

USDA Form RD 1951-15 (Rev. 1-00)		COMMUNITY PROGRAMS ASSUMPTION AGREEMENT				FORM APPROVED OMB NO. 0575-0066	
PART A							
1. TRANSFER CASE NUMBER (1)			2. TRANSFEREE NAME (2)				
3. ASSUMPTION TYPE (3)		4. NOTE INTEREST RATE (4)	5. EFFECTIVE DATE (5)		6. AMOUNT ASSUMED (6)		
7. APPROVAL DATE (7)		8. APPROVAL DATE (8)	9. TRANSFEROR CASE NUMBER (9)				
10. TRANSFEROR NAME (10)				11. LOAN NUMBERS BEING TRANSFERRED (11)			
12. PURCHASE CODE 0-PROGRAM 1-NONPROGRAM (12)		13. FUND CODE (13)	14. RACE/TAX CODE (14)	15. EMPLOYEE RELATIONSHIP CODE (15)	16. ASSUMPTION CODE: 1-SAME 2-NEW (16)	17. RELEASE FROM LIABILITY 1-YES 2-NO (17)	
PART B							
AGREEMENT							
This agreement dated _____ (1), _____, is between the United States of America, acting through the Rural Housing Service or the Rural Utilities Service or the Rural Business-Cooperative Service (herein called the Agency), and the assuming party, _____ (2)							
(herein called Transferee), whose mailing address is _____ (3)							
_____ The Government is the holder of debt instrument(s) executed by _____ (4)							
_____ and identified as follows:							
TABLE I							
Instrument Type (5)	Date Executed	Principal Amount	UNPAID ON DATE HEREOF		Int. Rate (6)	Ins. Charge Rate (7)	
			Principal	Accrued Interest			
<i>According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not 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 0575-0066. The time required to complete this information collection is estimated to average 30 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.</i>							

Used to transfer Community Programs loans to borrowers assuming obligations.

(see reverse)

- PROCEDURE FOR PREPARATION : RD Instruction 1951-E and RUS Staff Instruction 1782-1.
- PREPARED BY : Servicing Official.
- NUMBER OF COPIES : Original and two copies.
- SIGNATURES REQUIRED : State Director or designee and authorized officials of assuming entity.
- DISTRIBUTION COPIES : Direct or Insured Loan: Original retained in Servicing Office, signed copy to Finance Office; signed copy to transferee.

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A single Form RD 1951-15 will be used for all insured loans of the same type, i.e., Water and Waste Disposal or Community Facility, which have the same interest rate and are being assumed under existing terms; separate forms will be used for all insured loans of different types or where different rates and terms are being provided.

When a new debt instrument is issued for a public body organization, complete Part A only, since the bond instrument(s) will provide the information contained in Part B.

PART A

1. Enter the case number to be assigned to the transferee, using leading zeroes where necessary. For example, 11 – 12 – 123456 must be entered as:

| 1 | 1 | | 0 | 1 | 2 | | 0 | 0 | 0 | 0 | 1 | 2 | 3 | 4 | 5 | 6 | .

2. Enter the transferee's name as it is to appear in Finance Office records.
3. Enter the appropriate one of the following codes based on the type of assumption:
 - 1 – if the entire amount of the debt is being assumed.
 - 2 – if the amount assumed is less than the full debt, but at least equal to the unpaid principal balance.
 - 3 – if the amount assumed is less than the full amount of the debt and less than the total unpaid principal balance.
4. Enter the rate of interest authorized by applicable RD regulations.
5. Enter the date of the agreement from Part B.
6. Enter the amount of principal and interest being assumed by the transferee. If total amount of principal and interest exceeds \$9,999,999.99, a separate Form RD 1951-15 must be prepared.
7. Reserved for future use.
8. Reserved for future use.
9. Enter transferor's case number as in the example in item 1.
10. Enter transferor's name as shown in current Finance Office records.
11. Enter the loan number(s) of the transferor's loans to be assumed. A maximum of six may be entered for each assumption agreement.

Example: | 0 | 1 | 0 | 2 | 0 | 3 | 0 | 4 | 0 | 5 | 0 | 6 |

12. Enter the appropriate code based on whether the loan to the transferee will be considered a "program" or "nonprogram" loan under applicable regulations.
13. Enter applicable fund code:

Example: | 9 | 1 |

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14. Enter the appropriate code to indicate the race or entity type of the transferee:

Loans to individuals

- 1 – White (not of Hispanic origin)
- 2 – Black (not of Hispanic origin)
- 3 – American Indian or Alaskan Native
- 4 – Hispanic
- 5 – Asian or Pacific Islander

Loans to associations and other organizations

- 7 – if the transferee is a tax-exempt public body.
- 8 – if the transferee is nontax-exempt.

15. Leave blank if no change, or enter the Employee Relationship Code:

- 0 – No relationship
- 1 – Employee
- 2 – Member of family
- 3 – Close relative
- 4 – Associate

16. Enter the applicable assumption code based on whether the assumption is at the same terms or new terms.

17. Enter applicable code based on whether the transferor is or is not being released from liability.

PART B

1. Insert the date the transferee executes the agreement. This is considered the closing date.

2. Enter the name of the transferee.

3. Enter the mailing address, including zip code, of the transferee.

4. Enter the name of the transferor.

5. Using a separate line for each note, enter complete information for each note covered by this agreement. The unpaid principal and interest will be shown as of the date of the agreement.

6. Enter the interest rate for the note(s), reamortization agreement(s), or previous assumption agreement(s) being assumed.

7. Enter under "Insurance Charge Rate" the rate of any separate Insurance charge related to the loan, when applicable.

8. If real estate is involved enter the country(ies) and state in which the security instrument(s) is filed and recorded. If chattel security instruments are involved, enter a colon after "therein" and delete the balance of the line.

9. Insert complete information required on each security instrument. This includes both chattel and real estate mortgages, deeds of trust, or other security instruments which secure the instrument(s) described in Table I. For any chattel security instruments involved, show in the third column the office, county, and state of filing or recordation.

10. Check when an eligible applicant is assuming the outstanding balance of the indebtedness at the same rates and terms stipulated in the debt and security instruments listed in Tables I and II.

11. Check when an eligible or ineligible applicant is assuming the portion of the indebtedness equal to the current market value or when new rates and terms are being provided for the assumption of the outstanding indebtedness.

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WHEREAS in connection with such loans the following security instruments were taken on property described therein which is located in _____ (8) _____
 County, State of _____ (8) _____.

TABLE II

KIND OF INSTRUMENT	DATE EXECUTED	OFFICE WHERE RECORDED	BOOK/VOLUME/DOCUMENT NO.	PAGE NUMBER
(9)				

Now therefore, in consideration of the assumption of indebtedness as herein provided and the Agency's consent to the assumption and related conveyance of security property, if applicable, it is agreed as follows:

1. The transferee hereby jointly and severally assumes liability for and agrees to pay to the order of the Agency, or to the order of the insured holder through the Agency if and when an insured holder is the holder of said debt instrument(s), at the office of the Agency shown below, the entire unpaid indebtedness in accordance with the rates and terms specified in the following subparagraphs (a) or (b) designated by an X in the appropriate block:

(10) (a) Same Rates/Terms. The entire unpaid indebtedness will be paid in accordance with the rates and terms stipulated in the debt and security instruments listed in Tables I and II of Part B of this agreement.

(11) (b) New Rates/Terms. The entire unpaid indebtedness will be paid in the amounts and at the times specified in the following subparagraph (i) or (ii) designated by an X in the appropriate block.

(12) (i). The sum of _____ (13) _____ dollars (\$ _____ (13) _____) plus interest at the rate of _____ (14) _____ percent (_____ (14) _____ %) per annum, paid in installments of \$ _____ (15) _____ on _____, _____, and \$ _____ (16) _____ thereafter on the _____ of _____ (17) _____ until the principal and interest are fully paid, except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable _____ (18) _____ (_____) months/years from the date of this Assumption Agreement.

(19) (ii). The sum of _____ (20) _____ dollars (\$ _____ (20) _____) with interest thereon at the rate of _____ (21) _____ percent (_____ (21) _____ %) per annum from the date hereof. The principal and interest shall be due and payable as follows:

COMPLETE ITEMS 12-18 ONLY WHEN AMORTIZED PAYMENTS ARE BEING USED

12. Check this subparagraph when amortized payments will be used for repayment of the indebtedness being assumed.
13. Insert the amount of indebtedness (principal plus accrued interest as of the date of the agreement) when the entire outstanding indebtedness is being assumed. This amount will normally be the same as the sum of the unpaid principal and accrued interest shown in Table I of the agreement. However, when only the portion of the indebtedness equal to the current market value is being assumed, insert the amount equal to current market value. When a downpayment is being made on or before the closing date of the assumption, such amount will be deducted from the total indebtedness and only the balance will be shown.
14. Insert the interest rate to be charged.
15. Insert the amount of the initial amortized installment of principal and interest, rounded to the next highest dollar, and the date and year the installment is due.
16. Insert the amount of subsequent amortized installments of principal and interest, rounded to the next highest dollar, and the date(s) the installments are due.
17. Insert "each month" for monthly payments, "each year" for annual payments, or enter the appropriate months for semi-annual payments.
18. Insert the number of months or years, as appropriate, used to amortize the indebtedness, and type over the inappropriate term.

COMPLETE ITEMS 19-23 ONLY WHEN PRINCIPAL PLUS INTEREST PAYMENTS ARE BEING USED.

19. Check this subparagraph when installments of principal plus accrued interest will be used for repayment of the indebtedness being assumed.
20. Insert the amount of indebtedness (principal plus accrued interest as of the date of the agreement) when the entire outstanding indebtedness is being assumed. This amount will normally be the same as the sum of the unpaid principal and accrued interest shown in Table I of the agreement. However, when only the portion of the indebtedness equal to the current market value is being assumed, insert the amount equal to current market value. When a downpayment is being made on or before the closing date of the assumption, such amount will be deducted from the total indebtedness and only the balance will be shown.
21. Insert the interest rate to be charged.
22. Enter the amount(s) and the due dates for each installments. If more than 15 installments are required, complete Form RD 440-57A, "Supplemental Installment Information".
23. Insert the date the final installment is due and payable.

COMPLETE THE REMAINING ITEMS IN ALL CASES

24. Insert the name of the transferee.
25. The authorized representative of the assuming entity will execute on the appropriate line and their title will be shown below.
26. The official of the assuming entity attesting to the signature of the above person will execute on the appropriate line and their title will be shown below. When applicable, the seal will be affixed in the appropriate location.
27. The State Director or designee will execute and their titles will be shown on the appropriate lines.
28. Insert the address of the Rural Development servicing office.

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\$ (22) on _____, ____; \$ _____ on _____, ____; \$ _____ on _____, ____;
\$ _____ on _____, ____; \$ _____ on _____, ____; \$ _____ on _____, ____;
\$ _____ on _____, ____; \$ _____ on _____, ____; \$ _____ on _____, ____;
\$ _____ on _____, ____; \$ _____ on _____, ____; \$ _____ on _____, ____;
\$ _____ on _____, ____; \$ _____ on _____, ____; \$ _____ on _____, ____;

and a final installment in the amount of any remaining portion of the indebtedness hereby assumed which shall be paid on or before (23) _____, _____. Interest hereafter accruing shall be due and payable on the same dates as principal installments listed above.

2. The provisions of said debt and security instruments and of any outstanding agreements executed or assumed by the present debtors pertinent thereto shall, except as modified herein, remain in full force and effect, and the transferee hereby assumes the obligations of and agrees to be bound by and to comply with all covenants, agreements and conditions contained in said instruments and agreements, except as modified herein, the same as if they had executed them as of the dates thereof as principal obligors, including any obligation to pay the Agency an insurance charge in addition to interest if and as provided in any such instruments.
3. REFINANCING AGREEMENT: If at any time it shall appear to the Agency that the transferee may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, transferee will, at the Agency's request, apply for and accept a loan in a sufficient amount to pay the loan(s) hereby assumed in full and, if the lender is a cooperative, to pay for any necessary stock. (Refinancing requirements do not apply to loans classified as nonprogram loans.)
4. This agreement shall be subject to present regulations of the Agency and to its future regulations which are not inconsistent with the express provisions hereof.
5. When the loan(s) hereby assumed is held by an insured holder, prepayments made by the transferee may, except for final payment, be remitted by the Agency to the holder on an annual installment due date basis or other basis established by Agency regulation. Final payment will be remitted promptly. The effective date of every payment made by the transferee shall be the date the payment is received by the Agency.
6. The property described in Table II was obtained or improved through Federal financial assistance. This property is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the regulations issued pursuant thereto for so long as the property continues to be used for the same or similar purpose for which financial assistance was extended or so long as the transferee owns it, whichever is longer.

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TRANSFeree

(SEAL)

Attest:

(24)

Name of Transferee

BY _____ (26)

BY _____ (25)

TITLE _____

TITLE _____

Agency Name

UNITED STATES OF AMERICA

OFFICE ADDRESS:

Agency Name

BY _____ (27)

_____ (28)

TITLE _____
