
TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION.....	1-1
SECTION 1: INTRODUCTION TO THE PROJECT SERVICING HANDBOOK	1-1
1.1 ABOUT THIS HANDBOOK	1-1
1.2 COMPANION MULTI-FAMILY HOUSING HANDBOOKS.....	1-1
1.3 USING THIS HANDBOOK	1-2
A. Citations and Text Boxes	1-2
B. Attachments and Appendices	1-2
C. Terminology	1-2
SECTION 2: OVERVIEW OF THE AGENCY’S MULTI-FAMILY HOUSING PROGRAMS.....	1-5
1.4 GOALS OF RHS MULTI-FAMILY HOUSING PROGRAMS.....	1-5
1.5 SECTION 515 PROGRAM—OVERVIEW	1-5
1.6 SECTION 514/516 PROGRAMS—OVERVIEW.....	1-5
A. Section 514 Loans and Section 516 Grants for Off-Farm Housing.....	1-6
B. Section 514 Loans for On-Farm Housing.....	1-6
SECTION 3: GENERAL PROGRAM REQUIREMENTS	1-7
1.7 CIVIL RIGHTS [7 CFR 3560.2]	1-7
A. Nondiscrimination.....	1-8
B. Reasonable Accommodations for Persons with Disabilities	1-8
C. Limited English Proficiency [7 CFR 3560.2]	1-8
D. Civil Rights Impact Analysis	1-8
1.8 REVIEWS AND APPEALS [7 CFR 3560.9].....	1-9
A. Informing Program Participants of Their Rights.....	1-9
B. Adverse Decisions That Cannot Be Appealed.....	1-9
C. Informal Review.....	1-10
D. Mediation or ADR.....	1-10
E. Appeal.....	1-13
1.9 CONFLICT OF INTEREST [7 CFR 3560.10].....	1-13
A. Borrower Disclosure	1-14
B. Agency Employee Disclosure	1-14
C. Disposition of Real Estate Owned Properties.....	1-14
1.10 OTHER FEDERAL REQUIREMENTS.....	1-15
A. Environmental Requirements [7 CFR 3560.3 and 3560.4].....	1-15
B. Construction Standards.....	1-15
C. Lobby Restrictions	1-15
D. Administrative Requirements.....	1-15

1.11 EXCEPTION AUTHORITY [7 CFR 3560.8].....1-16

ATTACHMENT 1-A: EQUAL CREDIT OPPORTUNITY ACT (ECOA)

ATTACHMENT 1-B: ATTACHMENT TO LETTER NOTIFYING CUSTOMERS OF AN
ADVERSE DECISION THAT IS APPEALABLE

ATTACHMENT 1-C: ATTACHMENT TO LETTER NOTIFYING CUSTOMERS OF AN
ADVERSE DECISION THAT CANNOT BE APPEALED

ATTACHMENT 1-D: ATTACHMENT TO LETTER NOTIFYING CUSTOMERS OF
UNFAVORABLE DECISION REACHED AS A RESULT OF AN
INFORMAL REVIEW

ATTACHMENT 1-E: ATTACHMENT FOR NOTIFYING CUSTOMERS THAT REQUEST
MEDIATION IN STATES WITH A USDA-SPONSORED MEDIATION
PROGRAM

ATTACHMENT 1-F: ATTACHMENT FOR REQUESTING MEDIATION OR ALTERNATIVE
DISPUTE RESOLUTION (ADR) SERVICES

ATTACHMENT 1-G: ATTACHMENT FOR NOTIFYING CUSTOMERS THAT REQUEST
MEDIATION OR ALTERNATIVE DISPUTE RESOLUTION (ADR) OF
SERVICE PROVIDER

ATTACHMENT 1-H: ATTACHMENT FOR NOTIFYING CUSTOMERS THAT REQUEST
MEDIATION OR ALTERNATIVE DISPUTE RESOLUTION (ADR) OF
POTENTIAL SERVICE PROVIDERS

ATTACHMENT 1-I: ATTACHMENT FOR NOTIFYING CUSTOMERS THAT MEDIATION OR
ALTERNATIVE DISPUTE RESOLUTION (ADR) DID NOT RESULT IN
RESOLUTION OF ISSUES

CHAPTER 2: MULTI-FAMILY HOUSING PROGRAMS AND LOAN SERVICING ..2-1

2.1 INTRODUCTION.....2-1

SECTION 1: SECTION 515 PROGRAM.....2-1

2.2 OVERVIEW2-1

2.3 TYPES OF PROJECTS2-1

 A. Family Projects.....2-2

 B. Elderly Projects2-2

 C. Congregate Projects.....2-2

 D. Group Homes2-2

 E. Rural Cooperative Housing2-2

 F. Mixed Projects2-3

2.4 TYPES OF LOANS2-3

 A. Initial Loans2-3

 B. Subsequent Loans.....2-4

 C. Assumed Loans2-4

2.5 AGENCY RENTAL ASSISTANCE2-4

2.6 PREFERENCE FOR PROJECTS THAT LEVERAGE OTHER FUNDS2-5

SECTION 2: SECTION 514/516 PROGRAM.....2-7

2.7 TYPES OF PROJECTS2-7

 A. Off-Farm Labor Housing2-7

B. On-Farm Labor Housing	2-7
2.8 LOANS AND GRANTS	2-7
A. Farm Labor Housing Loans.....	2-7
B. Farm Labor Housing Grants	2-8
2.9 RENTAL ASSISTANCE	2-8
2.10 PREFERENCE FOR PROJECTS THAT LEVERAGE OTHER FUNDS	2-8
SECTION 3: OVERVIEW OF MULTI-FAMILY PROJECT SERVICING.....	2-9
2.11 KEY PROJECT SERVICING ACTIVITIES AND THIS HANDBOOK.....	2-9
2.12 PROJECT SERVICING PROCEDURES FOR MULTI-FAMILY HOUSING PROJECTS	2-9
A. Automated Systems (Chapter 3).....	2-9
B. Account Servicing (Chapter 4).....	2-10
C. Ownership and Organizational Changes (Chapter 5).....	2-10
D. Determination of Project Suitability (Chapter 6).....	2-10
E. Transfers of Project Ownership (Chapter 7).....	2-10
F. Security Restructuring Requests (Chapter 8).....	2-10
G. Unauthorized Assistance (Chapter 9).....	2-10
H. Compliance Violations, Defaults, and Workout Agreements (Chapter 10).....	2-11
I. Loan Restructuring (Chapter 11).....	2-11
J. Account Foreclosure and Liquidation (Chapter 12)	2-11
K. Other Special Cases (Chapter 13).....	2-11
L. Management and Disposal of Real Estate Owned Property (Chapter 14).....	2-11
M. Project Preservation (Chapter 15).....	2-11
CHAPTER 3: AUTOMATED SYSTEMS.....	3-1
3.1 INTRODUCTION.....	3-1
3.2 MANAGEMENT INTERACTIVE NETWORK CONNECTION	3-1
A. Background	3-1
B. Purpose and Capabilities	3-2
C. Staff Responsibilities.....	3-2
D. Benefits of MINC.....	3-3
E. Staff Training and Certification Requirements.....	3-4
3.3 AUTOMATED MULTI-FAMILY HOUSING ACCOUNTING SYSTEM.....	3-4
A. Purpose and Capabilities	3-4
B. Staff Responsibilities.....	3-4
C. Staff Training and Certification Requirements.....	3-5
3.4 MULTI-FAMILY INFORMATION SYSTEM	3-7
A. Purpose and Capabilities	3-7
B. Major Components of MFIS	3-8
C. Staff Responsibilities.....	3-9
3.5 PREPAYMENT TRACKING AND CONCURRENCE	3-9
3.6 FURTHER INFORMATION.....	3-10

CHAPTER 4: ACCOUNT SERVICING.....	4-1
4.1 INTRODUCTION.....	4-1
4.2 OVERVIEW	4-1
SECTION 1: ACCOUNT SERVICING REQUIREMENTS	
[7 CFR 3560.403 AND 7 CFR 3560.404].....	4-1
4.3 LOAN PAYMENTS	4-1
4.4 LATE FEES (PASS ACCOUNTS ONLY).....	4-2
4.5 LATE FEE WAIVERS	4-2
4.6 PAST DUE ACCOUNTS	4-2
A. Past Due Payments	4-2
B. Interest on Past Due Payments (PASS Accounts Only)	4-3
C. Special Servicing Action	4-3
4.7 CONVERSION FROM DIAS TO PASS.....	4-3
4.8 FINAL LOAN PAYMENTS.....	4-3
SECTION 2: PROCESSING TENANT CERTIFICATIONS.....	4-5
4.9 OVERVIEW	4-5
4.10 REQUIREMENTS OF THE RULE.....	4-5
4.11 GENERAL PROCEDURES	4-5
A. Timely Submission and Overage Charges for Late Submissions.....	4-5
B. Waivers of Overage.....	4-5
C. Verification and Processing of Certifications.....	4-6
D. Approval of Subsidy	4-7
SECTION 3: LOAN PAYMENT PROCESSING	4-7
4.12 OVERVIEW	4-7
4.13 NOTIFICATION TO BORROWERS OF PAYMENTS DUE	4-7
A. Factors Used to Determine Payment Amount.....	4-7
B. Calculating Payment Amount.....	4-7
C. Borrower Verification Of Payment Data.....	4-8
4.14 PAYMENT DUE DATES	4-8
4.15 PROCEDURES FOR PROCESSING PAYMENTS	4-9
A. Overview.....	4-9
B. Borrower Submission.....	4-10
C. Application of Payments	4-12
4.16 ASSESSMENT OF LATE FEES.....	4-13
A. Agency Approval of Waivers Procedures for Granting Late Fee Waivers	4-13
B. Required Submissions from Borrower to Receive a Waiver	4-14
C. Notification upon Granting A Waiver	4-14
D. Denying Waivers.....	4-14

4.17 SPECIAL CIRCUMSTANCES	4-14
A. Reapplication of Payments.....	4-14
B. Overpayments and Refunds.....	4-15
C. Recoverable and Nonrecoverable Cost Items.....	4-15
SECTION 4: ACCOUNT TRACKING AND SERVICING.....	4-15
4.18 OVERVIEW	4-15
4.19 ACCOUNT TRACKING PROCEDURES	4-15
A. Conditions for Conversion from DIAS to PASS.....	4-15
B. Procedures for Conversion from DIAS to PASS.....	4-15
C. Account Reviews.....	4-16
4.20 SERVICING ACCOUNTS THAT ARE 30 DAYS PAST DUE.....	4-16
4.21 SPECIAL CIRCUMSTANCES	4-16
A. Same Terms Transfers.....	4-16
B. Overpayments and Advance Regular Payments.....	4-16
SECTION 5: FINAL LOAN PAYMENT [7 CFR 3560.404]	4-17
4.22 OVERVIEW	4-17
4.23 PROCESSING FINAL LOAN PAYMENTS	4-17
A. Payment Amount Determined.....	4-17
B. Funds Shifted from Supervised Bank Account	4-17
C. Forms Processed.....	4-17
D. Payments Applied.....	4-18
E. Security Documents Released	4-18
F. Release of Interest in Insurance.....	4-18
G. Special Circumstances.....	4-19
H. State Supplements	4-19
I. Redelegation of Authority	4-19
CHAPTER 5: OWNERSHIP AND ORGANIZATION CHANGES [7 CFR 3560.405]	5-1
5.1 INTRODUCTION.....	5-1
5.2 OVERVIEW OF CHANGES REQUIRING PRIOR AGENCY CONSENT	5-1
5.3 REQUIREMENTS FOR OBTAINING AGENCY CONSENT	5-1
A. Overview	5-1
B. Written Request.....	5-2
C. Assumption of All Applicable Responsibilities by New Interests.....	5-3
D. Assumption of Liability by Substitute General Partner.....	5-3
E. Satisfaction of Eligibility Requirements.....	5-3
5.4 BORROWER REQUESTS FOR CONSENT.....	5-3
5.5 AGENCY REVIEW OF BORROWER REQUESTS	5-3
A. Overview.....	5-3
B. Loan Servicer and Leadership Designee Actions.....	5-4

5.6 DOCUMENTATION OF CHANGES5-4

CHAPTER 6: PORTFOLIO AND PROPERTY ASSESSMENT 6-1

6.1 INTRODUCTION.....6-1

6.2 KEY STEPTS TO COMPLETING PORTFOLIO ASSESSMENT6-1

 A. Evaluation Tools and Asset Data Collection.....6-2

 B. Property and Marketing Factors.....6-5

 C. Categorize the Properties.....6-13

 D. Servicing Strategies.....6-14

6.3 IMPLEMENTATION PLAN TO REMOVE PROPERTY FROM PROGRAM6-16

 ATTACHMENT 6-A Property Categorization Worksheet

CHAPTER 7: TRANSFERS OF PROJECT OWNERSHIP [7 CFR 3560.406]7-1

7.1 INTRODUCTION.....7-1

SECTION 1: OVERVIEW7-3

7.2 RURAL DEVELOPMENT'S OBJECTIVES AND GUIDING PRINCIPLES.....7-3

 A. Objectives.....7-3

 B. Responsibilities.....7-3

 C. Guiding Principles.....7-4

 D. D. Preliminary Transfer Thresholds.....7-7

7.3 KEY ANALYTICAL CONCEPTS.....7-10

 A. Eligibility7-11

 B. Feasibility7-11

 C. Improve or Maintain Risk Levels.....7-11

7.4 DEFINITIONS7-12

 A. Transfer.....7-12

 B. Non-Program Transfers [7 CFR 3560.406(l)].....7-13

 C. Related Definitions.....7-13

 D. Related Definitions.....7-13

7.5 CONDITIONS WHEN A TRANSFER MAY OCCUR AND TYPES OF TRANSFERS7-15

 A. Conditions When a Transfer May Occur.....7-15

 B. Types of Transfers.....7-16

 C. Coordination between RD Headquarters and Leadership
Designee.....7-16

7.6 PROCESSING A TRANSFER REQUEST7-17

 A. Key Steps to Process a Transfer.....7-18

B. Procedure for Incomplete Transfer Requests.....	7-26
C. Denial of Transfer Request.....	7-27
D. Payments Received while Transfer Pending.....	7-28
E. Uncompleted Transfer.....	7-29
SECTION 2: POLICY CONSIDERATIONS.....	7-31
7.7 RENTS.....	7-31
A. Budget/Reasonable Rents [7 CFR 3560.406(d)(2)].....	7-31
B. Conventional Rents for Comparable Units ("CRCU") Limitation [7 CFR 3560.406(d)(2)].....	7-32
C. Increased Basic Rents Because of New Debt Service.....	7-34
7.8 SALES PRICE.....	7-34
A. Limitations on Sales Price.....	7-34
B. Equity Pay-Out (General).....	7-35
C. Equity Pay-Out During the Term of an Existing RUP.....	7-37
D. Non-Equity Compensation.....	7-38
7.9 RETURN TO OWNER (RTO).....	7-38
A. RTO in General.....	7-38
B. Increased RTO Because of Low Income Housing Tax Credits (LIHTC) Equity [7 CFR 3560.68] (Paragraph 5.12 of HB-1-3560).....	7-38
7.10 FEES TO DEVELOPER/BUILDER.....	7-40
A. Developer/Builder Fees in General.....	7-40
B. Deferred Developer Fee.....	7-40

7.11 LOW INCOME HOUSING TAX CREDITS (LIHTCs).....	7-41
A. Relationship between Basic Rents and LIHTC Rents (General).....	7-41
B. Financial Viability When Basic Rents Exceed Maximum LIHTC Rents.....	7-42
C. "Tax Credit Tiered Rents" in LIHTC Transactions [7 CFR 3560.202(g)].....	7-42
7.12 OTHER POLICY CONSIDERATIONS.....	7-42
A. Principal and Interest during Construction.....	7-42
B. Transactions with Multiple Sources of Funds.....	7-43
SECTION 3: PRELIMINARY ASSESSMENT (STEP 1).....	7-47
7.13 PRE-REQUEST CONSULTATION WITH BORROWER AND TRANSFEREE.....	7-47
7.14 INITIAL RURAL DEVELOPMENT REVIEW FOR COMPLETENESS.....	7-47
7.15 CONSULT WITH MPDL REGARDING UNUSUAL TRANSACTIONS.....	7-47
SECTION 4: EVALUATING THE TRANSFEREE (STEP 2).....	7-49
7.16 DETERMINE TRANSFEREE ELIGIBILITY.....	7-49
A. Citizenship Requirements.....	7-49
B. Organizational Requirements.....	7-49
C. Legal Capability.....	7-50
D. Requirements for Existing Borrowers.....	7-50
E. Identity-of-Interest.....	7-50
F. Insurance.....	7-51
G. Site Control.....	7-51
H. Eligible Transferee.....	7-51
7.17 FINANCIAL REQUIREMENTS.....	7-51
7.18 MANAGEMENT CAPACITY.....	7-52
SECTION 5: EVALUATING THE PROJECT (STEP 3)	
[7 CFR 3560.406 (c) and (d)].....	7-53
7.19 DETERMINE PROJECT SUITABILITY.....	7-53
7.20 DETERMINE PROJECT ELIGIBILITY.....	7-53
A. Civil Rights Impact Analysis.....	7-53
B. State Historic Preservation Office.....	7-53
C. Flood Hazard Determination.....	7-54
D. Design Review.....	7-54
E. Prohibited Conditions.....	7-54
F. Other Project Eligibility Requirements.....	7-54
7.21 CIVIL RIGHTS AND DISABILITY COMPLIANCE.....	7-54
7.22 PHYSICAL INSPECTION.....	7-55
A. CNA Requirements.....	7-56
B. State Office Review of CNA.....	7-57
C. Finalize Detailed Repair and Rehabilitation Plans and Costs [7 CFR 3560.406(d)(7)].....	7-57

D. Required Repairs and the Repair Agreement.....7-58
E. Environmental Review [7 CFR 3560.406 (d)(4)].....7-59
F. Advance Rural Development Approval Required for Third Party Funded Repairs.....7-60
G. Reserve Must Be Adequate to Meet 20-Year Capital Needs Based on CNA.....7-60

SECTION 6: EVALUATING FEASIBILITY (STEP 4).....7-61

7.23 EVALUATE FEASIBILITY.....7-61
A. Analytical Template.....7-61
B. Compliance Issues.....7-61
C. Repair Related Issues.....7-61
D. Third Party Funding Issues.....7-62
E. Tenant Impact.....7-62
F. Rents and the Proposed Operating Budget.....7-62
G. Sales Price/Equity Pay-Out.....7-63
H. Rural Development Loans.....7-63
I. Other Feasibility Issues.....7-64

SECTION 7: EVALUATING RURAL DEVELOPMENT LOANS AND OVERALL RISK (STEP 5).....7-66

7.24 EXISTING RURAL DEVELOPMENT LOANS.....7-66
A. New Terms or Same Terms? (7 CFR 3560.406(j)).....7-66
B. Existing Loans/New Terms: Amortization Period and Loan Term.....7-66
C. Existing Loans/New Terms: Interest Rate.....7-66
D. Closing Out an Existing Loan That Will Not be Assumed in Full.....7-67
7.25 SUBSEQUENT RURAL DEVELOPMENT LOANS [7 CFR 3560.406 (h) and (i)].....7-67
7.26 VERIFY THERE IS ADEQUATE SECURITY VALUE [7 CFR 3560.406 (d)(3)].....7-68
7.27 ASSESS THE OVERALL RISK AND THE IMPACT ON RURAL DEVELOPMENT AND TENANTS.....7-68
A. Is the Potential for Financial Loss to Rural Development Better or No Worse Than With the Existing Borrower?.....7-68
B. Will Any Financial Impact on Current and Future Tenants be Reasonable?.....7-68
C. Will Housing Conditions be Better or No Worse Than under the Current Borrower?.....7-70
7.28 COMPLETE AND VERIFY APPLICABLE FORMS.....7-70
7.29 OBTAIN MPDL CONCURRENCE.....7-71
A. Equity Pay-Out to Seller.....7-72
B. Increased Debt Service Built into the Basic Rents.....7-72
C. Increased Return to Owner.....7-72
D. Section 515 Loan Modified.....7-72
E. Basic Rents Increase More Than \$25 Per Month, and There Are Unassisted Tenants.....7-73
F. Non-Equity Compensation.....7-73
G. Exceptions to Regulations.....7-73

H. Transfers Not Meeting Viability Criteria ("Transfers With Workout").....	7-73
I. Transfers That Have Applied For, Or Are Currently Participating In, the Multifamily Portfolio Revitalization (MPR) Program.....	7-74
J. Authorization.....	7-74
SECTION 8: MAKING THE DECISION (STEP 6).....	7-75
7.30 OVERVIEW [7 CFR 3560.406(k)].....	7-75
7.31 MAKING THE DECISION	7-76
A. Determine Current Loan Balances for Transfer	7-76
B. Prepare the Closing Package	7-76
C. Review Applicable Requirements with the Transferee	7-77
D. Determine New Restrictive Use Period Requirement.....	7-77
E. Prepare the Draft Letter of Conditions.....	7-78
F. Prepare to Close the Transfer and Obligate the Subsequent Loan, if Applicable.....	7-78
G. OGC Review.....	7-78
H. Approve the Transfer.....	7-78
SECTION 9: IMPLEMENTING THE TRANSFER (STEP 7).....	7-81
7.32 CLOSING THE TRANSFER	7-81
A. Overview.....	7-81
B. Release the Seller from Liability.....	7-81
C. Assign Leases to Transferee.....	7-81
D. Assign Rental Assistance Agreement to Transferee.....	7-81
E. Assign Other Agreements to Transferee.....	7-82
F. Shift Accounts, Funds, and Assets to Transferee (General)	7-82
7.33 POST-CLOSING	7-82
A. Inform Borrower of Administrative Responsibilities	7-82
B. Schedule a Follow-up Servicing Visit.....	7-82
C. Monitoring Rehabilitation Work	7-82
D. Reporting.....	7-82
E. Tenant Certifications.....	7-83
F. Identification of All Creditors.....	7-83
G. Verify All AMAS/MFIS Data.....	7-83
ATTACHMENT 7-A: REVITALIZATION GUIDANCE	
ATTACHMENT 7-B-1: TRANSFER APPLICATION DOCUMENTS	
ATTACHMENT 7-B-2: MFH TRANSFER & ASSUMPTION APPLICATION SUPPLEMENT	
ATTACHMENT 7-B-3: MFH TRANSFER & ASSUMPTION CONTACT LIST	
ATTACHMENT 7-B-4: MFH TRANSFER & ASSUMPTION FINANCIAL STATEMENT CERTIFICATION	
ATTACHMENT 7-B-5: MFH TRANSFER & ASSUMPTION CERTIFICATION FOR CONTRACTS	
ATTACHMENT 7-C: TAX CREDIT TIERED RENTS IN LIHTC TRANSACTIONS	
ATTACHMENT 7-D: TRANSFER REQUEST CHECKLIST	
CHAPTER 8: SECURITY RESTRUCTURING REQUESTS.....	8-1
8.1 INTRODUCTION.....	8-1
SECTION 1: SUBORDINATIONS AND JUNIOR LIENS [7 CFR 3560.409]	8-1

8.2 OVERVIEW	8-1
8.3 REQUIRED CONDITIONS	8-1
8.4 EVALUATING BORROWER REQUESTS FOR SUBORDINATIONS AND JUNIOR LIENS	8-2
8.5 PROCEDURES FOR AUTHORIZATION OF SUBORDINATIONS AND JUNIOR LIENS.....	8-4
A. Borrower Requests	8-4
B. Processing Borrower Requests	8-4
C. Recommendations to Leadership Designee.....	8-5
D. Final Decision	8-5
E. Appraisal Procedures.....	8-5
8.6 POST-APPROVAL OF JUNIOR LIENS	8-6
SECTION 2: PARTIAL DISPOSITION OF SECURITY PROPERTY [7 CFR 3560.407]	8-7
8.7 OVERVIEW	8-7
8.8 ALLOWABLE ACTIONS INVOLVING THE PARTIAL DISPOSITION OF SECURITY PROPERTY	8-7
8.9 ALLOWABLE USES FOR PROCEEDS FROM PARTIAL DISPOSITION OF SECURITY PROPERTY	8-8
8.10 REQUIRED CONDITIONS FOR AGENCY CONSENT	8-8
8.11 PROCESSING BORROWER REQUESTS	8-8
A. Borrower Submission.....	8-9
B. Agency Review	8-9
C. Agency Decision and Notice to Borrower.....	8-10
8.12 AGENCY RELEASE OF SECURITY	8-10
SECTION 3: LEASING OF SECURITY PROPERTY [7 CFR 3560.408]	8-11
8.13 OVERVIEW	8-11
8.14 LEASES TO PUBLIC HOUSING AUTHORITIES.....	8-11
8.15 LEASE OF A PORTION OF THE SECURITY PROPERTY	8-11
8.16 MINERAL LEASES.....	8-11
SECTION 4: OTHER LIENS AGAINST A PROPERTY OR OTHER ASSETS [7 CFR 3560.409 (d)].....	8-13
8.17 OVERVIEW	8-13
8.18 REQUIRED CONDITIONS	8-13
8.19 AGENCY PROCEDURES	8-13
CHAPTER 9: UNAUTHORIZED ASSISTANCE	9-1
9.1 INTRODUCTION.....	9-1

SECTION 1: TYPES OF UNAUTHORIZED ASSISTANCE	9-1
9.2 OVERVIEW	9-1
9.3 ADDRESSING UNAUTHORIZED ASSISTANCE	9-2
SECTION 2: IDENTIFYING UNAUTHORIZED ASSISTANCE [7 CFR 3560.703]	9-3
9.4 OVERVIEW	9-3
9.5 REQUIREMENTS FOR IDENTIFYING UNAUTHORIZED ASSISTANCE.....	9-3
9.6 METHODS OF IDENTIFYING UNAUTHORIZED ASSISTANCE.....	9-3
9.7 DOCUMENTATION OF UNAUTHORIZED ASSISTANCE	9-4
9.8 NOTICE TO RECIPIENT	9-5
A. Agency Notice to Borrower	9-5
B. Borrower Notice to Tenant.....	9-5
SECTION 3: CORRECTING UNAUTHORIZED ASSISTANCE	9-7
9.9 OVERVIEW	9-7
9.10 ACCOUNT ADJUSTMENTS – AUDIT CASES	9-7
A. Unauthorized Loan	9-7
B. Unauthorized Subsidy Benefits Received Through Use of Incorrect Interest Rate.....	9-8
C. Unauthorized Interest Credit or Rental Assistance.....	9-8
D. Unauthorized Grant Assistance	9-8
E. Cases Where Recipient Has Both Authorized and Unauthorized Loans Outstanding.....	9-9
F. Liquidation Pending	9-9
G. Liquidation Not Initiated.....	9-9
9.11 ACCOUNT ADJUSTMENTS – NONAUDIT CASES	9-9
SECTION 4: RECAPTURE OF UNAUTHORIZED ASSISTANCE TO BORROWERS.....	9-11
9.12 OVERVIEW	9-11
9.13 REQUIREMENTS FOR COLLECTING UNAUTHORIZED ASSISTANCE [7 CFR 3560.705]	9-11
9.14 AGENCY RECAPTURE OF UNAUTHORIZED ASSISTANCE.....	9-12
A. Overview.....	9-12
B. Procedures for Collection of Unauthorized Assistance	9-14
9.15 REPAYMENT METHODS	9-18
9.16 FULL PREPAYMENT	9-18
SECTION 5: RECAPTURE OF UNAUTHORIZED ASSISTANCE TO TENANTS.....	9-19
9.17 OVERVIEW	9-19
9.18 REQUIREMENTS FOR COLLECTION OF UNAUTHORIZED ASSISTANCE TO TENANTS [7 CFR 3560.708].....	9-19
9.19 PROCEDURES FOR COLLECTION OF UNAUTHORIZED ASSISTANCE TO TENANTS	9-20
A. The Borrower.....	9-20
B The Agency.....	9-21

SECTION 6: REFERRAL OF DEBT TO THE UNITED STATES DEPARTMENT OF TREASURY (TREASURY)	9-23
9.20 GENERAL TREASURY REFERRAL REQUIREMENTS	9-23
9.21 GENERAL TREASURY REFERRAL PROCESS.....	9-23
SECTION 7: CONTINUATION OF LOAN ACCOUNTS.....	9-25
9.22 OVERVIEW	9-25
9.23 REQUIREMENTS FOR CONTINUATION OF LOAN ACCOUNTS [7 CFR 3560.707]	9-25
9.24 AGENCY DECISION TO CONTINUE SERVICING ACCOUNT.....	9-25
9.25 SERVICING OPTIONS IN LIEU OF LIQUIDATION OR LEGAL ACTION TO COLLECT	9-25
A. Agency Actions.....	9-26
B. Notice of Determination When Agreement is Not Reached.....	9-26
C. Reporting to OIG.....	9-26
D. Quarterly Reporting to the State Office.....	9-27
SECTION 8: ENFORCEMENT	9-29
9.26 OVERVIEW	9-29
9.27 AGENCY ACTIONS FOR ENFORCEMENT AGAINST RECIPIENTS OF UNAUTHORIZED ASSISTANCE AND FOR IMPOSING CIVIL MONETARY PENALTIES AGAINST BORROWER ENTITIES AND RELATED PARTIES	9-29
A. Liquidation.....	9-29
B. Legal Action to Enforce Collection.....	9-29
C. Double Damages	9-30
D. Equity Skimming	9-31
E. Civil Monetary Penalties	9-31
F. Money Laundering.....	9-38
G. Obstruction of Federal Audits.....	9-39
ATTACHMENT 9-A: GUIDE FOR CMP ASSESSMENT AND RECOMMENDATION	
CHAPTER 10: COMPLIANCE VIOLATIONS, DEFAULTS, AND WORK-OUT AGREEMENTS [7 CFR 3560.453]	10-1
10.1 INTRODUCTION.....	10-1
10.2 ADDRESSING COMPLIANCE VIOLATIONS AND DEFAULTS.....	10-1
SECTION 1: TYPES OF DEFAULTS [7 CFR 3560.452].....	10-3
10.3 OVERVIEW	10-3
10.4 MONETARY DEFAULT	10-3
10.5 NONMONETARY DEFAULT	10-3
SECTION 2: CONDITIONS OF CONCERN, COMPLIANCE VIOLATIONS, AND DEFAULTS.....	10-5
10.6 AGENCY CLASSIFICATION SYSTEM	10-5
10.7 FINDINGS	10-6

10.8 VIOLATIONS	10-6
10.9 KEY STEPS IN ADDRESSING COMPLIANCE VIOLATIONS AND DEFAULTS	10-6
10.10 NOTIFICATION TO BORROWER OF SERVICING PROBLEMS.....	10-7
A. Preliminary Notification.....	10-7
B. Borrowers with Multiple Servicing Issues	10-8
10.11 EVALUATING THE PROJECT	10-9
10.12 MEETING WITH THE BORROWER	10-9
10.13 SELECTING SERVICING OPTIONS	10-9
A. Poor Management and Noncompliance with Program Requirements.....	10-9
B. Acceptable Management, but Marketability and Cash Flow Problems.....	10-10
C. Acceptable Management, but Lack of Project Demand	10-10
10.14 THE PROBLEM CASE REPORT	10-11
10.15 ENFORCEMENT ACTIONS	10-11
A. Liquidation	10-12
B. Debt Settlement	10-12
SECTION 3: DEVELOPING A WORK-OUT AGREEMENT [7 CFR 3560.453].....	10-13
10.16 OVERVIEW OF WORK-OUT AGREEMENTS	10-13
10.17 CONDITIONS WARRANTING A WORK-OUT AGREEMENT	10-13
A. Financial Deficiencies.....	10-13
B. Physical Deficiencies	10-13
C. Fair Housing Deficiencies	10-14
D. Occupancy Deficiencies.....	10-14
10.18 ELIGIBILITY FOR WORK-OUT AGREEMENTS	10-14
A. Program Property	10-14
B. Owner Evaluation.....	10-14
10.19 CONTENT OF A WORK-OUT AGREEMENT	10-14
10.20 CONDITIONS PLACED ON THE BORROWER.....	10-14
10.21 PRIORITIES IN MEETING EXPENDITURES.....	10-16
10.22 LENGTH OF TERM AND AUTHORITIES	10-17
A. Term of Work-Out Agreement.....	10-17
B. Authority to Approve Work-Out Agreements.....	10-18
10.23 AGENCY REVIEW AND APPROVAL [7 CFR 3560.453(b)]	10-18
A. Evaluation of Work-Out Agreement	10-19
B. Procedures Following Approval of Agreement.....	10-19
10.24 CANCELING A WORK-OUT AGREEMENT.....	10-19
SECTION 4: SPECIAL SERVICING ACTIONS.....	10-20
10.25 SPECIAL SERVICING ACTIONS THAT MAY BE A PART OF A WORK-OUT AGREEMENT	10-20

A. Servicing Actions to Change Project Operations	10-20
B. Changes to the Loan Account.....	10-24
SECTION 5: MONITORING THE WORK-OUT AGREEMENT AND SUBSEQUENT SERVICING	10-26
10.26 MONITORING WORK-OUT AGREEMENTS.....	10-26
10.27 SUBSEQUENT SERVICING AND IMPACT ON FUTURE LOANS.....	10-26
SECTION 6: SPECIAL NOTE RENTS (SNR)	10-28
10.28 OVERVIEW OF SPECIAL NOTE RENTS [7 CFR 3560.210].....	10-28
10.29 SNR ELIGIBILITY REQUIREMENTS.....	10-28
A. Required Project Conditions	10-28
B. Borrower Requirements.....	10-28
10.30 SUBMITTING AND PROCESSING SNR REQUESTS.....	10-29
10.31 CHANGES TO AND TERMINATION OF SNRS	10-29
10.32 RESTRICTION ON NEW UNITS	10-30
SECTION 7: ENFORCEMENT	10-32
10.33 MULTI-FAMILY HOUSING ENFORCEMENT TEAM	10-32
10.34 REQUESTING ENFORCEMENT TEAM SERVICES	10-32
CHAPTER 11: LOAN RESTRUCTURING.....	11-1
11.1 INTRODUCTION.....	11-1
SECTION 1: ALLOWABLE TYPES OF RESTRUCTURING	11-1
11.2 OVERVIEW	11-1
11.3 LOAN AGREEMENT OR LOAN RESOLUTION CONSOLIDATION REQUIREMENTS [7 CFR 3560.410].....	11-2
11.4 LOAN CONSOLIDATION REQUIREMENTS [7 CFR 3560.410].....	11-2
11.5 REAMORTIZATION REQUIREMENTS [7 CFR 3560.455 (b)]	11-2
11.6 LOAN ADJUSTMENT (WRITEDOWN) REQUIREMENTS [7 CFR 3560.455(c)].....	11-3
SECTION 2: LOAN AGREEMENT OR LOAN RESOLUTION/LOAN CONSOLIDATION	11-3
11.7 OVERVIEW	11-3
11.8 BORROWER SUBMISSIONS.....	11-3
A. Loan Agreement or Loan Resolution Consolidation.....	11-3
B. Loan Consolidation	11-4
11.9 AGENCY PROCESSING OF BORROWER SUBMISSIONS	11-4

A. Loan Agreement or Loan Resolution Consolidation	11-4
B. Loan Consolidation	11-5
SECTION 3: LOAN REAMORTIZATION	11-7
11.10 OVERVIEW	11-7
11.11 ACCEPTABLE USES OF REAMORTIZATIONS.....	11-7
A. Allowable Conditions for Reamortizations	11-7
B. Requirements for Obtaining a Reamortization	11-8
11.12 BORROWER SUBMISSIONS.....	11-8
11.13 AGENCY REVIEW AND APPROVAL	11-8
A. Field Office Actions	11-8
B. Evaluating Borrower Requests	11-8
C. Approval Recommendation and State Office Review	11-9
D. National Office Exception.....	11-9
E. OGC Guidance	11-10
F. Agency Denial of Request	11-10
11.14 ADDITIONAL EVALUATION FOR REQUESTS INVOLVING DELINQUENCIES OR COMPLIANCE VIOLATIONS	11-10
A. Project Feasibility.....	11-10
B. Property is Adequately Maintained	11-10
C. Housing Remains Affordable	11-11
D. Compliance with Agency Regulations is Maintained	11-11
11.15 PROCESSING REAMORTIZATIONS.....	11-11
A. Complete Reamortization Agreement	11-11
B. Obtain <i>Form RD 3560-52</i> and Assumption Agreement	11-11
C. Establish End of the Reamortization Period.....	11-12
D. Establish Interest Rate	11-12
E. Address Delinquent Reserve Accounts	11-12
F. Obtain OGC Guidance As Needed.....	11-13
G. Execute New Interest Credit Agreement	11-13
H. Close the Reamortization	11-13
I. Meet Other Procedural Requirements	11-13
SECTION 4: LOAN WRITEDOWNS	11-15
11.16 OVERVIEW	11-15
11.17 ALLOWABLE USES	11-15
11.18 BORROWER SUBMISSIONS.....	11-15
11.19 AGENCY REVIEW AND APPROVAL	11-16
A. Appraisal	11-16
B. OGC Advice	11-16
C. Approval.....	11-16
11.20 PROCESSING WRITEDOWNS	11-16

CHAPTER 12: ACCOUNT LIQUIDATION [7 CFR 3560.456]	12-1
12.1 INTRODUCTION.....	12-1
SECTION 1: MAKING THE DECISION TO LIQUIDATE	12-1
12.2 AN OVERVIEW OF LIQUIDATION OPTIONS.....	12-1
A. Voluntary Liquidation.....	12-1
B. Foreclosure.....	12-2
C. Acquisition of Chattel Property.....	12-2
12.3 NET RECOVERY VALUE.....	12-2
A. Establishing Market Value.....	12-3
B. Environmental Considerations.....	12-3
C. Ordering an Appraisal.....	12-4
D. Holding Period.....	12-5
E. Deductions from Market Value.....	12-5
F. Additions to Market Value.....	12-6
12.4 BASIC SECURITY LOSS.....	12-6
12.5 ACCOUNT LIQUIDATION.....	12-6
A. Making the Decision to Liquidate.....	12-6
B. Possible Outcomes of Agency’s Decision to Liquidate.....	12-7
SECTION 2: LIQUIDATION PROCEDURES	12-9
12.6 OVERVIEW.....	12-9
12.7 VOLUNTARY CONVEYANCE.....	12-9
A. Payment of Liens.....	12-9
B. Required Components of an Offer of Voluntary Conveyance.....	12-9
C. Appraisals.....	12-10
D. Decisions.....	12-10
E. Closing of Conveyance.....	12-11
12.8 FORECLOSURE.....	12-11
A. Making the Acceleration Decision.....	12-11
B. Acceleration.....	12-12
C. Review of the Acceleration Decision.....	12-13
D. Transfers and Subsequent Loans During Foreclosure.....	12-13
E. Foreclosure Notice.....	12-13
F. Determining the Government’s Bid at Foreclosure Sale.....	12-14
G. After Foreclosure.....	12-14
12.9 ACQUISITION OF CHATTEL PROPERTY.....	12-14

SECTION 3: DEBT SETTLEMENT	12-17
12.10 BORROWER ELIGIBILITY	12-17
12.11 APPLICATION REQUIREMENTS	12-17
12.12 COMPROMISE AND ADJUSTMENT	12-18
A. Secured Debts.....	12-18
B. Unsecured Debts.....	12-18
C. Handling Payments.....	12-19
D. Delinquent Adjustment Agreement.....	12-19
12.13 CHARGE-OFF.....	12-19
12.14 CANCELLATION.....	12-19
A. Cancellation with Application.....	12-20
B. Cancellation without Application.....	12-20
C. Processing and Approving Cancellations	12-20
12.15 REFERRAL TO THE DEPARTMENT OF TREASURY	12-20
ATTACHMENT 12-A: NET RECOVERY VALUE WORKSHEET	
CHAPTER 13: OTHER SPECIAL CASES [7 CFR 3560.458 through 3560.459].....	13-1
13.1 INTRODUCTION.....	13-1
SECTION 1: PROPERTY ISSUES.....	13-1
13.2 OVERVIEW OF PROPERTY ISSUES	13-1
13.3 ABANDONMENT.....	13-2
A. Indicators of Abandonment	13-2
B. Contacting Prior Lien Holders.....	13-2
C. Making Emergency Health and Safety Repairs.....	13-2
D. Appointing a Caretaker or Management Agent.....	13-3
E. Addressing the Agency’s Relationship with the Borrower.....	13-4
13.4 VALUELESS LIENS.....	13-4
A. Declaring a Valueless Lien	13-4
B. Documenting Valueless Liens.....	13-5
13.5 OTHER SECURITY.....	13-5
13.6 OBTAINING ADDITIONAL SECURITY TO PROTECT AGENCY INTERESTS	13-5
A. Leadership Designee Authorization	13-6
B. OGC Advice.....	13-6
13.7 SECURITY ISSUES INVOLVING PROJECTS WITH PARTICIPATION LOANS	13-6
SECTION 2: BORROWER ISSUES.....	13-7
13.8 OVERVIEW OF BORROWER ISSUES.....	13-7
13.9 REQUIREMENTS FOR ADDRESSING BORROWER ISSUES	13-7
A. Bankruptcy.....	13-7

B. Divorce.....13-7
C. Membership Liability Agreements.....13-8

**CHAPTER 14: MANAGEMENT AND DISPOSAL OF REAL ESTATE OWNED
PROPERTY 14-1**

14.1 INTRODUCTION.....14-1
14.2 OVERVIEW OF THE CHAPTER.....14-1

SECTION 1: MANAGEMENT OF CUSTODIAL AND REO PROPERTY14-3

14.3 OVERVIEW14-3
14.4 MANAGEMENT METHODS AND CONTRACTS.....14-3

A. Selecting a Management Contractor14-3
B. Management Contract Requirements14-4
C. Management Costs14-4
D. Project Funds.....14-4

14.5 TAKING POSSESSION14-4

A. Taking Custodial Possession.....14-4
B. Acquiring an REO Property14-6

14.6 INSPECTING AND SECURING CUSTODIAL AND REO PROPERTY14-6

A. Inspecting and Classifying the Property.....14-6
B. Securing Custodial and REO Property14-7

14.7 DISPOSITION OF NONSECURITY PROPERTY14-7

A. Custodial Property.....14-8
B. REO Property14-8

14.8 TAXES AND INSURANCE14-8

A. Taxes.....14-8
B. Insurance14-9

14.9 PHYSICAL MAINTENANCE AND REPAIR14-9

A. Vandalism and Theft.....14-10
B. Off-Site Repairs or Improvements14-10

14.10 SPECIAL USES OF REO14-11

A. Transitional Housing for the Homeless.....14-11
B. Mineral Leases14-11

SECTION 2: DISPOSITION OF REO PROPERTY [7 CFR 3560.503]	14-13
14.11 OVERVIEW	14-13
A. Sale Methods and Pricing.....	14-13
B. Financing.....	14-13
C. Warranty.....	14-13
14.12 PRICING AND SALES SCHEDULES	14-13
A. Appraisals.....	14-14
B. Sales Schedules and Administrative Price Reductions.....	14-14
14.13 MARKETING AND ADVERTISEMENT.....	14-15
A. Fair Housing and Affirmative Fair Housing Marketing Plan.....	14-16
B. Truth in Lending Requirements.....	14-16
C. Advertising and Marketing Methods.....	14-16
D. Review of Marketing for Unsold Properties	14-17
14.14 SPECIAL MARKETING TECHNIQUES.....	14-17
A. Buyer Incentives.....	14-17
B. Broker Incentives	14-17
C. Acquisition of Land, Easements, or Rights-of-Way to Effect Sale	14-18
14.15 REO PROPERTY NOT MEETING PHYSICAL STANDARDS	14-18
A. Notice of Occupancy Restriction	14-19
B. Quitclaim Deed Restrictive Covenant.....	14-19
C. Release of Restrictive Covenant.....	14-20
14.16 DISPOSITION BY PUBLIC DRAWING	14-20
A. Listing the Property.....	14-21
B. Submission Requirements	14-22
C. Receiving and Considering Offers	14-22
D. Cancellation of Sales Contracts.....	14-22
14.17 DISPOSITION BY SEALED BID OR AUCTION	14-23
A. Establishing the Minimum Acceptable Offer.....	14-23
B. Publicizing the Sale	14-23
C. Sealed Bid Procedures.....	14-23
D. Auction Procedures	14-25
14.18 NEGOTIATED SALE	14-26
14.19 DISPOSAL OF PROPERTY FOR SPECIAL PURPOSES.....	14-26
14.20 DISPOSAL AS CHATTEL OR SALVAGE	14-26
SECTION 3: ENVIRONMENTAL REQUIREMENTS.....	14-27
14.21 OVERVIEW	14-27
14.22 PROPERTY LOCATED WITHIN A SPECIAL FLOOD OR MUDSLIDE HAZARD AREA OR CONTAINS WETLANDS.....	14-27
14.23 COASTAL BARRIER RESOURCES SYSTEMS	14-28

14.24 NATIONAL REGISTER OF HISTORIC PLACES	14-28
14.25 UNDERGROUND STORAGE TANKS (UST)	14-28
14.26 MANAGEMENT OF HAZARDOUS SUBSTANCES AND PETROLEUM PRODUCTS	14-28
14.27 LEAD-BASED PAINT	14-29
14.28 PROTECTIVE COVENANTS RESTRICTIONS AND EASEMENTS	14-29
SECTION 4: PROCESSING AND CLOSING	14-31
14.29 OVERVIEW	14-31
14.30 SPECIAL NOTICES AT SALE	14-31
14.31 INSPECTION	14-32
14.32 PRORATING REAL ESTATE TAXES AND/OR ASSESSMENTS	14-32
14.33 COMMISSIONS	14-32
14.34 TRANSFERRING TITLE	14-32
14.35 REPORTING SALE	14-32
SECTION 5: PROCESSING CREDIT SALES ON NON-PROGRAM TERMS	14-33
14.36 OVERVIEW	14-33
14.37 TERMS OF A NON-PROGRAM CREDIT SALE	14-33
14.38 ACCEPTING OFFERS	14-33
14.39 APPROVAL	14-34
14.40 CLOSING SALE	14-34
14.41 SERVICING THE NON-PROGRAM LOAN	14-35
ATTACHMENT 14-A: LEAD-BASED PAINT DISCLOSURE FORM	
CHAPTER 15: PROJECT PRESERVATION	15-1
15.1 INTRODUCTION	15-1
15.2 OVERVIEW OF THE CHAPTER	15-1
SECTION 1: PRESERVATION AND ELIGIBILITY FOR PREPAYMENT	15-3
15.3 OVERVIEW	15-3
15.4 BORROWERS ELIGIBLE TO REQUEST PREPAYMENT [7 CFR 3560.652]	15-3
15.5 MEETING WITH THE BORROWER	15-3
15.6 TENANT NOTIFICATION REQUIREMENTS [7 CFR 3560.654]	15-4
15.7 REQUIREMENTS FOR PREPAYMENT REQUESTS [7 CFR 3560.653]	15-5
15.8 RECEIPT OF PREPAYMENT REQUESTS	15-6
15.9 COMPLETENESS REVIEW	15-6
15.10 DETERMINATION OF PREPAYMENT FEASIBILITY	15-7
A. Borrower's Funds	15-7
B. Third-Party Lender	15-8
C. Sale	15-8
15.11 ELIGIBILITY DETERMINATION	15-8

SECTION 2: LOANS CLOSED BEFORE 1979 OR LOANS WITH NO RESTRICTIVE AGREEMENTS	15-8
15.12 PREPAYMENT WAITING LIST	15-8
15.13 MAKING THE INCENTIVE OFFER—OVERVIEW	15-8
15.14 GENERAL INCENTIVE OFFER.....	15-9
15.15 SPECIFIC INCENTIVE REQUIREMENTS [7 CFR 3560.656]	15-9
15.16 TYPES OF INCENTIVES [7 CFR 3560.656(c)]	15-10
A. Rental Assistance	15-10
B. Increase in Annual Return.....	15-10
C. Excess HUD Section 8 Rents	15-11
D. Project Conversion or Modification of Interest Rate.....	15-11
E. Agency Equity Loans	15-11
F. Third-Party Equity Loans	15-11
15.17 DEVELOPMENT OF THE INCENTIVE OFFER.....	15-12
15.18 AGENCY OFFER OF INCENTIVES	15-12
15.19 BORROWER ACCEPTANCE OF INCENTIVES AND SUBSEQUENT ACTIONS [7 CFR 3560.657]	15-12
A. Borrower Acceptance.....	15-12
B. Closing the Incentive Offer	15-12
C. Transfers.....	15-13
15.20 INSUFFICIENT FUNDING FOR INCENTIVES	15-13
15.21 BORROWER REJECTION OF INCENTIVE OFFER AND SUBSEQUENT ACTIONS [7 CFR 3560.658]	15-14
15.22 DETERMINATION OF PREPAYMENT IMPACT	15-15
A. Prepayment Impact on Projects without Rental Assistance	15-16
B. Prepayment Impact on Projects with Rental Assistance.....	15-16
C. Processing the Prepayment.....	15-17
D. Monitoring Compliance with the Use Restrictions	15-17
SECTION 3: LOANS CLOSED BETWEEN 1979 AND 1989 WITH A RESTRICTIVE AGREEMENT	15-18
15.23 APPLICABILITY	15-18
15.24 REQUEST BORROWER TO REMAIN IN PROGRAM.....	15-18
15.25 SALE TO A NONPROFIT OR PUBLIC BODY [7 CFR 3560.659]	15-18
15.26 ESTABLISHING THE PROJECT VALUE	15-19
15.27 MARKETING REQUIREMENTS	15-19
15.28 SELECTING AN OFFER.....	15-20
15.29 LOANS MADE BY THE AGENCY OR OTHER SOURCES TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES	15-22
15.30 POSTSALE REQUIREMENTS	15-22
15.31 REQUIREMENTS FOR BORROWERS IF AN ACCEPTABLE PURCHASER IS NOT FOUND	15-23
SECTION 4: SPECIAL CIRCUMSTANCES	15-23
15.32 PROPERTIES UNDER BANKRUPTCY OR FORECLOSURE	15-23
15.33 ADVANCE PAYMENT OF ACCOUNTS.....	15-23
