

Form RD 3550-16
(10-96)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL HOUSING SERVICE

RELEASE FROM PERSONAL LIABILITY

The United States of America, acting through the Rural Housing Service (RHS), United States Department of Agriculture (Government), is the owner and holder of a promissory note or assumption agreement further identified as follows:

(1) PART I				
Instrument	Date	Original Principal	Executed By	*Unpaid Principal

*Unpaid Interest	Advances	Fees	Interest Rate	Current Outstanding Balance
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The RHS releases (2) from personal liability to the Government for the indebtedness and obligation of the above referenced notes. This action does not in any manner modify or impair the enforceability of the above referenced notes or any security instruments against any other party or the secured property.

This release from liability from RHS may result in a tax liability. Any questions regarding possible tax liability should be directed to a tax advisor.

This release is effective (3)

PART II - TRANSFER NOT RESULTING IN FULL PAYMENT OF INDEBTEDNESS

(4), called Transferor, has with the consent of the Government, transferred, by an assumption agreement, the property securing the above instrument.

However, the amount assumed, \$ (5), was less than the balance Transferor owed to the Government. By this instrument, the Government hereby releases Transferor from personal liability only for the amount assumed.

(6)
RHS Official (Signature)

(7)
(Title)

Used to release transferor in transfer with assumption; to release joint obligor who has withdrawn and to release a cosigner on an RH note from personal liability.

(see reverse)

PROCEDURE FOR PREPARATION : RD Handbooks 3550.

PREPARED BY : Servicing official.

SIGNATURES REQUIRED : Servicing official .

NUMBER OF COPIES : Original and one copy.

DISTRIBUTION OF COPIES : Original to individual(s) being released from liability; copy to County Office file.

(12-23-96) SPECIAL PN

INSTRUCTIONS FOR PREPARATION

- (1) Complete this section to describe all notes/assumption agreements involved in release from liability. * For transfers with assumption not resulting in full payment of the indebtedness, insert the amount to be transferred and complete Part 2.
- (2) Enter names of all obligors (to include co-signers) to be released from liability.
- (3) Enter the effective date of the release form liability.
- (4) Enter the name of the borrowers to be released from liability.
- (5) Enter the amount of the assumption agreement which should be the same amount shown in the outstanding total balance.
- (6) Signature of authorized RHS official.
- (7) Title of authorized RHS official.