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See Page 3 for the Privacy Act and Public Burden Statements.

Form Approved -OMB No. 0560-XXXX

FSA-2543 (Proposal 3)	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency	Position 3
SHARED APPRECIATION AGREEMENT		
Full Case Number (ST/CO/9 digits SSN/TIN): - - 0		

1. This Agreement is entered into between the Farm Service Agency (FSA) and (a) _____

 (borrower) on (b) _____ and will be due on (c) _____
 (5 years), or sooner. See Item 8 for an explanation of when the agreement will be due sooner than 5 years.

2. FSA has agreed to writedown a portion of my FSA Farm Loan Programs debt. The loans I had with FSA prior to the writedown are described below:

(a) Fund Code	(b) Loan No.	(c) Note Date	(d) Note Amount \$	(e) Interest Rate %	(f) Writedown Amount \$	(g) Full/Partial

3. As of the date of this Agreement, before writedown, the unpaid principal and interest on the above described note(s) was \$ _____ .

4. The total amount of writedown is \$ _____ .

5. The Farm Loan Programs notes remaining after writedown are as follows:

(a) Fund Code	(b) Loan No.	(c) Note Date	(d) Note Amount \$	(e) Interest Rate %	(f) Due Date

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6. The market value of all real property securing the notes described in Items 2 and 5, and the Shared Appreciation Agreement, as of the date of this agreement is \$_____ .

7. This agreement and the notes listed in Items 2 and 5, are secured by the following real estate security instruments:

(a) Date of Security Instrument	(b) Records of County	(c) State	(d) Book or Reel	(e) Page	(f) Grantor

8. In consideration of FSA writing down the above amounts and restructuring my FLP loans, I agree to pay a portion of the increase in value of the real estate described in the security instruments listed in Item 7, if the market value of the real estate increases between the date of this agreement and the market value at the end of the 5-year period, or sooner if one of the following occur:

- A. The notes described in Item 5 are paid in full or otherwise satisfied;
- B. I stop farming;
- C. My notes are accelerated;
- D. When any of the real estate security property, described in the security instruments listed in Item 7, is sold or conveyed prior to the expiration date of this agreement. Convey includes sale, gift, contract for sale, purchase agreement, or foreclosure. Convey does not include transfer of title to spouse upon death of the borrower. Collection of shared appreciation will take place if the surviving spouse sells or conveys the subject property, ceases farming, pays the notes described in Item 5 of this agreement in full, or at the end of the term of the shared appreciation agreement, whichever comes first. I understand that if I sell a portion of the real estate property, the amount of appreciation due will only be calculated on the portion sold. The Shared Appreciation Agreement will remain in effect until the end of the 5-year period to cover any real estate security not sold.

9. The amount due FSA will depend on when the appreciation is considered due and payable as described in Item 8 and based on one of the payment schedules described below. The total amount of appreciation paid to FSA will not exceed the amount of writedown described in Item 4 of this agreement. The amount due will be as follows:

- A. Seventy-five (75) percent of any positive appreciation in the market value of the real property, subject to any calculations made in accordance with 7 CFR 766, described in the security instruments listed in Item 7, if, within 4 years or less from the date of this agreement, any of the events listed in Item 8 occurs.

- B. Fifty (50) percent of any positive appreciation in the market value of the real property, subject to any calculations made in accordance with 7 CFR 766, as described in the security instruments listed in Item 7 on the 5th anniversary of this agreement, or sooner, if after 4 years from the date of this agreement any of the events listed in Item 8 occurs.
- 10. If I am unable to pay the shared appreciation, the appreciation amount may be amortized to a shared appreciation loan under terms and conditions defined in FSA regulations.
- 11. If I violate the terms of this agreement, FSA can accelerate all my notes and liquidate the security property.

12A. Print Borrower Name	12B. Borrower's Signature	12C. Date
13A. Print Borrower Name	13B. Borrower's Signature	13C. Date
14A. Print Borrower Name	14B. Borrower's Signature	14C. Date
15A. Print Borrower Name	15B. Borrower's Signature	15C. Date

NOTE: *The following statements are made in accordance with the Privacy Act of 1974 (5 USC 552a): the Farm Service Agency (FSA) is authorized by the Consolidated Farm and Rural Development Act, as amended (7 USC 1921 et seq.), or other Acts, and the regulations promulgated thereunder, to solicit the information requested on its application forms. The information requested is necessary for FSA to determine eligibility for credit or other financial assistance, service your loan, and conduct statistical analyses. Supplied information may be furnished to other Department of Agriculture agencies, the Internal Revenue Service, the Department of Justice or other law enforcement agencies, the Department of Defense, the Department of Housing and Urban Development, the Department of Labor, the United States Postal Service, or other Federal, State, or local agencies as required or permitted by law. In addition, information may be referred to interested parties under the Freedom of Information Act (FOIA), to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, to collection or servicing contractors, to credit reporting agencies, to private attorneys under contract with FSA or the Department of Justice, to business firms in the trade area that buy chattel or crops or sell them for commission, to Members of Congress or Congressional staff members, or to courts or adjudicative bodies. Disclosure of the information requested is voluntary. However, failure to disclose certain items of information requested, including Social Security Number or Federal Tax Identification Number, may result in a delay in the processing of an application or its rejection.*

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0560-XXXX. The time required to complete this information collection is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. **RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.***