



The Parents
Estate Planning
Law Firm, PC

We will be recording your deed into trust with the Registry of Deeds.

You should contact your mortgage lender and tell them that your property will be transferred into your revocable living trust. Your lender may have additional documentation for you to complete to update their records. Federal law prohibits a mortgage lender from exercising the “due on sale” clause of your mortgage and accelerating the note on a transfer of residential real estate into a revocable trust. However, where there is an existing mortgage on real estate other than residential (e.g., commercial, multi-unit, rental, or vacation), you must obtain approval from your lender before placing it in the name of your trust. The failure to obtain the lender’s consent to the transfer of non-residential property could potentially lead to the lender attempting to accelerate the loan based on the “due-on-sale” clause.

You should notify your homeowners insurance company (or agent) of the transfer and ask whether any change in your homeowners’ policy is required. This should apply to both casualty and liability insurance. It is advisable to update your policy to name your trust as an additional insured. If you purchased an owner’s title policy of insurance when you purchased your home, you should notify that insurer of your trust as well and determine whether an endorsement on your policy will be required. If your title insurer indicates no additional paperwork is required, you should get that determination in writing.

Please feel free to call our office if you have any questions.

Warm regards,

David R. Feakes