

Form RD 1955-1 (Rev. 6-97)	Position 3 UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT FARM SERVICE AGENCY OFFER TO CONVEY SECURITY	FORM APPROVED OMB NO. 0575-0172
TYPE OF LOAN	STATE	COUNTY
BORROWER NAME	CASE NO.	

I. We hereby offer to convey to the United States of America, acting through the Rural Housing Service; Rural Utilities Service; Rural Business-Cooperative Service; Farm Service Agency, herein called the "Agency", our property covered by mortgages, deeds of trust, or other security instruments held or insured by the Agency.

in full satisfaction of

for a credit equal to the value of the property as determined by the Agency, less prior liens, if any, on our obligations which are secured by or described in such instruments and any obligations incurred on our behalf, as authorized below, in connection with the conveyance of satisfactory title to the Agency.

II. We agree to remove at our expense all prior and junior liens, (except Agency liens) and all other encumbrances and title defects (now known or hereafter disclosed) except those approved by the Agency in writing.

III. We agree that the following items will be paid by us or may be paid by the Agency and charged to our account as indicated by the marked blocks:

Will be Paid By Us	May be Paid by the Agency and Charged to Our Account	Item
<input type="checkbox"/>	<input type="checkbox"/>	Expenses necessary or incidental to such conveyance (including but not limited to expenses of title examination, survey, revenue stamps, notary and recording fees.)
<input type="checkbox"/>	<input type="checkbox"/>	Cost of keeping insurance in force on the property in accordance with the provisions of the security instruments until our deed to the Agency is recorded.
<input type="checkbox"/>	<input type="checkbox"/>	Cost of title insurance if required by the Agency.
<input type="checkbox"/>	<input type="checkbox"/>	Taxes and assessments, and any liens approved by the Agency for which payment is necessary to clear title.

Any items described above in this paragraph not paid by us may be paid by the Agency, at its option and charged to our account.

IV. We hereby assign to the Agency the following:

- (1) all our right, title and interest in all insurance premiums paid by the Agency and charged to our account and all unpaid claims arising from insurance policies in effect at any time on any buildings on said property;
- (2) all our right, title and interest in all abstracts of title, title insurance policies or other title evidence, and in all outstanding leases to which said property is subject, including oil and gas and other types of mineral leases; and
- (3) funds now on deposit, including borrower and Agency funds in a construction, supervised, or other account under agreement with the Agency and/or _____ ;
(Name of Bank)
- (4) all our rights, title, and interest in all contract rights, inventories, equipment, furnishings, accounts, general intangibles, gross receipts, gifts, pledges, income, and revenue as described in security instruments held or insured by the Agency.

If cash proceeds from this assignment are received by the Agency before title to the property passes to the Agency, the proceeds shall be applied to the indebtedness.

V. We agree to deliver possession of said property to the Agency when it notifies us that our offer is accepted.

VI. The Agency may accept or reject this offer at anytime by indicating so in Item VII below and delivering or mailing a copy of this offer to us at the address currently in the Agency Finance Office records or such other address as we may direct. We understand that we may withdraw this offer by written notice delivered to the Agency at anytime prior to its acceptance.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0172. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Used by Agency borrower in offering to convey real estate security property to the Government.

(see reverse)

PROCEDURE FOR PREPARATION

: RD Instruction 1955-A HB-1-3550 and RD HB-2-3550. and RUS Staff Instruction 1782-1.

PREPARED BY

: Borrower, with assistance of the Agency official who services the case, if necessary.

NUMBER OF COPIES

: Original and one.

SIGNATURES REQUIRED

: Original and copy signed by borrower as the name(s) appears on the deed to the real estate. Approval official on original and copy AFTER it is determined the conveyance will be accepted or rejected.

DISTRIBUTION COPIES

: Original to borrower's case file; copy to borrower AFTER signed by approval official to accept or reject the conveyance offer.

INSTRUCTIONS FOR PREPARATION

- (1) Insert loan type, Borrower name and case number, and State and County names in appropriate boxes.
- (2) Place "X" in *one* box to show whether offer is made for full satisfaction of debt or a portion of debt.
- (3) Place "X" in the appropriate box of each set to indicate borrower's intent, based on explanation by Agency official.
- (4) If funds on deposit are involved, insert name of bank; otherwise leave blank.
- (5) For individual(s), borrower(s) signature(s) and insert date signed. For other than individual(s), leave this portion blank.
- (6) For entity borrowers, insert Borrower name and authorized representative(s) of entity must sign, insert title(s), and insert date(s) signed.
- (7) Agency approval official to indicate in Item VII whether offer is accepted or rejected; in Item VIII, whether or not borrower is to be released from liability; approval official to sign, insert title and the date signed.

NOTE: Borrower should not be given copy until form is executed by the Agency.

REVERSE OF FORM RD 1955-1

Individual(s):

_____ *Borrower*

_____ *Co-Borrower*

Date: _____

Date: _____

Proprietorship, Partnership, Corporation, Association, Public Body, or Other Entity:

Attest

_____ *Borrower Name*

By: _____

By: _____

Title: _____

Title: _____

Decision by Agency:

VII. Your offer to convey security is accepted rejected.

VIII. In accordance with the terms of your offer, you are/ are not to be released from liability.

Date: _____
_____ *(Approval Official)*

_____ *(Title)*