

Form RD 1965-18 (Rev. 3-98) UNITED STATES DEPARTMENT OF AGRICULTURE RURAL HOUSING SERVICE

**MULTI FAMILY HOUSING  
RELEASE FROM PERSONAL LIABILITY**

TYPE OF LOAN (1) <hr/> (SPECIFY)		STATE: (2)
		COUNTY: (2)
		CASE NO.: (2)
		PROJECT NUMBER: (2)

(3) **PART 1.**

THIS RELEASE is executed on \_\_\_\_\_ (4) \_\_\_\_\_, 19 \_\_\_\_\_.

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
(6)							

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.
(8)				

(see reverse)

Position 2 RD 1965-18 (Rev. 3-98)

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

- PROCEDURE FOR PREPARATION : RD Instruction 1965-B.
- PREPARED BY : Field Office.
- NUMBER OF COPIES : Original and one copy.
- SIGNATURES REQUIRED : Agency Official and Witness.
- DISTRIBUTION OF COPIES : Original to borrower(s) being released from personal liability; copy to Field Office file.

REVERSE OF FORM RD 1965-18

(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.

WITNESS:

UNITED STATES OF AMERICA

(17) \_\_\_\_\_

By \_\_\_\_\_ (16)

\_\_\_\_\_  
(Title)

## INSTRUCTIONS FOR PREPARATION

- (1) Identify loan type and check appropriate box to indicate “insured” or direct” loan.
- (2) Insert name of state and county and borrower’s case number and project number: For transfer with assumption, enter transferor’s case number; for withdrawal of joint obligor enter case number of party(ies) to remain indebted.
- (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 District Director.
- (5) Insert name of present debtor. In the case of organizational type borrowers, enter the organization’s name.
- (6) Insert in this table on a separate line for each note/assumption agreement, the full information required on each note/assumption agreement covered by this release.
- (7) Enter names of county and state in appropriate spaces.
- (8) Insert in this table the full information required to describe 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 Rural Development.
- (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.
- (17) Signature of witness; type or print name under signature line.