

or parts thereof, subject, however, to the limitations contained in the applicable provisions of the United States Housing Act of 1937. The Secretary of Housing and Urban Development shall be obligated to reconvey or to redeliver possession of the project, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such agreement and as soon as practicable after the Secretary of Housing and Urban Development shall be satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this subchapter and the United States Housing Act of 1937, thereafter be operated in accordance with the terms of such agreement. Any prior conveyances and reconveyances, deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the project to the Secretary of Housing and Urban Development pursuant to this paragraph upon the subsequent occurrence of a substantial default.

**(d) Disposition of payments**

At the end of each fiscal year, the total amount of payments during such year to the Secretary of Housing and Urban Development in accordance with subsection (c) of this section shall be covered into the Treasury as miscellaneous receipts.

(Oct. 14, 1940, ch. 862, title VI, §606, as added June 28, 1948, ch. 688, §7, as added Apr. 20, 1950, ch. 94, title II, §201, 64 Stat. 59; amended by Ex. Ord. No. 10284, §§6, 7, eff. Sept. 4, 1951, 16 F.R. 8971; Ex. Ord. No. 10339, eff. Apr. 7, 1952, 17 F.R. 3012; Ex. Ord. No. 10425, eff. Jan. 16, 1953, 18 F.R. 405; Pub. L. 86-372, title VIII, §807, Sept. 23, 1959, 73 Stat. 687; Pub. L. 89-174, §5(a), Sept. 9, 1965, 79 Stat. 669; Pub. L. 93-383, title II, §207, Aug. 22, 1974, 88 Stat. 669.)

**Editorial Notes**

REFERENCES IN TEXT

The United States Housing Act of 1937, referred to in subsecs. (a)(1), (b), and (c)(2), (3), (7), is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 93-383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, which is classified generally to chapter 8 (§1437 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note under section 1437 of this title and Tables.

Subchapters III and VI of this chapter, referred to in subsec. (b), were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

Subsections 2(1) and 2(2) and section 10 of the United States Housing Act of 1937, referred to in subsec. (c)(1), (3), (6), are references to sections 2 and 10 of the Act prior to the general revision of the Act by Pub. L. 93-383. The Act as so revised is classified to section 1437 et seq. of this title. Provisions of former sections 2 and 10 are covered by sections 3 and 5 of the Act which are classified to sections 1437a and 1437d of this title.

AMENDMENTS

1974—Subsec. (b). Pub. L. 93-383, §207(a), struck out provisions relating to payment of capital grants or annual contributions to low-rent housing projects.

Subsec. (c)(1). Pub. L. 93-383, §207(b), inserted provision relating to financing repair or rehabilitation of a project or part of project conveyed to public housing agency under this section.

1959—Subsec. (b). Pub. L. 86-372, §807(1), provided that if any such project is consolidated under a single annual contributions contract with any low-rent project being assisted with annual contributions under United States Housing Act of 1937, payment of any annual contribution on account of any project so assisted shall not be deemed to be a capital grant or annual contribution with respect to any project conveyed hereunder.

Subsec. (c)(3). Pub. L. 86-372, §807(2), inserted proviso making provisions of subsec. (c)(3) inapplicable to any project which is consolidated under a single contract with one or more low-rent projects being assisted under United States Housing Act of 1937, and permitting commingling of income from such project with funds of project or projects with which it is consolidated.

**Statutory Notes and Related Subsidiaries**

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

**Executive Documents**

EXECUTIVE ORDER NO. 10284

Ex. Ord. No. 10284, Sept. 4, 1951, extended time for request for conveyance of housing projects from Dec. 31, 1950, to Dec. 31, 1951, and extended time for entering agreements with Public Housing Administration from June 30, 1951, to June 30, 1952. See note set out under section 1589a of this title.

EXECUTIVE ORDER NO. 10339

Ex. Ord. No. 10339, Apr. 7, 1952, set out as a note under section 1589a of this title, extended time for request for conveyance of housing projects from Dec. 31, 1951, to Dec. 31, 1952, and extended time for entering agreements with Public Housing Administration from June 30, 1952, to June 30, 1953.

EXECUTIVE ORDER NO. 10425

Ex. Ord. No. 10425, Jan. 16, 1953, set out as a note under section 1589a of this title, extended time for request for conveyance of housing projects from Dec. 31, 1952, to June 30, 1953.

**§ 1587. Disposition of other permanent war housing**

**(a) Public interest**

The Secretary of Housing and Urban Development shall, subject to the provisions of this section, dispose of permanent war housing, other than housing conveyed pursuant to section 1586 of this title, as promptly as practicable and in the public interest.

**(b) Preference in sales to individuals**

Preference in the purchase of any dwelling structure designed for occupancy by not more than four families and offered for separate sale shall be granted to occupants and to veterans over other prospective purchasers for such period as the Secretary of Housing and Urban Development may determine and in the following order:

(1) a veteran who occupies a unit in the dwelling structure to be sold and who intends to continue to occupy such unit;

(2) a nonveteran who occupies a unit in the dwelling structure to be sold and who intends to continue to occupy such unit;

(3) a veteran who intends to occupy a unit in the dwelling structure to be sold.

Subject to the above order of preference, the Secretary of Housing and Urban Development may establish subordinate preferences for any such dwelling structure. In the disposition of any dwellings under this section which were acquired by the United States from persons occupying the dwellings at the time of such acquisition, the Secretary of Housing and Urban Development may, notwithstanding the order of preference provided in this section, grant a first preference to such persons in the purchase of any of these dwellings for such period and under such conditions as the Secretary may determine to be appropriate and in the public interest. As used in this subsection, the term "veteran" shall include a veteran, a serviceman, or the family of a veteran or a serviceman, or the family of a deceased veteran or serviceman whose death has been determined by the Secretary of Veterans Affairs to be service-connected.

**(c) Preference in sales of projects**

In the case of any housing project required by this section to be disposed of, which is not offered for separate sale of separate dwelling structures designed for occupancy by not more than four families, such project may be sold as a whole or in such portions as the Secretary of Housing and Urban Development may determine. On such sales of an entire project or portions thereof consisting of more than one dwelling structure or of an individual dwelling structure designed for occupancy by more than four families, first preference shall be given for such period not less than ninety days nor more than six months from the date of the initial offering of such project or portions thereof as the Secretary of Housing and Urban Development may determine, to groups of veterans organized on a mutual ownership or cooperative basis (provided that any such group shall accept as a member of its organization, on the same terms, subject to the same conditions, and with the same privileges and responsibilities, required of, and extended to other members of the group any tenant occupying a dwelling unit in such project, portion thereof or building, at any time during such period as the Secretary of Housing and Urban Development shall deem appropriate, starting on the date of the announcement by the Secretary of Housing and Urban Development of the availability of such project, portion thereof or building for sale), except that a first preference for said period of not less than ninety days nor more than six months shall be given to any group organized on a mutual or cooperative basis, which, with respect to its proposed purchase of a specific housing project or portions thereof, has, prior to August 1, 1949, been granted an exception by the Secretary of Housing and Urban Development from the sales preference provisions of Public Regulation 1 of the Housing and Home Finance Agency and has been designated as a preferred purchaser.

**(d) Equitable selection method for each preference class**

The Secretary of Housing and Urban Development shall provide an equitable method of se-

lecting the purchasers to apply when preferred purchasers (or groups of preferred purchasers) in the same preference class or containing members in the same preference class compete with each other.

**(e) Veterans' preference**

Any housing disposed of in accordance with this section shall after such disposal be deemed to be housing accommodations the construction of which was completed after June 30, 1947, within the meaning of section 4 of the Housing and Rent Act of 1947, as amended, relating to preference or priority to veterans of World War II or their families.

**(f) Terms of sales**

Sales pursuant to this section shall be upon such terms as the Secretary of Housing and Urban Development shall determine: *Provided*, That full payment to the Government for the property sold shall be required within a period not exceeding twenty-five years with interest on unpaid balances at not less than 4 per centum per annum, except that in the case of projects initially programmed as mutual housing communities under the defense housing program, the terms of sale shall not require a down payment and shall provide for full payment to the United States over a period of forty-five years with interest on unpaid balances at not more than 3 per centum per annum.

**(g) Disregard of preferences in certain cases**

The Secretary of Housing and Urban Development may dispose of any permanent war housing without regard to the preferences in subsections (b) and (c) of this section when the Secretary determines that (1) such housing, because of design or lack of amenities, is unsuitable for family dwelling use, or (2) it is being used at the time of disposition for other than dwelling purposes, or (3) it was offered, with preferences substantially similar to those provided in the Housing Act of 1950, to veterans and occupants prior to April 20, 1950.

(Oct. 14, 1940, ch. 862, title VI, §607, as added June 28, 1948, ch. 688, §7, as added Apr. 20, 1950, ch. 94, title II, §201, 64 Stat. 59; amended Mar. 10, 1954, ch. 61, 68 Stat. 26; Aug. 2, 1954, ch. 649, title VIII, §805(2), 68 Stat. 644; Pub. L. 89-174, §5(a), Sept. 9, 1965, 79 Stat. 669; Pub. L. 102-54, §13(q)(6)(B), June 13, 1991, 105 Stat. 281.)

**Editorial Notes**

REFERENCES IN TEXT

Section 4 of the Housing and Rent Act of 1947, as amended, referred to in subsec. (e), is section 4 of act June 30, 1947, ch. 163, title I, 61 Stat. 195, which was formerly classified to section 1884 of the former Appendix to Title 50, War and National Defense, and has been omitted from the Code.

The Housing Act of 1950, referred to in subsec. (g), is act Apr. 20, 1950, ch. 94, 64 Stat. 48. For complete classification of this Act to the Code, see Short Title of 1950 Amendment note set out under section 1701 of Title 12, Banks and Banking, and Tables.

AMENDMENTS

1991—Subsec. (b). Pub. L. 102-54 substituted "Secretary of Veterans Affairs" for "Veterans' Administration" in last sentence.

1954—Subsec. (b). Act Mar. 10, 1954, in last paragraph, inserted sentence permitting Administrator to give, in the disposition of dwellings under this section which were acquired by the United States from persons occupying the dwellings at the time of such acquisition, a first preference to such persons in the purchase thereof.

Subsec. (g). Act Aug. 2, 1954, added subsec. (g).

#### Statutory Notes and Related Subsidiaries

##### TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

#### § 1588. Sale of vacant land to local housing authorities; sale of personal property

(a) Notwithstanding any other provision of law, any land acquired under subchapters II to VII of this chapter or any other Act in connection with war or veterans' housing, but upon which no dwellings are located at the time of sale, may be sold at fair value, as determined by the Secretary of Housing and Urban Development to any agency organized for slum clearance or to provide subsidized housing for persons of low income.

(b) Notwithstanding any other provision of law, any personal property held under subchapters II to VII of this chapter, and not sold with a project or building, may be sold at fair value, as determined by the Secretary of Housing and Urban Development to any agency organized for slum clearance or to provide subsidized housing for persons of low income. Any sale of personal property under this subsection shall be made on a cash basis, payable at the time of settlement.

(Oct. 14, 1940, ch. 862, title VI, §608, as added June 28, 1948, ch. 688, §7, as added Apr. 20, 1950, ch. 94, title II, §201, 64 Stat. 59; amended Aug. 11, 1955, ch. 787, 69 Stat. 668; Pub. L. 89-174, §5(a), Sept. 9, 1965, 79 Stat. 669.)

#### Editorial Notes

##### REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

##### AMENDMENTS

1955—Act Aug. 11, 1955, designated existing provisions as subsec. (a) and added subsec. (b).

#### Statutory Notes and Related Subsidiaries

##### TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

#### § 1589. Conveyance of land and nondwelling structures thereon to States for National Guard purposes

Notwithstanding any other provision of law, the Secretary of Housing and Urban Development is authorized to convey by quit claim deed, without consideration, to any State for National Guard purposes any land, together with any

nondwelling structures thereon, held under subchapters II to VII of this chapter or any other Act in connection with war or veterans' housing: *Provided*, That the United States shall be saved harmless from or reimbursed for such costs incidental to the conveyance as the Secretary of Housing and Urban Development may deem proper: *Provided further*, That the conveyance of such land shall contain the express condition that if the grantee shall fail or cease to use such land for such purposes, or shall alienate (or attempt to alienate) such land, title thereto shall, at the option of the United States, revert to the United States.

(Oct. 14, 1940, ch. 862, title VI, §609, as added June 28, 1948, ch. 688, §7, as added Apr. 20, 1950, ch. 94, title II, §201, 64 Stat. 59; amended Pub. L. 89-174, §5(a), Sept. 9, 1965, 79 Stat. 669.)

#### Editorial Notes

##### REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

#### Statutory Notes and Related Subsidiaries

##### TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

#### § 1589a. Extension by President of dates for disposal and other actions relating to housing under this subchapter

Notwithstanding any other provision of law, the President is authorized to extend, for such period or periods as he shall specify, the time within which any action is required or permitted to be taken by the Secretary of Housing and Urban Development or others under the provisions of this subchapter or section 1553 of this title (or any contract entered into pursuant thereto), upon a determination by him, after considering the needs of national defense and the effect of such extension upon the general housing situation and the national economy, that such extension is in the public interest.

(Oct. 14, 1940, ch. 862, title VI, §611, as added Sept. 1, 1951, ch. 378, title VI, §603(d), 65 Stat. 314; amended July 14, 1952, ch. 723, §6, 66 Stat. 603; Pub. L. 89-174, §5(a), Sept. 9, 1965, 79 Stat. 669.)

#### Editorial Notes

##### AMENDMENTS

1952—Act July 14, 1952, inserted "or section 1553 of this title" immediately before parenthetical clause, and substituted "thereto" for "of this subchapter" in parenthetical clause.

#### Statutory Notes and Related Subsidiaries

##### TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.