orm RD 3560- (2-05)	9	MULTIPLE FAMILY HOUSING INTEREST CREDIT AGREEMENT	FORM APPROVED OMB NO. 0575-0189
BORROW	INSTRUCTIONS ER CASE NUMBER	S — TYPE IN CAPITALIZED ELITE TYPE IN SPACE  2. PROJECT NUME	
/// . I	1	(MFH O	
I. TYPE OF	LOAN 5.		DIT PLAN CODE
///		AGREEMENT 1-Plan I 2-Plan II 5-Plan II RA	6-Plan RA 7-Section 8 (1%) 8-Section 8 (2%)
7. EFFECTI	VE INTEREST RATE (S		9. SUBSIDY CREDIT
). This Agr	reement between the U	nited States of America, acting through the Depart	tment of Agriculture, Rural Housing Service
("Govern	nment") pursuant to S	Section 521 of the Housing Act of 1949, and _	(10)
		("Borrower") supplements a	(11) in the
principal	amount of \$		(13a) percent ( (13b) %
interest,	dated	which was drawn ina	single advance multiple advances.
. The Gov	ernment shall compute	interest on the borrower's account at the promissory	
less surc		is Agreement the Government will credit \$ prower's account when each MONTHLY payment if the plus surcharge/overage.	(16) subsidy is made. The borrower's subsidized payment
borrower	r's income and expense	Government, as required by the Government in f es for the previous calendar year or other designated to of the housing financed with the loan evidenced b	d periods, and any information on the family
borrower violates	r's related Loan Resolu	mine that the borrower has defaulted under any territion/Agreement, and supplementary or related agrees, at its option the Government may suspend or term	ements, or any related security instrument, or
. No credi to paragr		ount provided for in paragraph 12 shall be made follo	owing any termination date specified pursuan
determin	ed to be in the Governi	ne borrower's account, or pay the borrower rental a ment's best interest, amounts equal to the difference and under a formula and procedure prescribed by the	e between the payment required in paragraph
	s or conditions of the system set forth herein.	note or any related security or other instrument sh	all be affected by this Agreement except a
	reement is subject to the express provisions here	e present regulations of the Rural Housing Service, of.	and to its future regulations not inconsisten
authorize		l permit representatives of the Government (or otho o inspect and make copies of any records of borrow	
	rrower has received any int from any subsequen	y excessive credit or payment, in addition to any rig t credit or payment.	thts of recovery, the Government may deduc
		ermine that the subsidy is no longer needed for a notice suspend, modify or terminate this agreement a	
control number for	this information collection is 05'	<ol> <li>no persons are required to respond to a collection of information unler 75-0189. The time required to complete this information collection is esti- ources, gathering and maintaining the data needed, and completing and it</li> </ol>	imated to average 15 minutes per response, including the time
		Position 2	

To be used for Multi-Family Housing loans, assumption agreements, reamortizations, credit sales, conversion of payment method, loan consolidations, and for existing loans to add interest credit or change to a different plan code.

(see reverse)

PROCEDURE FOR PREPARATION : 7 CFR part 3560, subpart B and HB-2-3560.

PREPARED BY : Servicing Official.

NUMBER OF COPIES : Original and one for Interest Credit only. Original and two for Rental

Assistance.

<u>SIGNATURE REQUIRED</u>: All copies by borrower or borrower official authorized to sign for the

organization and the person authorized to act as attesting official and also by

the State Director or his or her delegatee.

<u>DISTRIBUTION OF COPIES</u> : Original retained in Servicing Office; copy to borrower. For Rental

Assistance, copy to State Director.

# **REVERSE OF FORM RD 3560-9**

(CORPORATE SEAL)	(18)
	(NAME OF BORROWER)
(20)	(19)
(SIGNATURE OF ATTESTING OFFICIAL)	(SIGNATURE & TITLE OF EXECUTIVE OFFICIAL)
(21) (TITLE OF ATTESTING OFFICIAL)	(22) (P.O. BOX OR STREET ADDRESS)
(TILE OF ATTESTING OFFICIAL)	(r.o. box or sireel address)
	(CITY, STATE, AND ZIP CODE)
	UNITED STATES OF AMERICA RURAL HOUSING SERVICE
	Ву(23)
(25)	STATE DIRECTOR FOR (24)  RURAL DEVELOPMENT (TITLE)

#### INSTRUCTIONS FOR PREPARATION

- 1. Enter the borrower's case number as shown in the Automated Multi-Housing Accounting System (AMAS).
- 2. Enter the borrower's Project Number as established in AMAS. There can be only one interest credit (subsidy) rate per project.
- 3. Enter the loan number for which the interest credit (subsidy) is being established.
- 4. Enter the type of loan, i.e., RRH, RCH, or LH.
- 5. Enter the effective date of the agreement as applicable:

#### Initial Agreement:

a. Interim Financing - The Amortization Effective Date (AED) for the loan.

For loans closed on the first day of the month, when the funds are fully advanced, the AED will be the date of loan closing.

NOTE: If the funds are advanced in more than one check, AMAS will treat the closing as multiple advance. You must call the Multi-Family Housing Unit in the Finance Office to have the loan corrected.

For <u>loans closed OTHER THAN</u> the first day of the month, the AED will be the first day of the following month OR the first day of the next month after funds are fully advanced, whichever comes first. Until funds are fully advanced, interest will continue to accrue at the Note Rate. If there is a hold back, draw the funds and deposit them in a Supervised Bank Account so the interest on the loan can be capitalized and the AED can be established.

b. Multiple Advance Loans - The first of the month following substantial completion of construction. Until funds are fully advanced, interest will continue to accrue at the note rate. All funds must be fully advanced or canceled to establish the AED.

NOTE: When advancing funds on multiple advances, use the M1XI "Accrual Calculation" screen in AMAS to monitor the amount of principal and interest that are charged against the obligation. When the combined principal advances and interest accruals reach the Maximum Debt Limit, AMAS will automatically capitalize the interest and establish the AED. At that point, payments are due but Interest Credit cannot be established unless the project is substantially complete and ready for occupancy.

- c. Subsequent loan a or b above apply.
- d. Project converted to interest credit (subsidy) The first day of the month in which the Servicing Official converts the project and processes the interest credit. The interest credit (subsidy) will be effective on the account:
  - DIAS The day of the interest credit agreement.
  - PASS The first of the month following the effective date. (Subsidy must accrue for 30 days before it is applied.)
- e. Assumption Agreement The AED.
  - A new Interest Credit Agreement must be prepared for each loan the transferee assumes. However, no change is required in AMAS unless the Plan Code is being changed. If the Plan Code is changed, complete a new Interest Credit Agreement as documentation for the AMAS entry (M4Z).

- For assumptions effective OTHER THAN THE FIRST DAY OF THE MONTH, the subsidized interest rate of the transferor will pass through to the transferee. The "interest only" installment due from the transferee will be computed using the transferor's subsidized interest rate. If the transferor did not have interest credit, the transferee's "interest only" installment will be computed at the Note Rate of the transfer.
- For assumptions effective on the FIRST DAY OF THE MONTH, the AED.
- f. Reamortization The date of the reamortization agreement, which is the AED.
- g. Credit Sale The AED.
- h. Conversion to PASS The date of the Conversion Agreement. For Involuntary Conversion effective OTHER THAN THE FIRST DAY OF THE MONTH, interest will be capitalized from the date of conversion to AED at the interest credit rate.
- Loan Consolidation The AED.

### Changed or Revised Agreement:

- j. The first day of the month in which any change or revision to an interest credit agreement is effective.
- 6. Enter the applicable interest credit plan code:
  - 1= Plan I (3% plus Surcharge)
  - 2= Plan II (1% plus Overage)
  - 3 = FO use only
  - 4= FO use only
  - 5= Plan II RA
  - 6= Plan RA (LH or Direct Loans approved prior to August 1, 1968)
  - 7= Section 8 with 1% reduction in Interest Rate from Note Rate
  - 8= Section 8 with 2% reduction in Interest Rate from Note Rate
- 7. If Plan 7 or Plan 8, enter the Effective Subsidized Interest Rate.
- 8. Enter the reduced (subsidized) loan payment amount. Figure based on AMAS screen # M1JI, either DIAS or PASS, applicable to borrower's project.
- 9. PASS loans Enter the subsidy credit i.e., the difference between the amortized note rate installment as shown on Form RD 3560-52, "Promissory Note" (and agreeing with the payment shown in AMAS) and the subsidized loan payment (Item 8).

DIAS loans - Enter N.A.

NOTE: If there is an "Interest Only" installment due for an ASSUMPTION, OTHER THAN THE FIRST DAY OF THE MONTH, enter the Subsidized "Interest Only" payment amount above Item 10 as follows:

## "INTEREST ONLY INSTALLMENT DUE MM/DD/YY SUBSIDIZED \$xxx.xxx"

Compute the installment as follows: Pull from AMAS screen # M1XI using instructions in chapter 4 of AMAS manual.

- 10. Enter the legal name of the borrower as shown on the document described in Item 11.
- 11. Enter the title of the document which set the currently effective rates and terms of the loan being subsidized, i.e., Promissory Note, Assumption Agreement (New Terms), Reamortization Agreement (if the interest rate or final due date of the note was changed), Conversion Agreement or Consolidated Promissory Note.
- 12. Enter the principal amount of the document described in Item 11.
- 13. Enter the applicable interest rate of the loan (as shown on the document in Item 11) in (a) words and (b) figures.
- 14. Enter the date of the document described in Item 11.
- 15. Indicate whether the loan was drawn in a single advance or multiple advances.
- 16. Enter the subsidy credit shown in Item 9. (Only applicable to loans in PASS.)
- 17. Enter the subsidized payment shown in Item 8, above.
- 18. Same as Item 10.
- 19. Signature and title of official or organization authorized to sign the agreement.
- 20. Signature of attesting official.
- 21. Title of attesting official.
- 22. Enter the address of the borrower.
- 23. Signature of Agency official.
- 24. Enter the title of Agency official.
- 25. Enter the date the agreement is signed by the Agency official.