

25—5.9(175) Administration of loans. Lenders shall hold the loan instruments and shall receive all payments of principal and interest. The holder of the note (lender) shall not, without prior consent of the authority:

1. Make or consent to any substantial alterations in the terms of any loan instrument;
2. Make or consent to releases of security or collateral on the loan;
3. Accelerate the maturity of the note;
4. Sue upon any loan instrument;
5. Waive any claim against any borrower, cosigner, guarantor, obligor, or standby creditor arising out of any loan instruments.

All servicing actions shall be the responsibility of the lender who shall follow accepted standards of loan servicing employed by prudent lenders generally.