

SHARED APPRECIATION AGREEMENT FOR GUARANTEED LOANS

INSTRUCTIONS FOR PREPARATION

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| Purpose: Lenders execute this form when a guaranteed loan, secured by real estate, is written down and a write-down loss claim is paid by FSA. | |
| Handbook Reference: 2-FLP | Number of Copies: Original and two copies |
| Signatures Required: Borrower, Co-Borrower and Lender | |
| Distribution of Copies: Original to FSA servicing office. Lender retains a copy and borrower provided a copy. | |
| Automation-Related Transactions: N/A | |

Lenders must complete Items 1 through 12. The Guaranteed Loan Borrower and Guaranteed Loan Co-Borrower must complete Items 13 and 14. The Lender completes Item 15. The Lender's Authorized Representative completes Item 16.

If the borrower has more than three loans or additional lines of a specific item are required, attach an addendum to the form as necessary.

Items 1 - 12

| Fld Name / Item No. | Instruction |
|-------------------------------------|---|
| 1(a) Lender Name | Enter the name of the Lender that is carrying out the write-down. |
| 1(b) Borrower Name(s) | Enter the name of the borrower(s) liable for the debt. |
| 1(c) Effective Date | Enter the date that the written down notes are executed as the effective date of the balances being written down. |
| 1(d) Effective Date Plus 5 Years | Enter the date exactly 5 years from the date this form is signed. |
| 2A Date | Enter the effective date of the balances that exist on the loan prior to the write-down. |
| 2B Principal Amount | Enter the principal amount of the loan as of the date of this agreement, for each note owed by the borrower, before the loan is written down. |

| Fld Name / Item No. | Instruction |
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| 2C Interest Rate | Enter the interest rate that is being charged on the subject loan at the time of the write-down. |
| 2D Due Date | Enter the date that the existing promissory note indicates that installments are due on the loan. |
| 2E Lender's Loan Number | Enter the loan number that the lender has assigned to the loan. |
| 3(a) Unpaid Principal | Enter the total from the principal amounts listed in Item 2B. |
| 3(b) Unpaid Interest | Enter the total amount of interest owed by the borrower on the loan(s) as of the date of this agreement, before write-down. |
| 3(c) Write-down Amount | Enter the total amount of write-down calculated on the Form FSA-2252 that was completed, as required to complete this transaction. It should be the same as the total of the amounts entered in Item 5D. |
| 4 Security Value | Enter the appraised dollar value of the real estate that is covered by this agreement. |
| 5A Date | Enter the date of the write-down for each note written down. This should be the same date for each row as entered in Item 2A. |
| 5B Principal Amount | Enter the principal dollar amount of the debt that remains on each loan after the new written down loan documents are executed. |
| 5C Interest Rate | Enter the rate of interest to be charged on each loan after the write-down. |
| 5D Write-down Amount | Enter the total amount of interest and principal that is being written down on each loan. |
| 5E Due Date | Enter the date that the restructured promissory note indicates that installments are due on the loan. |
| 5F Lender's Loan Number | Enter the lender's loan number for each loan being written down. |
| 6A Date of Security Instrument | Enter the date of the mortgage or deed of trust securing the loan or loans being written down. |

| Fld Name / Item No. | Instruction |
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| 6B Records of County and or State | Enter the local or state government entity where the instrument securing the write-down and remaining guaranteed debts are filed. |
| 6C Reel | Enter the location identification information for the security instrument securing the write-down and remaining guaranteed debts. |
| 6D Book or Page | Enter the detailed filing or recording location identification information for the security instrument securing the write-down and remaining guaranteed debts. |
| 6E Grantor | Enter the grantor's name from the subject security instruments. |

Items 7 - 11 Lenders and Borrowers should read the Conditions of Agreement.

Item 12 for Lender's use as needed.

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| 12 Remarks or Additions | Enter in appropriate remarks or additions. |
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Items 13 - 14 are completed by the Guaranteed Borrower and Co-borrower (if any).

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| 13A & B Borrower's Signature and Date | Enter the signature and date of the borrower who is receiving the write-down. |
| 14A & B Co-Borrower's Signature and Date | Enter the signature and date of co-borrower, if applicable. |

Item 15 and 16 are completed by the Lender and Lender's Authorized Representative.

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| 15 Lender's Name | Enter the name and title of the Lender's representative. |
| 16A & B Lender's Authorized Representative's Signature and Date | Enter the signature and date of the authorized representative of the Lender. |