Rural Utilities Service, USDA

§ 1710.151

§ 1710.151 Required findings for all loans.

(a) Area coverage. Adequate electric service will be made available to the widest practical number of rural users in the borrower’s service area during the life of the loan. See §1710.103.

(b) Feasibility. The loan is feasible and it will be repaid on time according to the terms of the mortgage, note, and loan contract. At any time after the original determination of feasibility, the Administrator may require the borrower to demonstrate that the loan remains feasible if there have been, or are anticipated to be, material changes in the borrower’s costs, loads, rates, rate disparity, revenues, or other relevant factors from the time that feasibility was originally determined. See §1710.112 and subpart G of this part.

(c) Security. RUS will have a first lien on the borrower’s total system or other adequate security, and adequate financial and managerial controls will be included in loan documents. See §1710.113.

(d) Interim financing. For loans that include funds to replace interim financing, there is satisfactory evidence