

§ 1822.279

7 CFR Ch. XVIII (1–1–12 Edition)

for participation in its rural housing programs and activities.

This instrument also secures the obligations and covenants of borrower set forth in Borrower's Loan Resolution of _____ (date), which is hereby incorporated herein by reference.

[35 FR 16087, July 1, 1970, as amended at 42 FR 4408, Jan. 25, 1977; 50 FR 8584, Mar. 4, 1985; 56 FR 67472, Dec. 31, 1991; 69 FR 69104, Nov. 26, 2004]

§ 1822.279 **Loan supervision and servicing.**

Loan supervision and loan servicing will be provided according to 7 CFR part 3560.

[69 FR 69104, Nov. 26, 2004]

EXHIBITS A–B TO SUBPART G TO PART 1822 [RESERVED]

EXHIBIT C TO SUBPART G OF PART 1822—
SUBORDINATION BY THE GOVERNMENT
FOR USE WITH RURAL HOUSING SITE
LOANS

Whereas, The United States of America acting through the Farmers Home Administration or its successor agency under Public Law 103–354 (hereinafter called the “Government”) is the holder of the following-described instrument(s) executed by

of _____
County, State of _____
(hereinafter called the “Borrower”)

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And whereas, _____ (hereinafter called the “Lender”) has agreed to provide a loan to the borrower or to a builder designated by the borrower to construct a home on the property described in this instrument.

Now Therefore, in consideration of the Lender's agreement to make such loan to the borrower, the Government hereby consents to the Borrower obtaining said loan from the lender, and agrees to and hereby subordinates in favor of the Lender and his successors and assigns its liens or security interests created or evidenced by the above-de-

scribed instrument(s) inasmuch as they cover the following described property:

Except That, The Government shall retain a first lien or security interest in the above-described property in an amount of \$ _____. Such first lien will be released only when satisfactory evidence is provided indicating that the lot with completed home is being sold to a family eligible for assistance under any section of Title V of the Housing Act of 1949 or under any other law which provides financial assistance for housing low- and moderate-income families and that the benefits of the nonprofit development of the site are being passed on to the eligible purchaser and that the amount of that first lien is paid on the Borrower's Rural Housing Site Loan debt to the Government.

This subordination is limited to the amount actually loaned by the Lender to the Borrower for the foregoing purpose, but shall not exceed \$ _____.

Only the above described property is affected by this subordination. This subordination shall not otherwise affect or modify the obligations secured by the aforesaid lien instrument(s), and the said obligations shall continue in force and effect until fully paid, satisfied, and discharged.

No member of Congress shall be admitted to any share or part of this agreement or to any benefit that may arise thereupon.

In Witness Whereof, The United States of America has caused these presents to be signed on the _____ day of _____, 19____, pursuant to delegated authority published in 7 CFR, Part 1800.

Witness: UNITED STATES OF AMERICA
By: _____
Title: _____
Farmers Home Administration or its successor agency under Public Law 103–354, U.S. Department of Agriculture.

(42 U.S.C. 1480; delegation of authority by the Secretary of Agriculture, 7 CFR 2.23; delegation of authority by the Assistant Secretary for Rural Development, 7 CFR 2.70)

[41 FR 47460, Oct. 29, 1976]

PART 1823 [RESERVED]