

# TRUST AGREEMENTS

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## **SELLERS:**

- » If your property is held in a Trust, many Title Companies will accept a notarized TRUST CERTIFICATION pursuant to California Civil Code Section 18100.5.
- » If the Title Company you are using will not accept the Trust Certification alone, (because of THEIR company policy) the following portion/pages of the Trust would be required IN ADDITION to the notarized Trust Certification:
  - Page naming Trustee(s) and/or Successor Trustee(s)
  - Page designating the name of the Trust
  - Section covering the powers of the Trustee(s)
  - Signature page
  - PLUS a Trust Certification (escrow can provide the form) describing the Trust Agreement and containing an indemnity for the Title Company. The form would be signed by the Trustee.
- » The Trustee of Trust cannot issue/execute a Power of Attorney for anyone to act on their behalf.
- » In the case of death of the original Trustee, a successor Trustee must provide a certified filed Court Copy of the death certificate.

## **BUYERS:**

- » Many lenders will NOT lend to a Trust, in a purchase OR refinance. You may be required to deed out of the Trust, and obtain the loan as individuals. After the close of escrow, it is permissible to place the property back in your Trust. PLEASE BE ADVISED DUE TO LEGAL RAMIFICATIONS, THE CLIENT SHOULD CONTACT THE ATTORNEY WHO PREPARED THE TRUST TO PLACE THE PROPERTY BACK IN THE TRUST AFTER CLOSE OF ESCROW.
- » If Buyer is paying ALL CASH for the property and wants to hold title in a Trust, the same documentation would be required as described in the Seller's portion above.
- » **NOTE:** The Trust I.D. number OR the Trustee's Social Security number MUST be provided for 1099 reporting purposes.

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