

PASS will be established according to the FMI for Forms FmHA or its successor agency under Public Law 103-354 1965-9, FmHA or its successor agency under Public Law 103-354 1965-10, "Information on Assumption of Multiple Family Housing Loans," or FmHA or its successor agency under Public Law 103-354 1965-16, and the following:

(i) For DIAS to PASS transactions (new terms):

(A) First of the month closings: The unpaid interest, overage and late fees accrued through the last day of the previous month will be capitalized.

(B) Other than the first of the month closing: Accrued interest, overage and late fees through the date of closing will be capitalized. An interest only installment from the date of closing through the 30th day of the month will be collected from the transferee and applied to the transferee's account. This interest only installment will be calculated on the same interest credit rate in effect for the previous borrower.

(ii) For DIAS to PASS transactions (same terms):

(A) First of the month closings: Accrued interest, overage and late fees through the last day of the previous month will be collected from the transferor at closing and credited to the transferor's account.

(B) Other than the first of the month closings: Accrued interest, overage and late fees through the date of closing will be collected from the transferor at closing and credited to the transferor's account. The date of credit is the day before closing. An interest only installment from the date of closing through the 30th day of the month will be collected from the transferee and credited to the transferee's account. This interest only installment will be calculated on the same interest credit rate in effect for the previous borrower.

(iii) Reamortizations will always be effective the first day of the month. Unpaid interest, including any unpaid overage and late fees may be capitalized as follows: DIAS to PASS transactions, through the last day of the previous month; PASS to PASS transactions, through the 30th day of the previous month.

(iv) Audit receivables may not be transferred or reamortized. They will

be established as a "Collection Only" account for the transferor and must be collected or charged off.

(5) *Terms of conversion.* All conversion on Form FmHA or its successor agency under Public Law 103-354 1951-50 will be at the interest rate and within the remaining terms shown on the converting promissory note, assumption agreement (new terms) or reamortization agreement (new terms).

[50 FR 8597, Mar. 4, 1985, as amended at 53 FR 16245, May 6, 1988; 58 FR 40955, July 30, 1993; 62 FR 25065, May 7, 1997]

§ 1951.518 Determining current loan balances for transfer.

Same terms transfers, when the transferor has been converted to PASS, must take place in a current loan status on the date of the transfer. Any delinquent principal and interest must be brought current. Overpayments and advance regular payments made on PASS accounts result in the creation of a "future paid" status account under AMAS. These advance payments must be reversed off and applied to the transferor's principal balance prior to determining the loan balance to be transferred. If the future payments have been made through rental assistance, they must be refunded to the transferor and reapplied in the form of cash on the loan balance.

[53 FR 16245, May 6, 1988]

§§ 1951.519-1951.547 [Reserved]

§ 1951.548 Exception authority.

The Administrator of the Farmers Home Administration or its successor agency under Public Law 103-354 may, in individual cases, make an exception to any requirements of this Subpart not required by the authorizing statute if the Administrator finds that application of such requirement would adversely affect the interest of the Government. The Administrator will exercise the authority only at the request of the State Director. The District Director will submit the request supported by data: demonstrating the adverse impact; identifying the particular requirement involved; showing proper alternative courses of action; and, identifying how the adverse impact will be eliminated.