

**§ 1822.275**

chapter and the forms manual insert for Form FmHA or its successor agency under Public Law 103-354 1944-52 (available in any FmHA or its successor agency under Public Law 103-354 office).

(3) Payments shall not be deferred.

(d) *Recorded mortgage.* When the real estate mortgage is returned by the recording official, the county supervisor will retain the original in the borrower's case folder. If the original is retained by the recording official for the county records, a conformed copy including the recording data showing the date and place of recordation and book and page number will be prepared and filed in the borrower's case folder. A copy of the mortgage will be delivered to the borrower but will be conformed only if required by State law or if it is the custom of other lenders in the area.

(e) *Date of loan closing.* An RHS loan is considered closed when the mortgage is filed of record.

[35 FR 16087, July 1, 1970, as amended at 42 FR 4408, Jan. 25, 1977; 50 FR 8584, Mar. 4, 1985; 56 FR 67472, Dec. 31, 1991]

**§ 1822.275 Actions after sites are developed.**

The building sites will be sold on a nonprofit basis to eligible families or organizations as described in §1822.266(c).

(a) An option, Form FmHA or its successor agency under Public Law 103-354 440-34, "Option to Purchase Real Property," will be executed. The site will be clearly identified by a land survey.

(b) The sale price of each individual site will not be more than a sufficient amount to pay a proportionate part of the RHS loan and any other actual costs of buying, developing, and selling the building site.

(c) The proceeds from sale of the building sites will be applied on the RHS loan and any prior lien or, with the prior approval of the National Office, used in a manner consistent with the purpose of the loan and the security interest of the Government. The sites will be released from the mortgage in accordance with §1965.110 of subpart C of part 1965 of this chapter or

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otherwise in accordance with prior approval of the National Office.

[35 FR 16087, July 1, 1970, as amended at 51 FR 4135, Feb. 3, 1986]

**§ 1822.276 Subsequent RHS loans.**

A subsequent RHS loan is an RHS loan to an applicant indebted for an initial RHS loan. Subsequent RHS loans will be made on the same basis as initial RHS loans.

**§ 1822.277 Complaints regarding discrimination in opportunity to buy developed sites.**

Any applicant wishing to purchase a site financed by an RHS loan who believes he or she has been discriminated against because of race, color, national origin, religion, sex, handicap, or age, may file a complaint with the County Supervisor or State Director. Any such complaint will be handled in accordance with §1944.239 of part 1944, subpart E of this chapter.

[56 FR 67472, Dec. 31, 1991]

**§ 1822.278 Special requirements for RHS section 523 loans (loans to organizations providing sites for self-help housing).**

Loans to organizations which will provide sites for self-help housing (RHS sec. 523 loans) will be made under the provisions of this subpart with the following exceptions:

(a) *Eligibility.* The applicant must be a nonprofit organization engaged in assisting self-help projects.

(b) *Interest.* The interest rate will be 3 percent per annum on the unpaid principal balance.

(c) *Source of funds.* These will be direct loans made from the self-help fund.

(d) *Evidence of need.* Loans to newly formed organizations will be made on the basis of the applicant's providing firm information as to the number of sites to be developed and the names of eligible bona fide prospective purchasers who are assured of available home financing. Loans to organizations currently involved in mutual self-help housing projects may be made without submitting a list of the names of prospective site purchasers. There must, however, be definite evidence that enough families are available who are