

(c) *Procedures for recapture at the end of Shared Appreciation Agreement:* (1) The borrower will be notified by certified mail, return receipt requested, of the recapture amount due and payable. This notification letter will also include the recapture calculations and appeal rights. If the borrower cannot obtain satisfactory financing to pay the recapture, the amount to be recaptured will be identified on a new promissory note as a non-program loan at ineligible rates and terms. If the borrower is financially capable of paying the recapture, as determined by the FmHA or its successor agency under Public Law 103-354 County Committee and the payment is not made by the borrower within 180 days from the date due, the borrower's account will be treated as delinquent and FmHA or its successor agency under Public Law 103-354 will send attachments 1 and 2 of exhibit A of this subpart. The FmHA or its successor agency under Public Law 103-354 field office will input via the field office terminal system the information to establish a recapture receivable account in the Finance Office.

(2) The County Supervisor will issue Form FmHA or its successor agency under Public Law 103-354 451.2. "Schedule of Remittance," for all the payments received under the recapture agreement. The following should be recorded in the body of the form: "Equity Receivable Payment."

(3) When the full amount of the shared appreciation and the remaining FmHA or its successor agency under Public Law 103-354 indebtedness have been paid and credited to the borrower's account, the borrower will be released from personal liability. Notes evidencing debts and shared appreciation agreements will be marked "Paid in Full" and returned to the debtor or to the debtor's legal representative. In such cases, the security instrument(s) will be released of record in the usual manner.

(4) If the County Supervisor determines there is no recapture due, the County Supervisor will close the borrower's equity record in accordance with the provisions of the ADPS manual.

§ 1951.915 [Reserved]

§ 1951.916 Exception authority.

(a) *Administrator.* The Administrator or delegate may, in individual cases, make an exception to any requirement or provision of this subpart or address any omission of this subpart which is not inconsistent with the authorizing statute or other applicable law if the Administrator determines that the Government's interest would be adversely affected. The Administrator will exercise this authority upon request of the State Director with recommendation of the appropriate Program Assistant Administrator, or upon request initiated by the appropriate Program Assistant Administrator. In certain situations such as a natural disaster, the Administrator may delegate this authority to specific State Director positions in certain states. In such cases, the State Director will exercise the delegation of authority upon the request of the County Supervisor with the recommendation of the District Director, rather than the appropriate Program Assistant Administrator. Requests for exceptions must be made in writing and supported with documentation to explain the adverse effect, propose alternative courses of action, and show how the adverse effect will be eliminated or minimized if the exception is granted.

(b) *State Director.* The State Director may, in individual cases of extraordinary circumstances, make an exception to the requirement that attachments 2 or 4 of exhibit A of this subpart, as appropriate, must be completed and returned to the FmHA or its successor agency under Public Law 103-354 County Office with the appropriate forms and documents for a complete application within 60 days after receiving attachments 1 and 2 or 3 and 4 of exhibit A of this subpart. If the borrower requests additional time to submit a complete application or submits a complete application after the deadline, the County Supervisor must ask the borrower why the additional time is or was needed. The County Supervisor must ask the borrower whether there are extraordinary circumstances like serious medical illness, severe adverse weather, or a family emergency,