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approval in accordance with this section may be considered.

[55 FR 11139, Mar. 27, 1990, as amended at 56 FR 29170, June 26, 1991; 57 FR 21199, May 19, 1992; 64 FR 28336, May 26, 1999]

§ 1980.814 Ineligible loan purposes.

Loan funds may not be used to finance:

(a) On-site utility systems or business and industrial buildings in connection with industrial parks.

(b) Facilities to be used primarily for recreation purposes.

(c) Community antenna television services or facilities.

(d) Facilities which are not modest in size, design, and cost.

(e) Finder's and packager's fees.

(f) Projects located within the Coastal Barriers Resource System that do not qualify for an exception as defined in Section 6 of the Coastal Barriers Resource Act, Pub. L. 97-348 (available in any FmHA or its successor agency under Public Law 103-354 office).

(g) New combined sanitary and storm water sewer facilities.

[55 FR 11139, Mar. 27, 1990, as amended at 56 FR 29170, June 26, 1991; 64 FR 28336, May 26, 1999]

§ 1980.815 Transactions which will not be guaranteed.

(a) Loans made by any Federal or State agencies. This does not preclude guaranteeing loans made by the Bank for Cooperatives or Federal Land Bank.

(b) Loans involved in tax-exempt obligations according to §1980.23 of subpart A of this part.

(c) Loans for a water or waste disposal facility involving an FmHA or its successor agency under Public Law 103-354 grant.

[55 FR 11139, Mar. 27, 1990, as amended at 56 FR 29171, June 26, 1991]

§ 1980.816 Facilities for public use.

The parameters for "facilities for public use," as defined at §1942.17(e) of Subpart A of Part 1942 of this chapter, are applicable as well for this subpart. In addition:

(a) The term "Applicant/Borrower," as used in §1942.17(e), shall mean the lender and the borrower for purposes of this subpart.

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(b) The term "FmHA or its successor agency under Public Law 103-354 Fundings," as used in §1942.17(e), shall mean FmHA or its successor agency under Public Law 103-354 guarantee for purposes of this subpart.

§ 1980.817 Fees and charges by lender.

(a) Allowable fees and charges by the lender are shown under §1980.22 of Subpart A of this part.

(b) Guarantee fees are as shown under §1980.21 of Subpart A of this Part.

§ 1980.818 Eligible lenders.

(a) Eligible lenders as defined in this section may participate in the FmHA or its successor agency under Public Law 103-354 CP loan guarantee program. These lenders must be subject to credit examination and supervision by either an agency of the United States or a state. Only those lenders listed in this section are eligible to make and service guaranteed loans, and such lenders must be in good standing with their licensing authority and have met licensing, loan making loan servicing, and other requirements of the state in which the collateral will be located, and the loan making and/or loan servicing office requirements of §1980.13 of Subpart A of this Part. A lender must have the capability to adequately service loans for which a guarantee is requested. Eligible lenders include:

(1) Any Federal or State chartered:

(i) Bank, or

(ii) Savings and loan association.

(2) Any mortgage company that is a part of a bank holding company,

(3) Farm Credit Bank of the Federal Land Bank Association or other Farm Credit System institution with direct lending authority authorized to make loans of the type guaranteed by this subpart.

(4) An insurance company regulated by a State or National insurance regulatory agency, and

(5) Other lenders that possess the legal powers necessary and incidental to making and servicing guaranteed loans involving community development type projects. These lenders must also be subject to credit examination and supervision by either an agency of the United States or a state, and other