

Form RD 3560-18 (02-05) UNITED STATES DEPARTMENT OF AGRICULTURE RURAL HOUSING SERVICE

**MULTI FAMILY HOUSING
RELEASE FROM PERSONAL LIABILITY**

TYPE OF LOAN (1) _____ (SPECIFY)	STATE: (2)
	COUNTY: (2)
	CASE NO.: (2)
	PROJECT NUMBER: (2)

PART I.

(3) THIS RELEASE is executed on _____ **(4)** _____, 20 ____ .

The United States of America, acting through the Rural Housing Service or its successor, United States Department of Agriculture (Government) is holder or insurer of loans evidenced by certain promissory notes, bonds, assumption agreements, Notes executed by _____ **(5)** _____ and _____ **(5)** _____ payable to the Government, Rural Housing Service, or its successor, and further identified as follows:

(6)

TABLE I							
KIND OF INSTRUMENT	DATE EXECUTED	ORIG. PRIN. AMOUNT	UNPAID PRINCIPAL	UNPAID INTEREST	UNPAID OVERAGE	UNPAID LATE FEES/DELINQ INT.	INT. RATE

In connection with such loans the Government is the holder or insurer of the following-described security instruments on property located in _____ **(7)** _____ County, State of _____ **(7)** _____

(8)

TABLE II				
KIND OF INSTRUMENT	DATED	OFFICE WHERE RECORDED OR FILED	BOOK, VOL. OR DOCUMENT NO.	PAGE NO.

(see reverse)

Position 2 RD 3560-18 (02-05)

Used to release transferor in transfer with assumption, or to release withdrawing joint obligator.

- PROCEDURE FOR PREPARATION : 7 CFR part 3560 and HB-3-3560.
- PREPARED BY : Servicing Office.
- NUMBER OF COPIES : Original and two copies.
- SIGNATURES REQUIRED : Approval Official.
- DISTRIBUTION OF COPIES : Original to borrower(s) being released from personal liability; copy to Area Office; copy to State Office.

REVERSE OF FORM RD 3560-18

(9) **PART 2. FOR TRANSFER WITH ASSUMPTION**

_____ **(10)** and _____ **(10)** ,
(Transferees) have conveyed the property described in and subject to the security instruments, to _____
(11) and _____ **(11)** (Transferees):

Transferees by assumption agreement have assumed the obligations of the Notes and security instruments including personal liability for payment of all or part of unpaid indebtedness of Transferees and, if an insured loan is involved, payment of (a) a separate annual loan or mortgage insurance charge to the Government, if and as provided in any such instruments, and (b) indemnification to the Government for any amounts paid or loss suffered by it because of Transferees' failure to meet the obligations under the Notes, security instruments, and assumption agreement.

THEREFORE, the Government hereby releases the Transferees from personal liability to the Government for the indebtedness and obligations evidenced by or incurred under the terms of said Notes and security instruments; provided, however, that nothing herein shall release or extinguish any part of said indebtedness or obligations, including interest and all other amounts nor release the security instruments or any part of the property therein, nor modify or impair the priority or enforceability of such liens, and the Government hereby retains unto itself and its assigns all rights against the Transferees necessary to preserve the liens priority and enforceability of such security instruments against the property covered thereby and all rights and remedies of the Government by subrogation or as holder or insurer of the Notes, loans or security instruments against all parties other than the Transferees.

(12) **PART 3. FOR WITHDRAWAL OF JOINT OBLIGOR**

_____ **(13)** has conveyed his or her interest in the property described in the security instruments described in Part I hereof to _____ **(14)** .

WHEREAS _____ **(14)** shall continue to be personally liable for the obligation under the terms of the Notes and security instruments described in Part I for payment of the unpaid indebtedness on the loans; and if an insured loan is involved, for payment of (a) a separate annual loan or mortgage insurance charge to the Government if and as provided in all such instruments and (b) indemnification to the Government for any amounts paid or loss suffered by it because of failure to meet the obligations under the Notes and security instruments:

THEREFORE, the Government hereby releases _____ **(15)** from personal liability to the Government for the indebtedness and obligation of said Notes and security instruments.

IN WITNESS WHEREOF this release is executed as the act and deed of the Government by the undersigned, acting pursuant to duly delegated authority.

UNITED STATES OF AMERICA, Rural Housing Service

By _____ **(16)** _____

(Title)
Rural Development

INSTRUCTIONS FOR PREPARATION

- (1) Identify loan type.
- (2) Insert name of state and county and borrower's case number and project number: For transfer with assumption, enter transferor's case number.
- (3) Part I will be completed in all cases.
- (4) Enter date the release is effective: For transfer with assumption, this will be the date the transfer is closed. For all other cases, it will be the date this form is signed by the Approval Official.
- (5) Insert name of present debtor. In the case of organizational type borrowers, enter the organization's name.
- (6) Insert in Table I the full information for each note/assumption agreement. The information regarding unpaid balances on interest rates may be obtained from AMAS screens M1FI, M1XI, and MILI.
- (7) Enter names of county and state in appropriate spaces.
- (8) Insert in Table II each security instrument securing note/assumption agreements described in Table I.
- (9) If case is transfer with assumption, place "X" in box beside Part 2; if not transfer with assumption, leave Part 2 blank.
- (10) Enter name of Transferor.
- (11) Enter name of Transferee.
- (12) If case is withdrawal of joint obligor, place "X" in box beside Part 3; for all other cases, leave Part 3 blank.
- (13) Enter name of joint obligor to be released from liability.
- (14) Enter name of joint obligor who will remain indebted to the Government.
- (15) Enter name of borrower, same as entered in Part I.
- (16) To be signed by Agency Approval Official. Type or print name under signature line.

(02-24-05) SPECIAL PN