public and Indian Housing designates the order of succession for the Office of Public and Indian Housing (PIH). This order of succession revokes and supersedes all prior orders of succession for PIH, including that published on October 18, 2006 (71 FR 61500).

DATES: *Effective Date:* July 15, 2011.

FOR FURTHER INFORMATION CONTACT: Linda Bronsdon, AICP, Office of Policy, Program and Legislative Initiatives, Office of Public and Indian Housing, Department of Housing and Urban Development, 490 L'Enfant Plaza, Washington, DC 20024, e-mail address Linda.K.Bronsdon@hud.gov, telephone number 202-402-3494. (This is not a toll-free number.) This number may be accessed through TTY by calling the toll-free Federal Relay Service at telephone number 1-800-877-8339.

SUPPLEMENTARY INFORMATION: The Assistant Secretary for PIH is issuing this order of succession of officials to perform the duties and functions of PIH when, by reason of absence, disability, or vacancy in office, the Assistant Secretary is not available to exercise the powers or perform the duties of the office. This order of succession is subject to the provisions of the Federal Vacancy Reform Act of 1998 (5 U.S.C. 3345-3349d). This publication revokes and supersedes all prior orders of succession for PIH, including that published on October 18, 2006 (71 FR 61500).