TRUST CHECKLIST at APPLICATION

Living Trusts are generally REVOCABLE (able to be changed) or IRREVOCABLE (cannot be changed)

Living Trusts are often referred to as "INTER VIVOS" meaning established while alive.

1. GET A FULL COPY OF THE TRUST: Obtain a full copy, including any amendments. HTL will accept Declaration of Trust (in Arizona and Missouri) or Reinstatement of Trust (Investor Guideline)
2. NO TEXAS TRUSTS: This is a state where Trusts are restricted. Property must be taken out of the trust prior to counseling.
3. TITLE MUST BE VESTED IN NAME OF TRUST: If not, borrower will need to seek outside legal counse to transfer into the trust.
4. BORROWER MUST BE THE BENEFICIARY: They must be the current lifetime beneficiary. It is OK to have contingent beneficiaries.

Other Things to Know:

- Testamentary Trusts (created in a WILL) are not allowed.
- All TRUSTEES must sign the deed and right to cancel at closing. Trustees may or may not be the borrower(s).
- The borrower may transfer the property into a trust after closing without the mortgage becoming due and payable. However, the servicer must find that it meets our requirements.
- LAND TRUSTS. These are only allowed in certain states. Please refer to the Land Trust section of Guidelines.