

PROCEDURE REFERENCE :FmHA Instruction 1951-J

PURPOSE :Notice of acceleration to nonprogram (NP) borrowers (Farmer Program (Real Estate and/or Chattels) and Single Family Housing) personally liable for the debt. (Excludes borrowers who were discharged in bankruptcy and did not reaffirm the debt.)

UNITED STATES DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION
(Location)

Date: _____

Certified Mail
Return Receipt Requested
(Name and Address)

SUBJECT: NOTICE OF ACCELERATION OF YOUR DEBT TO THE FARMERS HOME ADMINISTRATION (FmHA) AND DEMAND FOR PAYMENT OF THAT DEBT.

Dear _____:

PLEASE TAKE NOTE that the entire indebtedness due on the promissory note(s) and/or assumption agreement(s) which evidence the loan(s) received by you from the United States of America, acting through the Farmers Home Administration (FmHA), United States Department of Agriculture is now declared immediately due and payable. They are described as follows:

Date of Instrument
Amount

The promissory note(s) and/or assumption agreement(s) is(are) secured by (Real Estate Mortgage(s), Deed(s) of Trust, Security Agreement(s), Financing Statement(s), etc.) described (perfected) as follows:

<u>Date of Instrument</u>	<u>Place of Recordation(Filing)</u>	<u>Recorded In:</u> <u>Book No. Page No.</u>
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This acceleration of your indebtedness is made in accordance with the authority granted in the above-described instrument(s).

The reason(s) for this acceleration of your indebtedness is(are) as follows:

The indebtedness due is \$ _____ unpaid principal, and \$ _____ unpaid interest, as of _____ 19____, plus additional interest accruing at the rate of \$ _____ per day thereafter, plus any advances made by the United States for the protection of its security and interest accruing on any such advances. Unless full payment of your indebtedness is received within 30 days from the date of this letter, the United States will take action to foreclose the above-described security instrument(s) and to pursue any other available remedies.

Payment should be made by cashier's check, certified check, or postal money order payable to the Farmers Home Administration and delivered to the FmHA County Supervisor at (street address or P.O. Box), (city), (zip code). If you submit to the United States any payment insufficient to pay the entire indebtedness or insufficient to comply with any arrangements agreed to between FmHA and yourself, that payment WILL NOT CANCEL the effect of this notice. If insufficient payments are received and credited to your account, no waiver or prejudice of any rights which the United States may have for breach of any promissory note or covenant in the security instrument(s) will result and FmHA may proceed as though no such payment had been made.

[THE ABOVE-DESCRIBED SECURITY INSTRUMENT(S) PROVIDES THAT THE UNITED STATES MAY FORECLOSE WITHOUT COURT ACTION BY SELLING THE PROPERTY AT PUBLIC SALE AFTER _____. THE GOVERNMENT INTENDS TO SELL THE PROPERTY IN THIS MANNER. NO FURTHER NOTICE IS REQUIRED TO BE GIVEN YOU CONCERNING THIS FORECLOSURE.] (This paragraph will be omitted in States with judicial foreclosure or where it conflicts with State laws.)

If you think FmHA is in error in accelerating your account and proceeding with foreclosure, you may submit evidence within 15 calendar days to the undersigned documenting why your account is not in default. Your request will be forwarded to the next level supervisor within FmHA for consideration. This review will be based solely upon the record including your case file. Applicable statutes and regulations and the documentation you submit to support your position will be considered by the next higher supervisor.

You may apply for debt settlement and retain the property if you pay the present market value along with an additional amount you are able to pay.

You have the option of selling your property. This will provide you with an opportunity to recover any equity you may have in the property. Note: FmHA regulations allow you to sell your property at its current market value regardless of the debt. The buyer may be able to obtain FmHA financing on program or NP terms.

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, handicap, or age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with the law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

United States of America

by _____

District Director or State Director, as applicable
Approval Official

Farmers Home Administration

United States Department of Agriculture

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