

**§§ 1943.78–1943.82**

**7 CFR Ch. XVIII (1–1–05 Edition)**

in processing loans to a mutual applicant or borrower. When an SW loan is made at the same time as a loan from another lender, that lender's lien will have priority over the FmHA or its successor agency under Public Law 103-354 lien unless otherwise agreed upon. The lender's lien priority can cover the following in addition to principal and interest: Advances for payment of taxes, property insurance, reasonable maintenance to protect the security, and reasonable foreclosure costs including attorney's fees.

**§§ 1943.78–1943.82 [Reserved]**

**§ 1943.83 Loan approval or disapproval.**

(a) *Loan approval authority.* Initial and subsequent loans may be approved as authorized by subpart A of part 1901 of this chapter, provided:

(1) Section 1943.67 of this subpart, containing loan limitations, is not violated.

(2) No significant changes have been made in the development plan considered by the appraiser when real estate will be taken as security.

(b) *Loan approval action.* (1) The loan approval official must approve or disapprove applications within the deadlines set out in §1910.4 of subpart A of part 1910 of this chapter. The loan approval official is responsible for reviewing the docket to determine whether the proposed loan complies with established policies and all pertinent regulations. When reviewing the docket, the loan approval official will determine that:

(i) The Agency has certified the applicant eligible;

(ii) Funds are requested for authorized purposes;

(iii) The proposed loan is based upon a feasible plan. Planning forms other than Form FmHA or its successor agency under Public Law 103-354 432-2, "Farm and Home Plan" may be used when they provide the necessary information.

(iv) The security is adequate;

(v) Necessary supervision is planned; and

(vi) All other pertinent requirements have been met or will be met.

(2) [Reserved]

[53 FR 35706, Sept. 15, 1988, as amended at 55 FR 21530, May 25, 1990; 57 FR 18679, Apr. 30, 1992; 61 FR 35926, July 9, 1996]

**§ 1943.84 Requesting title service.**

When the loan is approved and real estate will serve as security, the County Supervisor will request the applicant to obtain title clearance as provided in subpart B of part 1927 of this chapter, when required if this has not been done. If an option is involved, the applicant will sign and send to the seller Form FmHA or its successor agency under Public Law 103-354 440-35, "Acceptance of Option," or other suitable forms.

[53 FR 35706, Sept. 15, 1988, as amended at 56 FR 67481, Dec. 31, 1991]

**§ 1943.85 Action after loan approval.**

(a) *Requesting check.* If the County Supervisor is reasonably certain that the loan can be closed within 20 working days from the date of the check, loan funds may be requested at the time of loan approval through the field office terminal system. If funds are not requested when the loan is approved, advances in the amount needed will be requested through the field office terminal system. Loan funds must be provided to the applicant(s) within 15 days after loan approval, unless the applicant(s) agrees to a longer period. If no funds are available within 15 days of loan approval, funds will be provided to the applicant as soon as possible and within 15 days after funds become available, unless the applicant agrees to a longer period. If a longer period is agreed upon by the applicant(s), the same will be documented in the case file by the County Supervisor.

(1) When all loan funds can be disbursed at, or within 30 days after loan closing or if the amount of funds that cannot be disbursed does not exceed \$5,000, the total amount of the loan will be requested in a single advance.

(2) When loan funds cannot be disbursed as outlined in paragraph (a)(1) of this section, the amount needed to meet the immediate needs of the borrower will be requested through the field office terminal system. The amount of each advance should meet