

INSTRUCTIONS FOR PREPARATION

- (1) Enter the following:
 - (a) State in which farm or building site is located.
 - (b) County in which farm or building site is located.
 - (c) The borrower's case number. When multi-housing projects are involved, insert the project number immediately after the case number.
 - (d) The date the form is executed. When used in connection with a new loan, the form will be executed and dated at the time of loan closing. When used subsequent to loan closing, insert date form is executed.
- (2) Check type of loan involved.
- (3) Insert date of the note or other debt instrument was signed. When used in connection with new loan, the date of the note will be inserted at the time of loan closing.
- (4) Insert (a) month and year in which payments will begin, (b) amount per month and (c) the number of months remaining in that year in which payments will begin.
- (5) Insert year which will be the first full year after year above in (4a) and amount of proposed payments each month. Usually, no payments should be scheduled for December for loans to individuals and whenever practicable, payments also should be omitted for November. If necessary to help a family receiving regular nonfarm income budget its operating expenses, loan payments, may be omitted for the month or months in which taxes and insurance become due.
- (6) Enter the amount payable each month.
- (7) Enter day of month payments are due. Monthly payments should, whenever possible, be scheduled on the same day of the month as the loan closing date with the exception that payments on loans closed after the 24th of a month will be scheduled during the first five days of a month.

When used in connection with new loans, insert this information prior to action on loan by loan approval official. When occasions occur to change existing supplementary payment agreements they should be revised in accordance with this policy.

When used for multi-housing loans insert installment amounts in accordance with the borrower's repayment ability. The installment amounts should be based on adjustments to the installments set out in the note, and any interest credit agreement in effect, taking into consideration that payments will be applied in the normal manner. Therefore the installment amounts to be recorded should *not* reflect adjustments for rental assistance or overage/surcharge.
- (8) Signatures will be the same as typed below the line.
- (9) Type names exactly as typed on promissory note.
- (10) Insert mailing address of the Servicing Office to which payment is to be made. If Direct Payment borrower, insert "Direct Payment."