
7 U.S. Code § 1964

Terms of loans

(a) Maximum amount of loan

The Secretary may not make a loan under this subchapter to a borrower who has suffered a loss in an amount that—

- (1) exceeds the actual loss caused by a disaster; or
- (2) would cause the total indebtedness of the borrower under this subchapter to exceed \$500,000.

(b) Interest rates

Loans under this subchapter shall be at rates of interest as follows:

- (1) For loans or portions of loans up to the amount of the applicant's actual loss caused by the disaster, as limited under subsection (a)(1) of this section, the interest shall be at rates prescribed by the Secretary, but not in excess of 8 percent per annum; and
- (2) For loans or portions of loans in excess of the amount of the applicant's actual loss caused by the disaster, as limited under subsection (a)(1) of this section, (A) the interest for insured loans shall be at rates prevailing in the private market for similar loans, as determined by the Secretary, and (B) the interest for guaranteed loans shall be at rates agreed on by the borrower and lender, but not in excess of such rates as may be determined by the Secretary.

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