

ASSUMPTION AGREEMENT

INSTRUCTIONS FOR PREPARATION

Purpose: This form is used in connection with assumptions of Farm Loans. A separate assumption agreement is needed for each loan.	
Handbook Reference: 4-FLP	Number of Copies: Original and Two
Signatures Required: Original to be signed and both copies conformed (/s/).	
Distribution of Copies: Original should be kept in the locking, fireproof safe, attached to the promissory notes being assumed. A conformed copy should be placed in the assuming party's case file attached to the assumed note(s). A conformed copy is given to the assuming party/borrower. (If the transferring parties are released of liability, a copy of the Release of Liability should be kept with the original and file copy of the assumption agreement for future reference.)	
Automation-Related Transactions: Refer to DLS Loan Servicing User Guide, Transfer and Assumptions Flowchart to determine if a 1M, 4A or 4D transaction is required.	

Borrower and/or Co-Borrower must complete Items 14A through 14D by signing the agreement.

Items 1 through 9, and Items 18A through 18D are completed by FSA only.

Fld Name / Item No.	Instruction
1 Full Case Number	Enter the 2 digit number assigned to your state farm loan program accounts (non-FIPS); the 3 digit number assigned to your county farm loan program accounts (Non-FIPS); and (beginning with 0) the 9 digit social security or tax identification number assigned to the account.
2A Type of Loan	Enter a checkmark in the appropriate checkbox to indicate whether the type of loan is Operating (OL), Farm Ownership (FO), Emergency (EM), Economic Emergency (EE), Soil and Water (S&W), or Conservation Loan (CL). Enter a checkmark in the appropriate checkbox to indicate whether the specific type of loan is a non-program, regular or a limited resource loan.
2B Type of Security	Enter a checkmark to indicate if the security is Real Estate or Chattels. Both checkboxes may be checked if security is both.
3A Transferee Eligibility	Enter a checkmark in the appropriate checkbox to indicate what category the borrower is in: Item 1 - Eligible Transferee - Same rates and terms. Item 2 - Eligible Transferee - New rates and terms. Item 3 - Ineligible Transferee.

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3B Amount of Transfer	Mark the appropriate checkbox. Item 1 - Transfer for full amount of debt. Item 2 - Transfer for less than full amount of debt.
3C Release of Liability	Mark the appropriate checkbox. Item 1 - Transferor released from personal liability. Item 2 - Transferor NOT released from personal liability
4(a) Date	Enter the date of the Assumption Agreement.
4(b) Names	Enter the name(s) of the assuming party(ies) who is/are entering into this Agreement.
4(c) Address	Enter the address (including the Zip Code) of the assuming party(ies).
5(a) Present Debtor	Enter the name(s) of the present debtor(s) of which the Government is the holder or insurer of their loan(s) evidenced by certain debt instrument(s).
5(b) Case Number	Enter the full case number of the present debtor's Agreement identified in Item 6(a).
6 Debt Instrument Data	All Debt Instrument(s), including those where loans have been reamortized, rescheduled and, or consolidated, must be identified in Item 6.
6(a) Fund Code - loan number	Enter the fund code and loan number of each Debt Instrument.
6(b) Date	Enter the date of each Debt Instrument identified in Item 6(a).
6(c) Original Amount	Enter the original principal dollar amount of each Debt Instrument identified in Item 6(a).
6(d)(1) Unpaid Principal	Enter the unpaid principal dollar amount of the Debt Instrument identified in Item 6(a). If describing a Debt Instrument which was subsequently reamortized, rescheduled and, or consolidated, enter N/A.
6(d)(2) Unpaid interest	Enter the unpaid interest of the Debt Instrument identified in Item 6(a). <i>Be sure to include all interest – non-capitalized, deferred, set-aside, etc.</i> If a Debt Instrument was subsequently reamortized, rescheduled and, or consolidated, enter N/A.
6(e) Interest Rate	Enter the Interest Rate of each Debt Instrument identified in Item 6(a).
7(a) County	Enter the name of the county where the security instrument(s) are filed or recorded.

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7(b) State	Enter the name of the state where the security instrument(s) are filed or recorded.
8(a) Security Instrument	Describe the instrument – real estate mortgage, deed of trust, UCC filing, etc.
8(b) Date Executed	Enter the date the Security Instrument identified in Item 8(a) was executed.
8(c) Recording Office	Enter the name of the office where the Security Instrument identified in Item 8(a) was recorded or filed (<i>i.e., Clerk and Recorder, Secretary of State, etc.</i>).
8(d) Recording Information	Enter the name/number of the book, volume or document that identifies the filing or record. This may also be a microfiche number.
8(e) Recording Page	Enter the page number of the book, volume, or document.
9A Full Assumption	For full assumption enter a checkmark in this box and complete 9A(1) through 9A(5): 9A(1) Enter the total amount, in words, of debt to be assumed 9A(2) Enter the dollar amount, in figures, of debt to be assumed 9A(3) Enter the annual interest rate in words. 9A(4) Enter the annual interest rate in numbers as a percent. 9A(5) Enter the number of installments. <i>or</i>
9B Partial Assumption	For partial assumption or assumption without capitalization of interest from previous party, enter a checkmark in this box and complete 9B(1) through 9B(6): 9B(1) Enter the total amount, in words, of the unpaid indebtedness 9B(2) Enter the dollar amount, in figures, of the unpaid indebtedness 9B(3) Enter the annual interest rate, in words. 9B(4) Enter the annual interest rate in numbers as a percent 9B(5) Enter the accrued interest amount, in words, as of the date of the transfer. 9B(6) Enter the dollar amount of accrued interest, in numbers
9C(1) Installment Amount	Enter the dollar amount (<i>numeric</i>) of the first installment. If the installments are the same amount due each period, enter the installment here and enter N/A (Not applicable) in remaining blanks and proceed to Item 9C(3).
9C(2) Installment Due Date	Enter the due date of the first installment. If the installments are the same amount due each period, enter the date here and enter N/A in remaining blanks. Proceed to Items 9C(4) and (5).
9C(3) Amount	Enter the dollar amount (<i>numeric</i>) of repeating installments due except the final installment.

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9C(4) Day	Enter the day when repeating installments are due. For example, if the payments are on the 9 th of December each year, enter "December 9 th "
9C(5) Frequency	Enter when the installment is due, i.e, month, year, etc. Using the example in Item 9C(4) above, enter "year" for installments due annually
Same Rates and Terms	If loan is assumed at same rates and terms complete 9C(6) and 9C(7)
9C(6) Specific Due Date	Enter the specific date the final payment is due. Example: If the loan being assumed was made on January 1, 1980 with a 40 year term, enter " January 1, 2020 "
9C(7) Number of Years	Enter the term of the original loan. Using the example above, enter "40" as the number of years.
New Rates and Terms	If the loan is assumed on new rates and terms complete 9C(8) and 9C(9)
9C(8) Due Date	Enter the date that final payment is due.
9C(9) Number of Years	Enter the (numerical) term of the loan.
10-13	To be read. No entry required
14A through 17A	Each Borrower signs the Assumption Agreement.
14B through 17B	Each Borrower dates the Assumption Agreement.
18A - 18D	Name, title and signature of Authorized Agency Official and date signed.