***TRANSFER OF REAL ESTATE SECURITY***

**INSTRUCTIONS FOR PREPARATION**

|  |
| --- |
| **Purpose:**This form is used to record agreements reached between the Transferor and Transferee, and FSA, 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 copies |
| **Signatures Required:**Transferor, Transferee and Authorized Agency Official sign all three copies |
| **Distribution of Copies:**Each party retains a copy with original signatures. |
| **Automation-Related Transactions:** N/A |

| Fld Name /Item No. | Instruction |
| --- | --- |
| *Part A – General* |
| 1Transferor’s Name (s) | Enter Transferor’s name. |
| 2 Transferee’s Name | Enter Transferee’s name. |
| 3AReal estate to be transferred | Enter the description of the real estate to be transferred. |
| 3BCurrent value | Enter the current value of the real estate to be transferred. |
| 4AOther property | Enter the description of other property to be transferred. |
| 4BCurrent Value | Enter the current value of the other property to be transferred. |
| 5Reason for transfer | Enter the reason for the transfer. |
| 6Amount in Supervised Bank Account | If the transferor has a Supervised Bank Account, enter the amount in SBA. |

| Fld Name /Item No. | Instruction |
| --- | --- |
| 7Planned disposition of SBA funds | If the transferor has funds in a Supervised Bank Account, enter the planned use of those funds. |
| 8Development | 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. |
| 9APrior Lien Amount | Enter the amount of any prior lien. |
| 9BConsent of Prior Lienholder | Check “YES” or “NO” to indicate if the consent of the prior lienholder is needed in order to complete the transfer. |
| 10AJunior Lien | Enter the amount of any junior lien. |
| 10BConsent of Junior Lienholder | Check “YES” or “NO” to indicate if the consent of the junior lienholder is needed in order to complete the transfer. |
| 11Taxes and Assessments | Enter the amount of any taxes and assessments that are due and payable. |
| 12Date of Transfer | Enter the date the Transfer is expected to be completed. |
| 13Transferee 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. |
| 15ALoans 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. |
| 15BAmount | 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.  |
| 15CCurrent 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 Transferor and Transferee*** |
| 1Total Con-sideration | Enter the amount of the total consideration for the transfer of security. |
| 2Payment or Assumption of prior liens | Enter the agreement specifics regarding the payment or assumption of any prior liens. |
| 3Payment or assumption of Junior Liens | Enter the agreement specifics regarding the payment or assumption of any junior liens. |
| 4Payment of taxes | Enter the agreement specifics regarding the payment or pro-ration of any taxes. |
| 5Property insurance  | Enter the agreement specifics regarding property insurance, assignment and/or any paid unearned premiums. |
| 6Income | Enter the agreement specifics regarding the distribution of income from rentals, easements, mineral leases, etc. |
| 7Title evidence | Enter the agreement specifics regarding the disposition of any existing abstracts of Title, owner’s title insurance policy or other title evidence. |
| 8Expenses to be paid by Transferor | Enter, by name and amount, any expenses to be paid by the transferor. |
| 9Expenses to be paid by the Transferee | Enter, by name and amount, any expenses to be paid by the transferee. |

| Fld Name /Item No. | Instruction |
| --- | --- |
| 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*** |
| 1ATransferorSignature(s) | Enter transferor’s signature. |
| 1BDate | Enter date Transferor signed the agreement. |
| 2ATransferee Signature(s) | Enter transferee’s signature. |
| 2BDate | Enter date Transferee signed the agreement. |
| 3AAuthorized Agency Official’s Name | Enter the Authorized Agency Official’s name. |
| 3BTitle | Enter the Authorized Agency Official’s title. |
| 3CSignature | Enter the Authorized Agency Official’s signature. |
| 3DDate | Enter the date the Authorized Agency Official signed the agreement. |

.