

FSA-2489
(12-31-07)

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

Position 2

ASSUMPTION AGREEMENT

PART A - GENERAL

1. Full Case Number of Assuming Party (ST/CO/9 digits SSN/TIN)

- - 0

2A. Type of Loan

- OL FO EM EE SW
 Regular Limited Resource Non-Program

2B. Type of Security

- Real Estate Chattels

3A. Transferee Eligibility

- (1) Eligible - Same rates and terms
 (2) Eligible - New rates and terms
 (3) Ineligible transferee

3B. Amount of Transfer

- (1) Transfer for full amount of debt
 (2) Transfer for less than full amount of debt

3C. Release of Liability

- (1) Transferor released from personal liability
 (2) Transferor **not** released from personal liability

PART B - AGREEMENT

4. **THIS AGREEMENT** dated (a) _____ is between the United States Department of Agriculture, acting through the Farm Service Agency ("Government,") and (b) _____

("assuming parties"), whose address is (c) _____

5. **BECAUSE** Government is the holder of loans evidenced by certain debt instruments executed by the present debtor (a) _____, case number (b) _____, and identified as follows in Item 6.

6. DEBT INSTRUMENT DATA

| (a) Fund Code and Loan Number | (b) Date Executed | (c) Original Amount | (d) Unpaid Balance | | (e) Interest Rate |
|-------------------------------------|----------------------|------------------------|--------------------|--------------|----------------------|
| | | | (1) Principal | (2) Interest | |
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Initial: _____ Date: _____

7. **BECAUSE** in connection with such loans the following-described security instruments were taken on property described therein and located in (a) _____ County, State of (b) _____, and identified as follows in Item 8.

| 8. SECURITY INSTRUMENT DATA | | | | |
|-----------------------------|----------------------|---------------------------------------|----------------------------------|-------------|
| (a) Instrument | (b) Date Executed | (c) Office Where Recorded or Filed | (d) Book, Volume, or Document | (e) Page |
| | | | | |
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9. **THEREFORE**, in consideration of the assumption of indebtedness as herein provided, and the Government's consent to such assumption and to any accompanying conveyance or transfer of security property to the assuming parties, it is agreed as follows:

The assuming parties hereby jointly and severally assume liability for and agree to pay to the order of the Government, the amounts, and on the dates specified in the following checked block:

A. **THE SUM OF** (1) _____ dollars (2) (\$ _____), plus **INTEREST** on the **UNPAID PRINCIPAL** at the rate of (3) _____ **PERCENT**, (4) (_____ %) **PER ANNUM**, in (5) _____ installments due and payable as follows in Item 9C.

B. Of the entire unpaid indebtedness under said debt and security instruments, **THE SUM OF** (1) _____ dollars (2) (\$ _____) principal, with **INTEREST** thereon at the rate of (3) _____ **PERCENT**, (4) _____ % **PER ANNUM** from the date hereof, plus (5) _____ dollars (6) (\$ _____) accrued interest as of the date hereof, without interest thereon, which accrued interest is included in the first installment written below in Item 9C.

C. The principal and interest shall be due and payable as follows:

| (1) Installment Amount | (2) Due Date | (1) Installment Amount | (2) Due Date |
|---------------------------|-----------------|---------------------------|-----------------|
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and (3) \$ _____ thereafter on (4) _____ of each (5) _____ until the indebtedness hereby assumed is paid except that the final installment of the entire indebtedness evidenced hereby, if not sooner, shall be due and payable on or before

(6) _____; (7) _____ years from the date of the original loan being assumed; or,

(8) _____; (9) _____ years from the date of this assumption.

Prepayments of scheduled installments, or any portion of these installments, may be made at any time at the option of the borrower. Refunds and extra payments shall, after payment of interest, be applied to the last installments to become due under this note and shall not affect the obligation of the borrower to pay the remaining installments as scheduled in this assumption agreement.

Initial: _____ Date: _____

10. Payments shall be applied in accordance with FSA regulations.

11. If this assumption evidences a limited resource loan, Government may **CHANGE THE RATE OF INTEREST** in accordance with the regulations of the Government by giving the borrower thirty (30) days prior written notice at the borrower's last known address.

12. The provisions of said debt security instruments, and of any outstanding agreements 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 the obligations of and agree to be bound by and to 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. Any provisions of the debt and security instruments which require (a) that the borrower live on and operate the Government financed farm or (b) graduate to other sources of credit, will not apply to assumptions by an ineligible transferee.

13. This agreement shall be subject to the present regulations of the Government and its future regulations which are not inconsistent with the express provisions hereof.

| PART C - SIGNATURES | |
|-----------------------------|------------|
| 14A. Signature | 14B. Date |
| 15A. Signature | 15B. Date |
| 16A. Signature | 16B. Date |
| 17A. Signature | 17B. Date |
| FSA USE ONLY | |
| 18A. Agency Official's Name | 18B. Title |
| 18C. Signature | 18D. 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 the 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, 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.*

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