

TRANSFER OF REAL ESTATE SECURITY

INSTRUCTIONS FOR PREPARATION

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| Purpose: This form is used as an agreement between the Transferor and Transferee, and the agency, to set out the terms of the transfer of real property and the assumption of associated indebtedness. | |
| Handbook Reference: 4-FLP | Number of Copies: Original and two copy* |
| Signatures Required: Borrower(s)/Transferor(s), Applicant(s)/Transferee(s) and Authorized Agency Official should sign all three copies | |
| Distribution of Copies: Each party should retain a copy with original signatures. | |
| Automation-Related Transactions: (Instructions for writers: provide only the information required, i.e. ADPS TC 3K. If no automation actions are required, insert N/A) N/A | |

| Fld Name / Item No. | Instruction |
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Part A – General

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| 1 Name of Transferor(s) | Enter the name of the Transferor(s)/Borrower(s). |
| 2 Name of Transferee(s) | Enter the name of the Transferee(s)/Applicant(s). |
| 3A Real Estate to be Transferred | Enter the description of the Real Estate to be transferred. |
| 3B Current Value | Enter the current value of the real estate to be transferred. |
| 4A Other property | Enter the description of other property to be transferred. |
| 4B Current Value | Enter the current value of the other property to be transferred. |
| 5 Reason for Transfer | Enter the reason for the transfer. |
| 6 Amount in Supervised Bank Account | If the current borrower has funds in a Supervised Bank Account, enter the amount of those funds. |

| Fld Name / Item No. | Instruction |
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| 7 Planned Disposition of SBA Funds | If the current borrower has funds in a Supervised Bank Account, enter the planned use of those funds. |
| 8 Development | If Development is to be completed, enter the specifics about the development including work to be completed, estimated cost and the source of the funds for completion. |
| 9A Prior Lien Amount | Enter the amount of any prior lien. |
| 9B Consent of Prior Lienholder | Check "YES" or "NO" to indicate if the consent of the prior lienholder is needed in order to complete the transfer. |
| 10A Junior Lien | Enter the amount of any junior lien. |
| 10B Consent of Junior Lienholder | Check "YES" or "NO" to indicate if the consent of the junior lienholder is needed in order to complete the transfer. |
| 11 Taxes and Assessments | Enter the amount of any taxes and assessments that are due and payable. |
| 12 Date of Transfer | Enter the date the Transfer is expected to be completed. |
| 13 Transferee Operating/ Occupying Property | Check "YES" or "NO" to indicate if the property is currently being operated or occupied by the transferee. If "NO", enter the expected date the transferee will take over operating or occupy the property. |
| 14 Terms and Conditions of Occupancy or lease | If the property is operated, occupied or leased by someone other than the Transferee, enter the terms and conditions of any occupancy or lease. |
| 15A Loans to be Transferred | Enter the fund code and loan number of the loan(s) being transferred. Loans not being transferred by the transferor are not to be entered here, only those being transferred. If the transferor has other loans they must be dealt with outside of this agreement. |

| Fld Name / Item No. | Instruction |
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| 15B Amount | Enter the total amount of the loan(s) being transferred, including all principal and interest, up to the total amount of the debt to be transferred. |
| 15C Current Security | Enter the type of security that currently secures the loan(s). |
| 15D Comment | Enter any comment, if any, about the loan, amount, or current security. |

Part B – Agreements Between Transferors and Transferees

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| 1 Total Con- sideration | Enter the amount of the total consideration for the transfer of security. |
| 2 Payment or Assumption of prior liens | Enter the agreement specifics regarding the payment or assumption of any prior liens. |
| 3 Payment or assumption of Junior Liens | Enter the agreement specifics regarding the payment or assumption of any junior liens. |
| 4 Payment of taxes | Enter the agreement specifics regarding the payment or pro-ration of any taxes. |
| 5 Property insurance | Enter the agreement specifics regarding property insurance, assignment and/or any paid unearned premiums. |
| 6 Income | Enter the agreement specifics regarding the distribution of income from rentals, easements, mineral leases, etc. |
| 7 Title evidence | Enter the agreement specifics regarding the disposition of any existing abstracts of Title, owner’s title insurance policy or other title evidence. |
| 8 Expenses to be paid by Transferor | Enter, by name and amount, any expenses to be paid by the transferor. |
| 9 Expenses to be paid by the Transferee | Enter, by name and amount, any expenses to be paid by the transferee. |

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| 10(a) FSA Assumption Amount | Enter the amount of the FSA debt to be assumed by the transferee. |
| 10(b) Other Lienholder assumption | Enter the name and amount of any amount to be assumed from another lienholder. |
| 10(c) Other Lienholder assumption | Enter the name and amount of any amount to be assumed from another lienholder. |
| 10(d) Equity | Enter the amount to be paid by the transferee to the transferor as equity for the property being transferred. This amount should be the difference between the amount in Part B, item 1 minus, items 10(a), 10(b), and 10(c). |

Part C - Signatures

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| 1A Transferor Signature(s) | Signatures of the transferor(s) will be entered. |
| 1B Date | Transferor(s) will date the agreement when they sign. |
| 2A Transferee Signature(s) | Signatures of the transferee(s) will be entered. |
| 2B Date | Transferee(s) will date the agreement when they sign. |
| 3A Authorized Agency Official's Name | Enter the Authorized Agency Official's name. |
| 3B Title | Enter the Authorized Agency Official's title. |
| 3C Signature | The Authorized Agency Official will sign. |
| 3D Date | The Authorized Agency Official will date the agreement when signed. |

Contact the State Office if additional guidance is needed.