(4) Indian tribes or tribal corporations which utilize the Indian Land Acquisition program will be allowed to purchase the property for its market value less the contributory value of the buildings, in accordance with subpart N of part 1823 of this chapter.

(i) Costs. The costs of repairs to leased property will be paid by the Government. However, the Government will not pay costs of utilities or any other costs of operation of the property by the lessee. Repairs will be obtained pursuant to subpart B of part 1924 of this chapter. Expenditures on custodial property as limited in §1955.55 (c) (2) of this subpart will be charged to the borrower’s account as recoverable costs.

(j) Security deposit. A security deposit in at least the amount of one month’s rent will be required from all lessees of SFH properties. The security deposit for farm property should be determined by considering only the improvements or facilities which might be subject to misuse or abuse during the term of the lease. For all other types of property, the leasing official may determine whether or not a security deposit will be required and the amount of the deposit.

(k) Lease form. Form RD 1955–20 approved by OGC will be used by the agency to lease property.

(l) Lease income. Lease proceeds will be applied as follows:

(1) Custodial property. The proceeds from a lease of custodial property will be applied to the borrower’s account as an extra payment unless foreclosure proceedings require that such payments be held in suspense.

(2) Inventory property. The proceeds from a lease of inventory property will be applied to the lease account.

FEMA, inventory housing property not under lease or sales agreement may be made available to shelter victims in an area designated as a major disaster area by the President. See Exhibit A of this subpart (available in any FmHA or its successor agency under Public Law 103–354 office). Authority is hereby delegated to the State Director to implement this Memorandum of Understanding; and the State Director may redelegated this authority to County Supervisors or District Directors.

(b) HHS. By a Memorandum of Understanding between the Agency and HHS, inventory housing property not under lease or sales agreement may be made available by lease to public bodies and nonprofit organizations to provide transitional housing for the homeless. See Exhibit D of this subpart (available in any FmHA or its successor agency under Public Law 103–354 office). Authority is hereby delegated to the State Director to implement this Memorandum of Understanding; and the State Director may redelegated this authority to County Supervisors or District Directors. Copies of all executed leases and/or questions regarding this program should be referred by State Offices to the Single Family Housing Servicing and Property Management (SFH/SPM) Division in the National Office.

§§ 1955.73–1955.80 [Reserved]

§ 1955.81 Exception authority.

The Administrator 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 or the immediate health and/or safety of tenants or the community are endangered if there is no adverse effect on the Government’s interest. The Administrator will exercise this authority upon request of the State Director with the recommendation of the appropriate program Assistant Administrator or
§ 1955.82

upon a request initiated by 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.


§ 1955.82 State supplements.

State supplements will be prepared with the assistance of OGC as necessary to comply with State laws or only as specifically authorized in this regulation to provide guidance to FmHA or its successor agency under Public Law 103–354 officials. State supplements applicable to MFH must have prior approval of the National Office; others may receive post approval. Requests for approval for those affecting MFH must include complete justification, citations of State law, and an opinion from OGC.


§ 1955.100 OMB control number.

The collection of information requirements in this regulation have been approved by the Office of Management and Budget and assigned OMB control number 0575–0110.

EXHIBIT A TO SUBPART B OF PART 1955—MEMORANDUM OF UNDERSTANDING BETWEEN THE FEDERAL EMERGENCY MANAGEMENT AGENCY AND THE FARMERS HOME ADMINISTRATION OR ITS SUCCESSOR AGENCY UNDER PUBLIC LAW 103–354

EDITORIAL NOTE: Exhibit A is not published in the Code of Federal Regulations. It is available in any FmHA or its successor agency under Public Law 103–354 County Office.

EXHIBIT B TO SUBPART B OF PART 1955—NOTIFICATION OF TRIBE OF AVAILABILITY OF FARM PROPERTY FOR PURCHASE

(To Be Used By Farm Service Agency To Notify Tribe)

From: County official

Subject: Availability of Farm Property for Purchase

[To be Used within 90 days of acquisition]

Recently the Farm Service Agency (FSA) acquired title to _____ acres of farm real property located within the boundaries of your Reservation. The previous owner of this property was ______. The property is available for purchase by persons who are members of your tribe, an Indian Corporate entity, or the tribe itself. Our regulations provide for those three distinct priority categories which may be eligible; however, you may revise the order of the priority categories and may restrict the eligibility to one or any combination of categories. Following is a more detailed description of these categories:

1. Persons who are members of your Tribe. Individuals so selected must be able to meet the eligibility criteria for the purchase of Government inventory property and be able to carry on a family farming operation. Those persons not eligible for FSA’s regular programs may also purchase this property as a Non-Program loan on ineligible rates and terms.

2. Indian corporate entities. You may restrict eligible Indian corporate entities to those authorized by your Tribe to purchase lands within the boundaries of your Reservation. These entities also must meet the basic eligibility criteria established for the type of assistance granted.

3. The Tribe itself is also considered eligible to exercise their right to purchase the property. If available, Indian Land Acquisition funds may be used or the property financed as a Non-Program loan on ineligible rates and terms.

We are requesting that you notify the local FSA county office of your selection or intentions within 45 days of receipt of this letter, regarding the purchase of this real estate. If you have questions regarding eligibility for any of the groups mentioned above, please contact our office. If the Tribe wishes to purchase the property, but is unable to do so at this time, contact with the FSA county office should be made.

Sincerely,

County official


EXHIBIT C TO SUBPART B OF PART 1955—COOPERATIVE AGREEMENT (EXAMPLE)

EDITORIAL NOTE: Exhibit C is not published in the Code of Federal Regulations. It is available in any FmHA or its successor agency under Public Law 103–354 County Office.