

403A.18 Transfer of possession or title to federal government.

In any contract with the federal government for annual contributions to a municipality, the municipality may obligate itself (which obligation shall be specifically enforceable and shall not constitute a mortgage, notwithstanding any other law) to convey to the federal government possession of or title to the housing project to which such contract relates, upon the occurrence of a substantial default (as defined in such contract) with respect to the covenant or conditions to which the municipality is subject; and such contract may further provide that in case of such conveyance, the federal government may complete, operate, manage, lease, convey or otherwise deal with the housing project and funds in accordance with the terms of such contract: Provided, that the contract requires that, as soon as practicable after the federal government is satisfied that all defaults with respect to the housing project have been cured and that the housing project will thereafter be operated in accordance with the terms of the contract, the federal government shall reconvey to the municipality the housing project as then constituted.

[C62, 66, 71, 73, 75, 77, 79, 81, §403A.18]