

§ 1930.129

This supervision will be continued to assure that the grant purposes will be accomplished. Comments on the following points will be included in appropriate reports, to assure that:

- (a) The rents are reasonable.
- (b) The project is operated as a community service for the benefit of the tenants.
- (c) Domestic farm laborers are given absolute priority in occupancy. (This requirement also applies to borrowers who have LH loans only.)
- (d) No public or private nonprofit organization borrower may require that an occupant work for a particular farm or for a particular owner or interest as a condition of occupancy of the housing.

§ 1930.129 RHS loans.

RHS loans will be serviced according to program regulations and the conditions specified in the borrower's loan resolution. The following additional supervisory action by the Servicing Official will also apply to assure that the terms of the loan resolution and loan objectives are carried out:

- (a) Review of the site development account records for compliance with authorized loan expenditures.
- (b) Work with the borrower on the adjustment of sales price, not to exceed market value, of the developed lots as they are being sold to assure adequate income to repay the loan, pay taxes, accrued interest, and any other authorized debt or expenditures.
- (c) Determine that lots are sold only to eligible buyers.
- (d) Work closely with the borrower to plan for the sale of all lots prior to the due date of the note.
- (e) Should the RHS borrower default in its loan obligations, the account will be serviced according to §1965.85 of subpart B of part 1965 of this chapter. The Servicing Official's report to the State Director should contain the following information:
 - (1) The status of the account, number of lots unsold, and reasons for the problem.
 - (2) Prospects of selling lots to eligible buyers and a target date as to when this can be accomplished, if feasible.
 - (3) General comments and recommendations for future servicing of

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this account. Where necessary, liquidation may be recommended.

(f) State Directors will take the following actions in connection with problem RHS accounts:

- (1) Provide additional guidance and assistance as necessary.
- (2) If a satisfactory proposal for selling the lots can be developed, the account will be serviced according to program regulations and the provisions of this subpart and subpart B of part 1965 of this chapter.
- (3) Where no satisfactory proposal for selling the remaining lots can be developed, the account will be handled according to §1965.85(e) of subpart B of part 1965 of this chapter for liquidation.

§§ 1930.130-1930.133 [Reserved]

§ 1930.134 FmHA or its successor agency under Public Law 103-354 office records.

FmHA or its successor agency under Public Law 103-354 officials will maintain records in accordance with FmHA or its successor agency under Public Law 103-354 Instructions 2033-A and G (available in any FmHA or its successor agency under Public Law 103-354 office).

§§ 1930.135-1930.136 [Reserved]

§ 1930.137 State Supplements, guides, forms, and other issuances.

It is FmHA or its successor agency under Public Law 103-354's practice to follow the provisions of the Administrative Procedures Act by inviting public comment before adopting public policy, unless otherwise directed by statute. However, the State Director may, in accordance with FmHA or its successor agency under Public Law 103-354 Instruction 2006-B (available in any FmHA or its successor agency under Public Law 103-354 office), and with prior approval of the National Office and the assistance of the OGC, develop State Supplements, guides, or issuances to the extent necessary to enable borrowers to comply with the policies, procedures, and exhibits of