

39th Georgia Farmers Conference

Thursday & Friday, Feb 17-18, 2022



United States Department of Agriculture

Farm
Production and
Conservation

Farm
Service
Agency

Office of the
Administrator

1400 Independence
Ave, SW
Stop 0501
Washington, DC
20250-0501

Voice: 202-720-6215
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January 31, 2022

Dear Borrower,

In light of the COVID-19 pandemic and the economic hardship it has imposed on agricultural producers, on January 27, 2021, USDA announced a temporary suspension of past-due debt collection and foreclosures for distressed borrowers under the Farm Storage Facility Loan and the Direct Farm Loan programs administered by the Farm Service Agency (FSA). Since that time, you may have received a "Notice of Intent to Accelerate" from the FSA regarding your loan. While the statute requires these notifications to inform borrowers of their options, please be assured that FSA will NOT be accelerating or foreclosing on any direct loans you may have with us, regardless of payment status, while this suspension is in effect.

The Farm Financial Crisis of the 1980's highlighted significant shortcomings in the loan servicing procedures USDA had in place at the time, and far too many borrowers failed to receive any notices of their loan servicing rights and options. As a result, Congress enacted legislation establishing standardized loan servicing processes that remain in place today. We acknowledge that the title of the notice you may have received might be misleading and confusing when considered in the context of the current suspension of past-due debt collection and foreclosures for distressed borrowers. Rest assured that under Secretary Vilsack's leadership, the FSA is focusing our attention and resources toward assisting you with available loan servicing options mentioned in some of these notices.

A separate letter will be sent out soon that will more fully explain the loan servicing options available to you as a direct loan borrower.

Between now and then, I encourage you to evaluate your current financial situation and work with the FSA to gain a better understanding of the available loan servicing options that can help you position yourself to continue to farm or ranch into the future.

Sincerely,

Zach Ducheneaux
Administrator
Farm Service Agency
U.S. Department of Agriculture

This form is available electronically.

FSA-2510

(April 2020)

U.S. DEPARTMENT OF AGRICULTURE

Farm Service Agency

Position 4

**NOTICE OF AVAILABILITY OF LOAN SERVICING
TO BORROWERS WHO ARE 90 DAYS PAST DUE**

Date

Borrower's Name

Borrower Name/Address

Borrower Address

City, State, Zip Code

MAILING INSTRUCTIONS

This notice informs you that you are seriously delinquent with your Farm Loan Programs (FLP) loan payment and notifies you of options that may be available to you. The Agency's primary loan servicing programs, Conservation Contract Program, current market value buyout, Homestead Protection Program, and debt settlement programs may help you repay your loan or retain your farm property and settle your FLP debt.

How to apply

To apply, you must complete, where applicable, and provide all items required in paragraph (f), within 60 days of the date you receive this notice.

Help in responding to this notice

The servicing options available to you may become complicated. You may need help to understand them and their impact on your operation. You may want to ask an attorney to help you or there are organizations that give free or low-cost advice to farmers. You may contact your State Department of Agriculture or the U.S. Department of Agriculture (USDA) Extension Service for available services in your State.

Note: Agency employees cannot recommend a particular attorney or organization.

Who will decide if you qualify?

After you submit a complete application, the Agency will determine if you meet all eligibility requirements and can develop a farm operating plan that shows that you can pay all debts and expenses.

What happens if you do not bring the account current or apply within 60 days?

The Agency will accelerate your loans if you do not bring your account current or timely apply for loan servicing. This means the Agency will take legal action to collect all the money you owe to the Agency under FLP. After acceleration of your loan accounts, the Agency will start foreclosure proceedings. The Agency will repossess or take legal action to sell your real estate, personal property, crops, livestock, equipment, or any other assets in which the Agency has a security interest. The Agency will also obtain and file judgments against you and your property or refer your account to the Department of the Treasury for collection.

Included with this notice you will find information on:

- (a) Primary loan servicing programs;
- (b) Conservation Contract Program;
- (c) Current market value buyout;
- (d) Homestead Protection Program;
- (e) Debt settlement programs;
- (f) Forms, documentation, and information needed to apply;
- (g) How to get copies of Agency handbooks and forms;
- (h) Reconsideration, mediation, and appeal to NAD;
- (i) Challenging the Agency appraisal;
- (j) Acceleration and foreclosure;
- (k) The right not to be discriminated against.

(a) Primary Loan Servicing ProgramsEligibility

You must meet the following eligibility requirements to obtain primary loan servicing:

- (1) You cannot repay your FLP debt due to one of the following circumstances beyond your control:
 - (i) Illness, injury, or death of a borrower or other individual who operates the farm;
 - (ii) Natural disaster, adverse weather, disease, or insect damage which caused severe loss of agricultural production;
 - (iii) Widespread economic conditions such as low commodity prices;
 - (iv) Damage or destruction of property essential to the farming operation; or
 - (v) Loss of, or reduction in, your or your spouse's essential non-farm income.
- (2) You do not have non-essential assets for which the net recovery value is sufficient to pay the delinquent portion of the loan. The Agency cannot write down or write off debt that you could pay with the value of your equity in these assets.
- (3) If you are in non-monetary default as a result of non-compliance with the Agency's loan agreements, you must resolve the non-monetary default prior to closing the servicing action.
- (4) You must have acted in good faith in all past dealings with the Agency and in accordance with your loan agreements.

Time limits

If the Agency determines that you can develop a feasible plan and are eligible for primary loan servicing, you will have 45 days from the date you receive the Agency's offer to accept loan servicing.

Lien requirements

If you are offered loan servicing and accept the offer, you must agree to give the Agency a lien on your other assets and you must provide this lien at closing.

Youth Loans

If you have a Youth Loan, it is not eligible for debt write-down, current market value buyout, or limited resource interest rates, but can be rescheduled or deferred. This has no effect on any other loans you may have with the Agency.

Loan consolidation, rescheduling, and reamortization

In loan consolidation, the unpaid principal and interest of two or more operating loans can be combined into one larger operating loan.

In loan rescheduling, the repayment schedule may be changed to cure the delinquency and give you new terms to repay loans made for equipment, livestock, or annual operating purposes.

In loan reamortization, the repayment schedule may be changed to cure the delinquency and give you a new schedule of repayment on loans made for real estate purposes.

When loans are consolidated, rescheduled or reamortized, accrued interest becomes principal and interest is charged on the new principal balance. The interest rate will be the lesser of:

- (1) The interest rate for that type of loan on the date a complete servicing application was received;
- (2) The interest rate for that type of loan on the date of restructure; or
- (3) The lowest original loan note rate on any of the original notes being restructured.

In addition, the Agency will consider the maximum loan terms. This means that operating loans, including carry over annual operating and family living expenses may have repayment terms of up to 15 years.

Limited resource interest rate

Limited resource interest rates are available for certain types of loans. If you have existing loans which are not at the limited resource rate, and a limited resource rate is available, the Agency will consider reducing the rate of the loans. The limited resource interest rate can be as low as five percent, however, this rate may change depending on what it costs the Government to borrow money.

For information about current interest rates, contact this office.

Loan deferral

Partial or full payments of principal and interest may be temporarily delayed for up to 5 years. You will only be considered for loan deferral if the loan servicing programs discussed above will not allow you to pay all essential family living and farm operating expenses, maintain your property, and pay your debts.

You must be able to show through a farm operating plan that you are unable to pay all essential family living and farm operating expenses, maintain your property, and pay your debts. The farm operating plan must also show that you will be able to pay your full installment at the end of the deferral period.

The interest that accrues during the deferral period must be paid in yearly payments for the rest of the loan term after the deferral period ends.

Debt writedown

Debt writedown can reduce the principal and interest on your loan. The Agency offers a writedown only when the loan servicing programs discussed above and the Conservation Contract Program, if requested, will not result in a feasible plan. To receive debt writedown, the value of your restructured loan must be equal to or greater than the recovery value to the Agency from foreclosure and repossession of your security property.

The recovery value is the market value of:

- (1) The collateral pledged as security for FLP loans minus expenses (such as the sale costs, attorneys' fees, management costs, taxes, and payment of prior liens) on the collateral that the Agency would have to pay if it foreclosed, or repossessed, and sold the collateral;
- (2) Any collateral that is not in your possession and has not been released for sale by the Agency in writing; and
- (3) Any other non-essential assets you may own.

A qualified appraiser determines the value of the collateral and any other assets you own. You may receive a writedown only if you have not previously received any form of debt forgiveness on any other FLP direct loan. The maximum amount of debt that can be written down on all direct loans is \$300,000.

Shared Appreciation Agreement

If you own real estate and receive a debt writedown, you must sign a Shared Appreciation Agreement. The term of the agreement is 5 years. Under the terms of the agreement you must repay all or a part of the amount written down at the maturity of your Shared Appreciation Agreement if your real estate collateral increased in value. Payment of shared appreciation will be required prior to the maturity of your Shared Appreciation Agreement if you:

- (1) Sell or convey the real estate;
- (2) Stop farming;
- (3) Pay off your entire FLP debt; or
- (4) Have your FLP accounts accelerated by the Agency.

If any of these events occur within the first 4 years of the agreement, you will have to pay 75 percent of the increase in value of the real estate. If any of these events occur after the fourth anniversary of the agreement, or if the Shared Appreciation Agreement matures without having previously been fully triggered, you will have to pay only 50 percent of the increase in value. You will not have to pay more than the amount of the debt written down.

Time limits

To buyout your FLP debt at the current market value, you must pay the Agency within 90 days of the date you receive the offer.

Method of payment

To buyout your FLP debt at the current market value, you must pay by cashier's check or U.S. Treasury check. The Agency will not make or guarantee a loan for this purpose.

(b) Conservation Contract Program

You may request a Conservation Contract to protect highly erodible land, wetlands, or wildlife habitats located on your real estate property that serves as security for your FLP debt. In exchange for such contract, the Agency would reduce your FLP debt. The amount of land left after the contract must be sufficient to continue your farming operation.

(c) Current Market Value Buyout

If the analysis of your debt shows that you cannot achieve a feasible plan even if the present value of your FLP debt is reduced to the value of the security, the Agency may offer you buyout of your FLP debt. You would pay the market value of all FLP security and non-essential assets, minus any prior liens. The market value is determined by a current appraisal completed by a qualified appraiser. In exchange, your loans would be satisfied.

Limits

To receive a current market value buyout offer:

- (1) You must not have previously received any form of debt forgiveness from the Agency on any other direct FLP loan;
- (2) The maximum debt to be written off with buyout does not exceed \$300,000; and
- (3) You must not have non-essential assets with a net recovery value sufficient to pay your account current.

Eligibility

To qualify, you must prove that:

- (1) You cannot repay your delinquent FLP debt due to circumstances beyond your control; and
- (2) You have acted in good faith in all past dealings with the Agency and in accordance with your loan agreements.

(d) Homestead Protection Program

Under the Homestead Protection Program, you may repurchase your primary residence, certain outbuildings, and up to 10 acres of land. If you cannot pay cashier's check or U.S. Treasury check or Agency financing is not available, you may lease your primary residence. The lease will include an option for you to purchase the property you lease.

This program may apply when primary loan servicing, the Conservation Contract Program, or current market value buyout is not available or not accepted.

You must agree to give the Agency title to your land at the time the Agency signs the Homestead Protection Agreement with you. The Agency will compute the costs of taking title including the cost of paying other creditors with outstanding liens on the property. The Agency will take title only if it can obtain a positive recovery.

Eligibility requirements

- (1) Your gross annual income from the farming operation must have been similar to other comparable operations in your area in at least two of the last 6 years.
- (2) Sixty percent (60%) of your gross annual income in at least two of the last 6 years must have come from the farming operation.
- (3) You must have lived in your homestead property for 6 years immediately before your application. If you had to leave for less than 12 months during the 6-year period and you had no control over the circumstances, you may still qualify.
- (4) You must be the owner of the property immediately prior to the Agency obtaining title.

Property restrictions and easements

The Agency may place restrictions or easements on your property which restrict your use if the property is located in a special area or has special characteristics. These restrictions and easements will be placed in leases and in deeds on properties containing wetlands, floodplains, endangered species, wild and scenic rivers, historic and cultural properties, coastal barriers, and highly erodible lands.

Leasing the homestead property

- (1) You must pay rent to the Agency to lease the property determined eligible for homestead protection. The rent the Agency charges will be similar to comparable property in your area.
- (2) You must maintain the property in good condition during the term of the lease.
- (3) You may lease the property for up to 5 years but no less than 3 years.
- (4) You cannot sublease the property.
- (5) If you do not make the rental payments to the Agency, the Agency will cancel the lease and take legal action to force you to leave.
- (6) Lease payments are not applied toward the final purchase price of the property.

Purchasing the homestead protection property

You can repurchase your homestead property at market value at any time during the lease. The market value of the property will be decided by a qualified appraiser and will reflect the value of the land after any placement of a restriction or easement such as a wetland conservation easement.

(e) Debt Settlement Programs

You can apply for debt settlement at any time; however, these programs are usually used only after it has been determined that primary loan servicing programs and the Conservation Contract Program cannot help you. Under the debt settlement programs, the debt you owe the Agency under FLP may be settled for less than the amount you owe. These programs are subject to the discretion of the Agency and are not a matter of entitlement or right. If you do not have any Agency security, you may apply for debt settlement only. If you do not apply, or do not receive approval of a debt settlement request, any FLP-loan account balance remaining after liquidation of loan collateral will be forwarded to the Department of Treasury for cross-servicing and administrative wage garnishment.

Settlement alternatives

Settlement alternatives include:

- (1) Compromise: A lump-sum payment of less than the total FLP debt owed;
- (2) Adjustment: Two or more payments of less than the total amount owed to the Agency. Payments can be spread out over a maximum of 5 years if the Agency determines you will be able to make the payments as they become due; and
- (3) Cancellation: Satisfaction of Agency debt without payment.

Note: The Agency will not finance these alternatives.

Processing and requirements

If you sell loan collateral, you must apply the proceeds from the sale to your FLP loans before you can be considered for debt settlement. In the case of compromise or adjustment you may keep your collateral, if you pay the Agency the market value of your collateral along with any additional amount the Agency determines you are able to pay.

Debt amounts which are collectible through administrative offset, judgment, or by the Department of the Treasury will not be settled through debt settlement procedures. You must certify that you do not have assets or income in addition to what you stated in your application. If you qualify, your application must also be approved by the State Executive Director or the Administrator, depending on the amount of the debt to be settled.

(f) Forms, documentation, and information needed to apply

A complete application for primary loan servicing must include items (1) through (10). Additional information is required as noted if you want to be considered for the Conservation Contract Program or debt settlement programs. If you need help to complete the required forms, you may request an Agency official to assist you. The forms for requirements (1) through (8) and (11) are included with this package.

- (1) FSA-2511, "Borrower Response to Notice of the Availability of Loan Servicing-For Borrowers who Received FSA-2510," signed by all borrowers.
- (2) FSA-2001, "Request for Direct Loan Assistance."
- (3) FSA-2002, "Three Year Financial History," or other financial records, including copies of your income tax returns and any supporting documents, for each of the 3 years immediately preceding the year of application or the years you have been farming, whichever is less and if not already in the Agency case file. If your copies of tax returns are not readily available, you can obtain copies from the Internal Revenue Service.
- (4) FSA-2003, "Three Year Production History," or any other format that provides production and expense history for crops, livestock, livestock products, etc., for each of the 3 years immediately preceding the year of application or the years you have been farming, whichever is less and if not already in the Agency case file. You must be able to support this information with farm records.
- (5) FSA-2004, "Authorization to Release Information." The Agency will use this form to verify your debts and assets, as well as your non-farm income.
- (6) FSA-2005, "Creditor List." The Agency will use this form to verify your debts. Any debts less than \$1,000 can be verified by a credit report. If debts of \$1,000 or more appear on your credit report and the creditor is not listed on FSA 2005, the application cannot be considered complete.
- (7) FSA-2037, "Farm Business Plan Worksheet - Balance Sheet." In the case of an entity, the entity and all entity members must provide current financial statements.
- (8) FSA-2038, "Farm Business Plan Worksheet -Projected/Actual Income and Expenses," or other acceptable farm operating plan.

- (9) AD-1026, "Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification." You will be required to complete this form if the one you have on file does not reflect all the land you own and lease.
- (10) SCS-CPA-026, "Highly Erodible Land and Wetland Conservation Determination." This form must be obtained from and completed by the Natural Resources Conservation Service office, if not already on file with the Agency.
- (11) FSA-2732, "Debt Settlement Application." Complete this form only if you wish to apply for debt settlement. You must also comply with any Agency request for additional information needed to process a debt settlement request.
- (12) If you are applying for a Conservation Contract, a map or aerial photo of your farm identifying the portion of the land and approximate number of acres to be considered.

Divorced spouses

If you are an FLP borrower who has left the farming operation due to divorce, you may request release of liability. To be released of liability after a divorce, you must present the Agency with the following within 60 days of receiving this notice:

- (1) A divorce decree or property settlement document which states the remaining party will be responsible for all repayment to the Agency;
- (2) Evidence that you have conveyed your ownership interest in FLP security to the remaining party; and
- (3) Evidence that you do not have any repayment ability for the FLP loan through cash, income, or other nonessential assets.

The Agency will make a determination on your request and will inform you of the decision within 60 days of receiving your request.

If you are not released of liability, you will need to include all of your relevant financial information if applying for primary loan servicing, homestead protection, or debt settlement programs.

(g) How to get copies of Agency handbooks and forms

Copies of the forms for requirements (f)(1) through (f)(8) and (f)(11) have been included in this package. You may obtain copies of Agency handbooks, which include the pertinent regulations, describing available programs or additional copies of forms from this office.

(h) Reconsideration, mediation, and appeal to NAD

Reconsideration, mediation, and appeal rights pursuant to 7 CFR parts 780 and 11, respectively, will be provided to you if the Agency makes an adverse decision on your request for loan servicing or prior to acceleration of your account.

Reconsideration – according to FSA's appeal procedures in 7 CFR part 780.

Mediation – according to FSA's appeal procedures in 7 CFR part 780.

Appeal to NAD – according to the NAD appeal procedures in 7 CFR part 11.

(i) Challenging the Agency appraisal

If you timely submit a complete application for primary loan servicing, but disagree with the appraisal used by the Agency for processing your request, you may 1.) obtain a USPAP compliant technical appraisal review by a State Certified General Appraiser of the Agency appraisal and submit it to the Agency prior to reconsideration or an appeal hearing, 2.) obtain an independent appraisal, and 3.) possibly negotiate the appraised value based on the specifics of the two appraisals.

If this applies to you, the Agency will provide additional information in the notification letter advising you of the Agency's decision concerning your loan servicing application.

(j) Acceleration and foreclosure

If you do not appeal an adverse determination, if you appeal, but are denied relief on appeal, or if you do not otherwise resolve your delinquency, the Agency will accelerate your loan accounts and demand payment of the entire debt. You may prevent Agency foreclosure on the loan collateral if, with prior Agency approval, you:

- (1) Sell all loan collateral for not less than its market value and apply all proceeds to your creditors in order of lien priority.
- (2) Transfer the collateral to someone else and have that person assume all or part of your FLP debt.
- (3) Transfer the collateral to the Agency.

If any of these options result in payment of less than you owe, you may apply for debt settlement, even if you applied before and were denied. However, applications for debt settlement filed after the 60-day time period provided in this notice will not delay acceleration, administrative offset, and foreclosure.

If the Agency determines that you cannot qualify for debt settlement, you can:

- (1) Pay your FLP loan accounts current;
- (2) Pay your FLP loan accounts in full;
- (3) Request reconsideration, mediation or appeal.

If your real estate security contains your primary residence and becomes inventory property of the Agency, homestead protection rights will be provided.

(k) The right not to be discriminated against

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, age (provided 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 this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

The servicing programs described by this Notice are subject to applicable Agency regulations published at 7 CFR Part 766.

For more information or if you have any questions, please contact **this office or the specific office name at County Office Address or telephone Phone Number**.

1A. Authorized Agency Official Name 	1B. Signature 	1C. Title 
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This form is available electronically.

FSA-2511
(04-27-20)

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

Position 4

**BORROWER RESPONSE TO NOTICE OF THE AVAILABILITY OF LOAN SERVICING
FOR BORROWERS WHO RECEIVED FORM FSA-2510**

TO: Farm Service Agency
[FSA Office Name/Address]
[Office Address]
[City, State, Zip Code]

I have received and read the Notice of the Availability of Loan Servicing to Borrower Who are 90 Days past Due. I wish to apply for all servicing programs available. I understand that I have only 60 days from the date that Notice was received to pay my account current or submit a complete application.

Note: This form must be signed by all parties (entity and individual) that executed the promissory note(s) or assumption agreement(s) and have not previously been released of liability for the debt. All parties may either sign one form or duplicates of the form, but all must sign.

1A. Borrower's Name [Redacted]	1B. Signature [Redacted]	1C. Date (MM-DD-YYYY) [Redacted]
2A. Borrower's Name [Redacted]	2B. Signature [Redacted]	2C. Date (MM-DD-YYYY) [Redacted]
3A. Borrower's Name [Redacted]	3B. Signature [Redacted]	3C. Date (MM-DD-YYYY) [Redacted]
4A. Borrower's Name [Redacted]	4B. Signature [Redacted]	4C. Date (MM-DD-YYYY) [Redacted]

NOTE: The following statement are made in accordance with the Privacy Act of 1974 (5 USC 552a): the Farm Service Agency (FSA) is authorized by the Consolidated Farm and Rural Development Act, (7 USC 1921 et seq), and the regulations promulgated thereunder, to solicit the information requested on this form. The information requested is necessary for FSA to determine eligibility for financial assistance, service your loan, and conduct statistical analyses. Supplied information may be furnished to other Department of Agriculture agencies, the Department of the Treasury, the Department of Justice or other law enforcement agencies, the Department of Defense, the Department of Housing and Urban Development, the Department of Labor, the United States Postal Service, or other Federal, State, or local agencies as required or permitted by law. In addition, information may be referred to interested parties under the Freedom of Information Act (FOIA), to financial consultants, advisors, lending institutions, packagers, agents, and private or commercial credit sources, to collection or servicing contractors, to credit reporting agencies, to private attorneys under contract with FSA or the Department of Justice, to business firms in the trade area that buy chattel or crops or sell them for commission, to Members of Congress or Congressional staff members, or to courts or adjudicative bodies. Disclosure of the information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Tax Identification Number, may result in a delay in the processing of this form or its rejection.

Paperwork Reduction Act Statement: This information collection is exempted from the Paperwork Reduction Act as specified in 5 CFR 1320.4(a)(2) because the form is used when FSA conducts administrative action against individuals or debtors. This form is used for the Direct Loan Servicing - Special Program in the Farm Loan Programs. **RETURN THIS COMPLETED FORM TO YOUR LOCAL FSA OFFICE.**

FSA-2517 (09-30-21)	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency	Position 4
OFFER OF PRIMARY LOAN SERVICING FOR BORROWERS WHO RECEIVED FORM FSA-2510 OR FSA-2514 AND APPLIED FOR SERVICING		

[Borrower's Name]
[Borrower Name/Address]
[Borrower Address]
[City, State, Zip Code]

Date

CERTIFIED MAIL



We have determined that the Farm Service Agency (FSA) can approve your request for primary loan servicing programs. The attached computer printout indicates how primary loan servicing will keep you on the farm and provide the greatest net recovery to the Government.

Offer

Our calculations indicate that you will be able to develop a feasible plan and make the necessary annual payment on your FSA loan if your loan is restructured in the following fashion: *(If a feasible plan can be found only with a writedown the servicing official will fill in this space by describing exactly what would be done with the borrower's account. For example, if the borrower has a farm ownership loan, the servicing official will state that [§ Amount] of principal and interest on that loan would be written off, and the remainder of the loan would be reamortized for 40 years from the original date of the loan, or up until _____ at the limited resource interest rate, which is _____ percent, in exchange for the borrower signing a shared appreciation agreement, which is attached to the notice. Describe the conditions of the restructure, such as closing costs, lien on all assets, etc.)* If you receive a writedown, you will not be eligible for any further FSA debt forgiveness and you will not be able to receive some types of loans through FSA

(or)

(Add the following paragraph if a feasible plan is developed with a 101 percent cash flow margin but will require appraisals to finalize)

Our calculations indicate that a feasible plan can be found with a debt service margin of 101 percent or more, as described below. Our preliminary calculations also indicate that your debt may be eligible for writedown. FSA will need to obtain security appraisals and rerun the calculations related to your servicing offer in order to determine if a writedown is applicable and the amount. You can choose to accept the non-writedown servicing offer and waive the right to a potential writedown or you may choose to have FSA obtain the appraisals and update your servicing offer. Please note that your account servicing and any new loans requested which are dependent on loan servicing will be delayed while appraisals are obtained.

(or)

(Add the following paragraph if a feasible plan can be found with or without a writedown.) Our calculations indicate that a feasible plan can be found with or without a writedown, as described below. However, with a writedown, your cash flow margin would be █ percent, whereas without a writedown, your cash flow margin would only be █ percent. You can choose to accept the restructuring offer with or without a writedown on the attached response form. If you choose writedown, you will not be eligible for any further FSA debt forgiveness and you will not be able to receive some types of loans through FSA. *(Describe how the loan can be restructured with and without a writedown, conditions, etc. and if applicable, that a shared appreciation agreement would not be required if a writedown was not received.)*

(End of optional paragraphs)

Note: You may have an income tax liability if any of your debt is forgiven by FSA. You should contact the Internal Revenue Service or a tax advisor for more information.

(Insert the following paragraphs (the nonessential assets option, if the borrower has nonessential assets.)

Nonessential assets

FSA has determined that you have nonessential assets that do not contribute a net income to pay essential family living expenses or maintain a sound farming operation. The net recovery value (NRV) of the nonessential assets has been added to the NRV of the FSA collateral for the calculation on the attached printout. The NRV of the nonessential assets is \$ █. Your nonessential assets and their NRVs are as follows:

Nonessential Assets	NRV
█	█
█	█
█	█
█	█
█	█
█	█

FSA encourages you to sell the nonessential assets or borrow against their value. If you pay the NRV of the nonessential assets, the amount will be subtracted from your debt and FSA will recalculate the value of your FSA debt. If you are going to pay FSA the NRV of your nonessential assets, you must do so within 45 days of the date of receiving this letter. You must check the appropriate block on the response form and return it to FSA within 45 days with your payment for the NRV of the nonessential assets of \$ █.

If you want FSA to use the primary servicing program identified on the computer printout to restructure your debt, you must accept this offer in writing. Your acceptance must be received by FSA no later than **45 days** from your receipt of this letter. You may accept this offer in writing by signing and returning the attached Form FSA 2518.

What Happens If You Do Not Accept the Offer

If you do not accept the restructuring offer within **45 days** of receiving this letter, FSA will send you an additional notice concluding primary loan servicing and stating that FSA intends to liquidate your account, and providing administrative review rights.

The Right to Not be Discriminated Against

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, age (provided 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 this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580. USDA regulations prohibit discrimination in USDA programs because of your race, color, religion, sex, age, national origin, marital status, familial status, sexual orientation, disability; because all or part of your income is derived from any public assistance program; or because you have filed a program complaint, participated in any program complaint proceeding, or opposed a prohibited practice. If you believe that you have been discriminated against for any of the reasons stated above, you may file a complaint with the Director, Office of Civil Rights, United States Department of Agriculture, Room 326-W, Whitten Building, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410.

For more information, or if you have any questions, please contact [this office or the specific office name] at [County Office Address] or telephone [phone number].

1A. Authorized Agency Official Name 	1B. Signature 	1C. Title 
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This form is available electronically.

FSA-2525
(11-06-20)

U.S. DEPARTMENT OF AGRICULTURE
Farm Service Agency

Position 4

INTENT TO ACCELERATE

FOR BORROWERS WHO RECEIVED FORM FSA-2510 OR FSA-2514
AND DID NOT APPLY FOR SERVICING OR DID NOT ACCEPT SERVICING

Date

[Borrower's Name]

[Borrower Name/Address]

[Borrower Address]

[City, State, Zip Code]

CERTIFIED

FSA will accelerate your loans. This means the Agency will take legal action to collect all the money you owe to the Agency on your Farm Loan Program loans. The reason(s) for this determination is(are): *(Choose all which apply)*

You did not apply for loan servicing within 60 days of receiving an explanation of your rights and instructions on how to apply for servicing

You did not correct the non-monetary default on your FSA loan account within 60 days of receiving an explanation of your rights and instructions on how to apply for servicing.

You did not accept the offer of loan servicing from FSA within 45 days of receiving the offer.
End of optional paragraphs.

FSA Intends to Foreclose

The Agency intends to accelerate your loan. After acceleration of your loan accounts, the Agency will start foreclosure proceedings. The Agency will repossess or take legal action to sell your real estate, personal property, crops, livestock, equipment, or any other assets in which the Agency has a security interest. The Agency will stop all releases of the proceeds from Agency security including, but not limited to, releases of your crops, livestock and milk. The Agency will also obtain and file judgments against you and your property and/or refer your account to the Department of the Treasury for collection.

What You Can do to Stop Foreclosure

- (1) Immediately pay your FSA account current.
- (2) Immediately correct any non-monetary default or lack of good faith as described to you in an earlier notice (Form FSA-2514), if applicable.
- (3) Request Reconsideration.

You may request reconsideration by filing a written request no later than **30 calendar days** after the date you receive this notice according to FSA's procedures found at 7 CFR Part 780. If you request reconsideration, you have the right to request an informal hearing with an FSA official and you or your representative may attend personally or by telephone. If you choose to seek reconsideration, you may later request mediation (if not already mediated) or appeal the determination to NAD. To request reconsideration, you must submit your written request to FSA at the following address and explain why you believe the determination is erroneous:

Contact Information

- Chuck Tyson, Farm Loan Specialist
- Georgia State FSA Office
- 706-552-2514
- Email-charles.tyson@usda.gov



United States
Department of
Agriculture

Farm Loan Offices - Locations & Contacts

Calhoun, GA – FLM Shantelle Turner - (706) 629-2311

Commerce, GA – FLM Megan Stanley - (706) 335-8111

Fort Valley, GA – FLM Stephanie Jackson - (478) 827-0016

Eatonton, GA – FLM Maurice Smith - (706) 485-2341

Louisville, GA – FLM LaZelda Williams - (478) 625-3735

Dawson, GA – FLM Fatima Jones - (229) 995-5811

Eastman, GA – FLM Jody Walker - (478) 374-9602

Statesboro, GA – Acting FLM Brent Hall - (912) 871-2600

Moultrie, GA – FLM Mike Gibbs - (229) 985-3176

Douglas, GA – FLM Brad Barlow - (912) 384-4811

