

in accordance with the plans and specifications.

(A) If interim financing is available at reasonable rates and terms for the construction period, such financing shall be obtained. Exhibit B of subpart E of part 1944 of this chapter shall be used to inform the interim lender that FmHA or its successor agency under Public Law 103-354 will not close its loan until the project is complete, ready for occupancy, evidence is furnished indicating that all bills have been paid for work completed on the project, all inspections have been completed and all required approvals have been obtained from any governmental authorities having jurisdiction over the project. Upon presentation of proper partial payment estimates containing an estimate of the value of work in place which has been prepared and executed by the owner-builder, certified by the applicant's architect, and accepted by FmHA or its successor agency under Public Law 103-354, the interim lender may advance construction funds in accordance with the provisions of this section. It is suggested that the partial payment not exceed 90 percent of the value of work in place and material suitably stored on site.

(B) If interim financing is not available, partial payments not to exceed 90 percent of the value of work in place and materials suitably stored on site may be made to the owner-builder for that portion of the estimated cost of development guaranteed by a letter of credit or deposits meeting the requirements of §1924.6(a)(3)(iii) (A), (B) or (C) of this subpart. Partial payments may not exceed 60 percent of the value of work in place in all other cases. The determination of the value of work in place will be based upon an application for payment containing an estimate of the value of work in place which has been prepared and executed by the owner-builder, certified by the borrower's architect, and accepted by FmHA or its successor agency under Public Law 103-354. Prior to receiving the first partial payment, the owner-builder must submit a schedule of prices or values of the various trades or phases of the work aggregating the total development cost of the project as required in §1924.13(e)(2)(i) (G) and

(H) of this subpart. Each application for payment must be based upon this schedule, and show the total amount owed and paid to date for materials and labor procured in connection with the project. With each application for payment, the owner-builder must also submit evidence showing how the requested partial payment is to be applied, evidence showing that previous partial payments were properly applied, and a signed statement from the applicant's attorney, title insurance company, or local official in charge of recording documents certifying that the public records have been searched and that there are no liens of record. When the District Director has reason to believe that partial payments may not be applied properly, checks will be made payable to persons who furnish materials and labor for eligible purposes in connection with the project.

(x) Under no circumstances shall funds be released for final payment or to pay any items of the builder's profit until the project is 100 percent complete, ready for occupancy, and the owner-builder has completed and properly executed Form FmHA or its successor agency under Public Law 103-354 1924-13 or complied with the cost certification procedures of §1924.13(e)(2)(viii) of this subpart.

[52 FR 8002, Mar. 13, 1987; 52 FR 26139, July 13, 1987, as amended at 53 FR 2155, Jan. 26, 1988; 59 FR 6882, Feb. 14, 1994; 61 FR 56116, Oct. 31, 1996]

§§ 1924.14-1924.48 [Reserved]

§ 1924.49 State supplements.

State Supplements or policies will not be issued or adopted to either supplement or set requirements different from those of this subpart, unless specifically authorized in this subpart, without prior written approval of the National Office.

§ 1924.50 OMB control number.

The reporting and recordkeeping requirements contained in this regulation have been approved by the Office of Management and Budget (OMB) and have been assigned OMB control number 0575-0042. Public reporting burden for this collection of information is estimated to vary from 5 minutes to 4

hours per response, with an average of 37 minutes per response, including 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 U.S. Department of Agriculture, Clearance Officer, OIRM, AG Box 7630, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0575-0042), Washington, DC 20503.

[59 FR 6885, Feb. 14, 1994]

EXHIBIT A TO SUBPART A OF PART 1924—
ESTIMATED BREAKDOWN OF DWELLING COSTS FOR ESTIMATING PARTIAL PAYMENTS

[In percent]

	With slab on grade	With crawl space	With basement
1. Excavation	3	5	6
2. Footings, foundations columns	8	8	11
3. Floor slab or framing	6	4	4
4. Subflooring	0	1	1
5. Wall framing, sheathing ..	7	7	6
6. Roof and ceiling framing, sheathing	6	6	5
7. Roofing	5	5	4
8. Siding, exterior trim, porches	7	7	6
9. Windows and exterior doors	9	9	8
10. Plumbing—roughed in ...	3	2	3
11. Sewage disposal	1	1	1
12. Heating—roughed in	1	1	1
13. Electrical—roughed in ...	2	2	2
14. Insulation	2	2	2
15. Dry wall or plaster	8	8	7
16. Basement or porch floor, steps	1	1	6
17. Heating—finished	3	3	3
18. Flooring	6	6	5
19. Interior carpentry, trim, doors	6	6	5
20. Cabinets and counter tops	1	1	1
21. Interior painting	4	4	3
22. Exterior painting	1	1	1
23. Plumbing—complete fixtures	4	4	3
24. Electrical—complete fixtures	1	1	1
25. Finish hardware	1	1	1
26. Gutters and downspouts ..	1	1	1
27. Grading, paving, landscaping	3	3	3
Total	100	100	100

EXHIBIT B TO SUBPART A OF PART 1924—
REQUIREMENTS FOR MODULAR/PANELIZED HOUSING UNITS

For the benefit of FmHA or its successor agency under Public Law 103-354 this exhibit prescribes evaluation, acceptance, inspection and certification procedures for modular/panelized housing units proposed for use in Farmers Home Administration (FmHA) or its successor agency under Public Law 103-354 Rural Housing programs. It applies to proposed development packages provided either under a contract between an FmHA or its successor agency under Public Law 103-354 borrower and a single contractor or under a conditional commitment. This exhibit also describes the use of background information available through the Department of Housing and Urban Development (HUD) for analysis of manufactured products. This exhibit also applies to the evaluation of manufactured farm service buildings in paragraph XI, below. For the purpose of this exhibit, County Supervisor and County Office also mean District Director and District Office, respectively.

I. Applicable Standards and Manuals.

A. The HUD Handbook 4950.1, Technical Suitability of Products Program Technical and Processing Procedures, must be followed by housing manufacturers to obtain acceptance of their products. Acceptance documents issued by HUD include: Structural Engineering Bulletins (SEB) on a national basis, Area Letters of Acceptance (ALA) which when accepted by all Area HUD Offices in a HUD region will, in essence, become Regional Letters of Acceptance (RLA), Truss Connector Bulletins (TCB); and, Mechanical Engineering Bulletins (MEB). These documents as well as the Use of Material Bulletins (UM) and Materials Release Bulletins (MR) are addendums to the HUD Minimum Property Standards (MPS). Under handbook guidelines, HUD also examines state agency regulations concerning design, construction and labeling of modular/panelized housing units and designates those states having procedures acceptable for use under HUD programs. Modular/panelized housing produced in these states is called *Category III* and is considered technically suitable for use without further structural analysis.

B. All State FmHA or its successor agency under Public Law 103-354 Offices should maintain a close working relationship with each HUD office in their jurisdiction to assure coordination. Any deviations in structure, materials or design from HUD acceptance documents must comply with one of the other applicable development standards.

II. Modular Housing Units that Require Factory Inspections.