

**MINNESOTA HOUSING FINANCE AGENCY
ASSUMPTION AGREEMENT
WITH
RELEASE OF LIABILITY**

THIS AGREEMENT, dated as of the _____ day of _____, 20____, by and between the Minnesota Housing Finance Agency (hereinafter referred to as "MHFA"); and _____ (hereinafter collectively referred to as "Property Seller") and _____ (hereinafter collectively referred to as "Buyer").

WITNESSETH THAT:

WHEREAS, in accordance with Chapter 462A of Minnesota Statutes, MHFA's assignor agreed to make and the Property Seller (or Property Seller's predecessor in interest) agreed to take, a purchase money mortgage loan of \$ _____; and

WHEREAS, to evidence its indebtedness for such loan, the Property Seller (or the Property Seller's said predecessor in interest) executed, issued and delivered to MHFA's assignor its note, dated the _____ day of _____, 20____, in the original principal sum of \$ _____ (hereinafter referred to as the "Note"); and

WHEREAS, the Note and all of its terms are incorporated by reference into and secured by that certain mortgage dated the _____ day of _____, 20____, and filed for record with the _____ of _____ County, Minnesota, on the _____ day of _____, 20____, as Document No. _____ (hereinafter referred to as the "Mortgage"); and

WHEREAS, the Mortgage affects the property described below located in _____ County, Minnesota (hereinafter referred to as the "Property"), to wit:

; and

WHEREAS, MHFA is the owner and holder of the Note and Mortgage; and

WHEREAS, the Note is current with all required payments under the Mortgage having been paid; and

WHEREAS, the parties hereto mutually desire to modify and amend the Note and Mortgage, and to provide for payment of said modified Note and Mortgage by Buyer, and

NOW THEREFORE, in consideration of the covenants contained herein and the mutual benefits to be derived there from, the parties hereto, for themselves and their respective heirs, executors, administrators, successors and assigns, hereby agree as follows:

1. MHFA hereby consents to the sale of the Property by Property Seller to Buyer, subject to the terms and conditions set forth herein.
2. The Note and Mortgage are modified and amended as follows:
 - a. Interest on the unpaid principal balance of the Note, computed from the date of this Agreement, shall be at the rate of _____ percent per annum.
 - b. Principal and interest shall be payable in consecutive monthly installments of _____ Dollars (US \$ _____), on the _____ of each month beginning the _____ day of _____ 20____. Such monthly installments shall continue until the entire indebtedness

evidenced by the Note is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on the _____ day of _____ 20____.

- 3. Buyer, in accordance with the terms of the instrument of sale or conveyance from Property Seller for the Property, and as further provided in this Agreement (the terms and conditions of which said Agreement shall control) agrees to pay the said Note and Mortgage according to their terms as modified herein.
- 4. MHFA, in consideration of the agreements contained herein, hereby releases and discharges Property Seller from all personal obligation to MHFA to pay the debt evidenced by the said modified Note and Mortgage, it being the intent of this instrument that from the date hereof Property Seller shall have no further or additional personal liability for the principal, interest, or other sums to be paid under the covenants contained in the said modified Mortgage or Note; provided however, that nothing herein contained shall be deemed to be a release or impairment of the indebtedness secured by the modified Mortgage or the lien thereof, and MHFA shall not be precluded from foreclosing the said Mortgage in the event of any default there under.
- 5. Save and except as modified herein, the terms and conditions of the Note and Mortgage remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement

 Signature of Property Seller

 Type name of Property Seller

 Signature of Property Seller

 Type name of Property Seller

State of Minnesota }
County of _____ } **ss.**

On this _____ day of _____, 20____, before me, a Notary Public within and for said County, personally appeared _____
 _____ to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that ___ he ___ executed the same as _____ free act and deed.

 NOTARY PUBLIC

Signature of Buyer

Signature of Buyer

Type name of Buyer

Type name of Buyer

State of Minnesota }
County of _____ } **ss.**

On this _____ day of _____, 20____, before me, a Notary Public within and for said County, personally appeared _____ to me known to be the person(s) described in and who executed the foregoing instrument and acknowledged that ___ he ___ executed the same as _____ free act and deed.

NOTARY PUBLIC

MINNESOTA HOUSING FINANCE AGENCY

By: _____

Its: _____

State of Minnesota }
County of _____ } **ss.**

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, of the Minnesota Housing Finance Agency, a public body corporate and politic of the State of Minnesota, on behalf of the Agency.

NOTARY PUBLIC