



Underwriter Trust Review Checklist

Borrower _____ Loan # _____

Trust Name _____

Street Address _____

City, State, Zip Code _____

Instructions to the Underwriter: Review the Trust Agreement / Trust Certification for these specific issues:

<input type="checkbox"/>	<p>Subject property is an acceptable property type:</p> <ul style="list-style-type: none"> ▪ Owner-occupied, 1-4 units (at least one person establishing the trust must occupy the property and sign the loan documents) ▪ Second home, 1-4 units ▪ Investment property, 1 -4 units
<input type="checkbox"/>	<p>Texas properties:</p> <ul style="list-style-type: none"> ▪ Owner-occupied, single-unit properties only that constitute the borrower's homestead ▪ 2-4 units, second homes, or investment properties not eligible ▪ Acreage cannot exceed 20 acres
<input type="checkbox"/>	<p>FHA / VA loan: Owner occupied only USDA loans: Trusts not allowed</p>
<input type="checkbox"/>	<p>A Power of Attorney is not required to close the transaction. (POAs not allowed on a property held in a trust).</p>
<input type="checkbox"/>	<p>Property is vested to up to one trusts only.</p>
<input type="checkbox"/>	<p>The complete Trust Agreement was provided, or A Trust Certification was provided and the property is in one of these states: AL, AZ, CA, FL, ID, IN, IA, KS, MI, MN, MS, NE, NV, NM, NC, ND, OR, SC, SD, TX, UT, VA, VT/Correspondents only, and WV</p>
<input type="checkbox"/>	<p>None of the following terms are used in the Trust Agreement/Trust Cert:</p> <ul style="list-style-type: none"> ▪ Irrevocable Trust ▪ Qualified Personal Residential Trust ▪ Institutional Trust (not to be confused with institutional trustee) ▪ Corporate Trust ▪ Trusts established outside of the United States ▪ Notification that one of the Settlers has died (then the trust becomes irrevocable)
<input type="checkbox"/>	<p>Terms of the Trust Agreement/Trust Cert must verify all of the following:</p> <ul style="list-style-type: none"> ▪ The trust was established during the Settlor's lifetime (if any of the settlors have died, or if one of the settlors dies during the application process, verify that trust has not become irrevocable and is therefore not eligible) ▪ The trust can contain a provision that the trust will, in the future, become irrevocable upon the death of one of the settlors. ▪ The trust is an "Inter Vivos" or "Living Trust"

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	<ul style="list-style-type: none"> ▪ The trust states that it was established for the benefit of someone else ▪ One of the borrowers must be creator of the trust (Grantor, Settlor or Trustor) ▪ One of the borrowers must be the trustee of the trust (or an approved institutional trustee authorized to act as trustee) ▪ One borrower must be a primary beneficiary of the trust and that individual's assets must be used to qualify. ▪ The Trustee must have the authority to borrow money and pledge the trust property as security. ▪ The Settlor has the right to revoke or change the Trust during his or her lifetime. ▪ The Settlor must be the primary Beneficiary of the Trust – more than one person can be allowed, as long as the assets of at least one of the individuals establishing the Trust will be used to qualify for the mortgage and sign the closing documents.
<input type="checkbox"/>	<p>The beneficiary's permission is not required to borrow money or purchase, construct or encumber real property, or The beneficiary's permission is required, has been obtained in writing, and is attached to the trust.</p>
<input type="checkbox"/>	<p>The trust names one or more trustees to hold legal title to and manage the property</p>
<input type="checkbox"/>	<p>There are no unusual risks or impairments of lender's rights, such as distribution for specified amounts from other than net income, a foreclosure or lending in general, or required additional authorizations on property transactions.</p>
<input type="checkbox"/>	<p>Review preliminary title report for:</p> <ul style="list-style-type: none"> ▪ Vesting on both the first and second mortgages matches, when applicable ▪ The title company has reviewed and approved use of the <i>Trust Agreement</i> or <i>Trust Cert</i> ▪ Title must be vested in the trustee's name on behalf of the trust ▪ No exceptions arising from the trust ownership can be noted
<input type="checkbox"/>	<p>Condition: PTF for Confirmation Title as also approved trust</p>
<input type="checkbox"/>	<p>Enter Special Feature Code 168 for all Fannie Mae loans closing in the name of a trust</p>

Reviewed and Approved:

Name of Underwriter

Signature

Date