

In consideration of the assumption of indebtedness and subsidy as herein provided and the Government's consent to this assumption and related conveyance of the security property, if applicable, it is agreed as follows:

1. The assuming parties hereby jointly and severally assume liability for and agree to pay to the order of the Government at the office shown below (or other as may later be specified) the amounts, including all obligations and duties under any note or other security instrument identified above, the principal sum of _____ dollars (\$ _____) plus interest at the rate of _____ percent (_____ %) per annum, payable in installments as follows:

a. \$ _____ on _____, 20_____, and \$ _____ thereafter on the _____ of each _____

until the principal and interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable on or before _____, _____

b. Upon completion of this assumption all payments will be converted to the Predetermined Amortization Schedule System (PASS) and, the first installment in the amount of \$ _____ will be due and payable on _____, 20_____. Thereafter, regular installments, each in the amount of \$ _____ will be due and payable on the first day of each month until the principal and interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not paid sooner, shall be due and payable on or before _____, _____.

2. Payments of principal and interest shall be applied in accordance with the Government's accounting procedures in effect on the date of the receipt of the payment. The Borrower agrees to pay late charges in accordance with the Government's regulations in effect when a late charge is assessed.

3. The provisions of said debt and security instruments and of any outstanding agreement executed or assumed by the present debtors pertinent thereto shall, except as modified herein, remain in full force and effect, and the assuming parties hereby assume obligations of and agree to be bound by and comply with all covenants, agreements and conditions contained in said instruments and agreements, except as modified herein, the same as if they had executed them as of the dates thereof as principal obligors.

4. Provisions of the debt and security instrument(s) which require that the borrower graduate to another credit source do not apply to an assumption on ineligible terms. (An assumption on ineligible terms has been identified by the approval official and so noted in the official case file maintained at the Government's office noted in this document.)

5. The property secured by the instruments described in Table II was obtained or improved through Federal financial assistance. This property is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the property continues to be used for the same or similar purpose for which financial assistance was extended or so long as the purchaser owns it, whichever is longer.

6. This Agreement is subject to present regulations of the Government and to its future regulations which are not inconsistent with the express provisions hereof.

UNITED STATE OF AMERICA, Rural Housing Service

By _____

*State Director
Rural Development*

(Office Address)

(Borrowers)

(Borrowers)

(Borrowers)

(Borrowers)