

APPLICATION FOR PARTIAL RELEASE, SUBORDINATION OR CONSENT

INSTRUCTIONS FOR PREPARATION

<p>Purpose: This form is used by borrowers to request agency approval for transactions affecting real estate that serves as security for agency loans, such as partial releases, sale or exchange of security, right of way, lease, conveyance, and subordinations. The agency, in consultation with the borrower, completes the form and the borrower signs it at the County Office. The agency then uses the form to approve or deny the action requested.</p>	
<p>Handbook Reference: 4-FLP, 5-FLP, and 6-FLP</p>	<p>Number of Copies: Original and one copy*</p>
<p>Signatures Required: Borrower(s) and recommended and approving Authorized Agency Official(s). If the recommending approval official has the authority, they may also be the approving official.</p>	
<p>Distribution of Copies: The Original of the form is retained in the County Office. The copy is given (mailed) to the borrower(s).</p>	
<p>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) MAC/DLS</p>	

The borrower, with assistance of the agency, completes Part A, Items 1 - 14

Fld Name / Item No.	Instruction
1(a) Borrower Names	Enter the name of the Borrower(s).
1(b) Release	Check this box if the Application is for the release of FSA’s security interest.
1(c) Subordination	Check this box if the Application is for the subordination of FSA’s lien position.
1(d) Name of Party	Enter the name of the Party to whom FSA is requested to subordinate their security.
1(e) Consent	Check this box if the application is for consent.
1(f) Reason for Consent application	Enter the specific action requiring consent that is being requested with this Application.
2 Description of Property	Enter the description of the security property affected by the release, subordination or consent request.

Fld Name / Item No.	Instruction
3(a) Name of Lienholder	Enter the name of any lienholder, including FSA in the order of lien priority.
3(b) Approximate amount of lien	Enter the approximate amount of the lien.
3(c) Lien priority	Enter the lien priority of the lien – 1 st , 2 nd , 3 rd , etc.
4 Use	Enter the use to be made of the property covered by the application and to whom the property will be leased or conveyed.
5 Proceeds	Enter the amount of the proceeds anticipated or the benefit to be gained by this transaction.
6 Additional considerations	Enter any additional considerations.
7 Proposed use of proceeds	Enter the proposed use of the proceeds anticipated.
8(a) – (c) Certifications	Check “YES” or “NO” to each of the three questions.
9 Certification Explanation	If “YES” was marked in any of the three certification questions, enter an explanation.
10	Read – the paragraph contains a false statement warning.
11-14A Signature	Enter the signature of the borrower(s) making the request for partial release, subordination or consent.
11-14B Date	Enter the date.

Part B – FSA Approval- To be completed by the agency

1 Comment	Provide documentation to support the recommendation and/or approval of the transaction including compliance with the requirements for approving type of transaction and any of the damages and/or benefits that will result from the transaction.
2(a) Initial Payment	Enter the amount of the initial payment and the distribution of the payment to one of the 5 options listed.
2(b) Subsequent Payments	Enter the amount of any subsequent payment(s) and the distribution of the payment to one of the 5 options listed.

Fld Name / Item No.	Instruction
3(a) or (b) Recommendation	Check either the “recommend” or the “do not recommend” box.
3(c) Recommending Agency Official Name	Enter the name of the recommending Agency Official.
3(d) Recommending Agency Official Title	Enter the title of the recommending Agency Official.
3(e) Signature	The recommending agency official will sign.
3(f) Date	The date will be entered by the recommending agency official when they sign the form.
4(a) or (b) Agency Decision	Check either the “approve” or the “do not approve” box.
4(c) Reason for denial	Enter the reason for denial of the request.
4(d) Approving Authorized Agency Official Name	Enter the name of the Authorized Agency Official making the decision to either approve or disapprove the release, subordination or consent.
4(e) Approving Authorized Agency Official Title	Enter the title of the Authorized Agency Official.
4(f) Signature	The Approving Authorized Agency Official will sign.
4(g) Date	The date will be entered by the Authorized agency official when they sign the form.

Contact the State Office if additional guidance is needed.