

§§ 1956.146–1956.147

original document. This same information plus the date the original document is returned to the debtor will be shown on a copy to be placed in the debtor's case folder.

(b) Essential Rural Development records evidencing debts cancelled without application will be placed in the debtor's case folder and disposed of pursuant to RD Instruction 2033-A (available in any Rural Development office). However, if the debtor requests the document(s), they must be stamped "Satisfied by Approved Cancellation" and returned.

(c) Essential Rural Development records evidencing charged off debts will be retained in the servicing office and will not be stamped or returned to the debtor. They will be destroyed six years after chargeoff pursuant to RD Instruction 2033-A (available in any Rural Development office).

[80 FR 9902, Feb. 24, 2015]

§§ 1956.146–1956.147 [Reserved]

§ 1956.148 Exception authority.

The Administrator may make an exception to any requirement or provision of this subpart which is not inconsistent with the authorizing statute or other applicable law if the Administrator determines that application of the requirement or provision would adversely affect the Government's interest. Requests for exceptions must be made in writing by the State Director and supported with documentation to explain the adverse effect on the Government's interest, propose alternative courses of action, and show how the adverse effect will be eliminated or minimized if the exception is granted. Any settlement actions approved by the Administrator under this section will be documented on Form RD 1956-1 and returned to the State Office for submission to the Finance Office.

§ 1956.149 [Reserved]

§ 1956.150 OMB control number.

The reporting requirements contained in this regulation have been approved by the Office of Management and Budget and assigned OMB control number 0575-0124. Public reporting burden for this collection of information is

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estimated to vary from ½ hour to 30 hours per response with an average of 8.14 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, Ag Box 7630, Washington, D.C. 20250; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

[59 FR 46162, Sept. 7, 1994]

PART 1957—ASSET SALES

Subpart A—Rural Housing Asset Sales

Sec.

- 1957.1 General.
- 1957.2 Transfer with assumptions.
- 1957.3 [Reserved]
- 1957.4 Graduation.
- 1957.5 [Reserved]
- 1957.6 Appeal reviews.
- 1957.7–1957.50 [Reserved]

AUTHORITY: Pub. L. 99-509, sec 2001(b)(1).

SOURCE: 54 FR 47958, Nov. 20, 1989, unless otherwise noted.

Subpart A—Rural Housing Asset Sales

§ 1957.1 General.

Pursuant to the Omnibus Budget Reconciliation Act of 1986, Public Law 99-509, the Rural Housing Service (RHS) sold certain of the portfolio of loans made under section 502 of the Housing Act of 1949 to the Rural Housing Trust, 1987-1. The sale was without recourse to RHS except for certain provisions providing for RHS's payment of interest credit amounts and agreement to compensate the Rural Housing Trust 1987-1 for future cash flow changes due to revised borrowers rights as set forth in RHS regulations. The sale documents to Rural Housing Trust 1987-1 recognize that the RHS loans were assigned subject to rights provided to these borrowers under documentation

to recognize the rights of RHS borrowers under regulations of RHS as they may exist from time to time and to service the loans in accordance with then current RHS regulations. In addition, as provided in §1957.6 of this subpart, RHS has retained review, but not hearing authority under the RHS Appeal Procedure, 7 CFR part 1900, Subpart B. Failure of private servicers to comply with RHS regulations in servicing loans sold to the Rural Housing Trust 1987-1 may be redressed in the review process under the Appeal Procedure.

§ 1957.2 Transfer with assumptions.

RHS regulations governing transfers and assumptions will not apply to these loans. Individuals who what to purchase property securing a loan held by the Rural Housing Trust 1987-1, and who are eligible for an RHS §502 loan will be given the same priority by RHS as a transferee of a §502 loan if the property is then suitable for the RHS RH program and is located in an eligible area. The Master Servicer of the Rural Housing Trust, 1987-1, may permit an assumption if it is deemed by the Master Servicer to be in the financial interest of the Trust, but in such case the transferee would not be eligible for RHS loan servicing benefits under RHS regulations.

§ 1957.3 [Reserved]

§ 1957.4 Graduation.

Borrowers will not be required to graduate to other credit.

§ 1957.5 [Reserved]

§ 1957.6 Appeal reviews.

The Master Servicer, acting through its subservicer, will have the responsibility to conduct hearings under the appeal process. Final review of an adverse decision upheld under the appeal process will remain with RHS and be conducted by the Agency's National Appeal Staff, Washington, DC, under the RHS Appeal Procedures, 7 CFR part 1900, subpart B. This review is final and will conclude the appellant's administrative appeal process.

§§ 1957.7-1957.50 [Reserved]

PART 1962—PERSONAL PROPERTY

Subpart A—Servicing and Liquidation of Chattel Security

- Sec.
- 1962.1 Purpose.
 - 1962.2 Policy.
 - 1962.3 Authorities and responsibilities.
 - 1962.4 Definitions.
 - 1962.5 [Reserved]
 - 1962.6 Liens and assignments on chattel property.
 - 1962.7 Securing unpaid balances on unsecured loans.
 - 1962.8 Liens on real estate for additional security.
 - 1962.9-1962.12 [Reserved]
 - 1962.13 Notification to potential purchasers.
 - 1962.14 Account and security information in UCC cases.
 - 1962.15 [Reserved]
 - 1962.16 Accounting by County Supervisor.
 - 1962.17 Disposal of chattel security, use of proceeds and release of lien.
 - 1962.18 Unapproved disposition of chattel security.
 - 1962.19 Claims against Commodity Credit Corporation (CCC).
 - 1962.20-1962.25 [Reserved]
 - 1962.26 Correcting errors in security instruments.
 - 1962.27 Termination or satisfaction of chattel security instruments.
 - 1962.28 [Reserved]
 - 1962.29 Payment of fees and insurance premiums.
 - 1962.30 Subordination and waiver of liens of chattel security.
 - 1962.31-1962.33 [Reserved]
 - 1962.34 Transfer of chattel security and EO property and assumption of debts.
 - 1962.35-1962.39 [Reserved]
 - 1962.40 Liquidation.
 - 1962.41 Sale of chattel security or EO property by borrowers.
 - 1962.42 Repossession, care, and sale of chattel security or EO property by the County Supervisor.
 - 1962.43 [Reserved]
 - 1962.44 Distribution of liquidation sale proceeds.
 - 1962.45 Reporting sales.
 - 1962.46 Deceased borrowers.
 - 1962.47 Bankruptcy and insolvency.
 - 1962.48 [Reserved]
 - 1962.49 Civil and criminal cases.
 - 1962.50 [Reserved]

EXHIBIT A TO SUBPART A OF PART 1962—
MEMORANDUM OF UNDERSTANDING BETWEEN
COMMODITY CREDIT CORPORATION
AND FARMERS HOME ADMINISTRATION OR
ITS SUCCESSOR AGENCY UNDER PUBLIC LAW
103-354