

## Land trust agreement.

“This is a legally binding contract. If not understood, seek competent legal advice.”

This trust agreement, dated \_\_\_\_\_ [Date], and known as trust number \_\_\_\_\_, is to certify that the \_\_\_\_\_, a corporation of \_\_\_\_\_ as trustee hereunder, is about to take title to the following described real estate in \_\_\_\_\_ county, \_\_\_\_\_, namely: \_\_\_\_\_, otherwise known as No. \_\_\_\_\_ street and that when it has taken the title thereto, or to any other real estate deeded to it as trustee hereunder, it will hold it for the uses and purposes and upon the trusts herein set forth. The following named persons shall be entitled to the earnings, avails and proceeds of the real estate according to the respective interests herein set forth, namely: \_\_\_\_\_.

It is understood and agreed between the parties hereto, and by any person or persons who may become entitled to any interest under this trust, that the interest of any beneficiary hereunder shall consist solely of a power of direction to deal with the title to the property and to manage and control the property as hereinafter provided, and the right to receive the proceeds from rentals and from mortgages, sales or other disposition of the premises, and that such right in the avails of said property shall be deemed to be personal property, and may be assigned and transferred as such; that in case of the death of any beneficiary hereunder during the existence of this trust, his or her right and interest hereunder shall, except as herein otherwise specifically provided, pass to his or her executor or administrator, and not to his or her heirs at law; and that no beneficiary now has, and that no beneficiary hereunder at any time shall have any right, title or interest in or to any portion of the real estate as such, either legal or equitable, but only an interest in the earnings, avails and proceeds as aforesaid. The death of any beneficiary hereunder shall not terminate the trust nor in any manner affect the powers of the trustee hereunder. No assignment of any beneficial interest hereunder shall be binding on the trustee until the original or a duplicate of the assignment is lodged with the trustee, and every assignment of any beneficial interest hereunder, the original or duplicate of which shall not have been lodged with the trustee, shall be void as to all subsequent assignees or purchasers without notice.

Nothing contained in this agreement shall be construed as imposing any obligation on the trustee to file any income, profit or other tax reports or schedules, it being expressly understood that the beneficiaries from time to time will individually make all such reports, and pay any and all taxes, required with respect to the earnings, avails and proceeds of the real estate or growing out of their interest under this trust agreement.

In case the trustee shall make any advances of money on account of this trust or shall be made a party to any litigation on account of holding title to the real estate or in connection with this trust, or in case the trustee shall be compelled to pay any sum of money on account of this trust, whether on account of breach of contract, injury to person or property, fines or penalties under any law or otherwise, the beneficiaries hereunder do hereby jointly and severally agree that they will on demand pay to the trustee, with interest thereon at the rate of \_\_\_\_% per year, all such disbursements or advances or payments made by the trustee, together with its expenses, including reasonable attorneys' fees, and that the trustee shall not be called upon to convey or otherwise deal with the property at any time held hereunder until all of the disbursements, payments, advances and expenses made or incurred by the trustee shall have been fully paid, together with interest thereon as stated. However, nothing herein contained shall be construed as requiring the trustee to advance or pay out any money on account of this trust or to prosecute or defend any legal proceeding involving this trust or any property or interest thereunder unless it shall be furnished with funds sufficient therefor or be satisfactorily indemnified in respect thereto.

It shall not be the duty of the purchaser of the premises or of any part thereof to see to the application of the purchase money paid therefor; nor shall any one who may deal with the trustee be required or privileged to inquire into the necessity or expediency of any act of the trustee, or of provisions of this instrument.

This trust agreement shall not be placed on record in the recorder's office of the county in which the land is situated, or elsewhere, and the recording of the agreement shall not be considered as notice of the rights of any person hereunder, derogatory to the title or powers of the trustee.

The trustee may at any time resign by sending by registered mail a notice of its intention so to do to each of the then beneficiaries hereunder at his or her address last known to the trustee. The resignation shall become effective ten days after the mailing of such notices by the trustee. In the event of such resignation, a successor or successors may be appointed by the person or persons then entitled to direct the trustee in the disposition of the trust property, and the trustee shall thereupon convey the trust property to such successor or successors in trust. In the event that no successor in trust is named as above provided within ten days after the mailing of the notices by the trustee, then the trustee may convey the trust property to the beneficiaries in accordance with their respective interests hereunder, or the trustee may, at its option, file a bill for appropriate relief in any court of competent jurisdiction. The trustee notwithstanding such resignation shall continue to have a first lien on the trust property for its costs, expenses and attorneys' fees and for its reasonable compensation.

Every successor trustee or trustees appointed hereunder shall become fully vested with all the estate, properties, rights, powers, trusts, duties and obligations of its, his or their predecessor.

It is understood and agreed by the parties hereto and by any person who may hereafter become a party hereto, that \_\_\_\_\_ will deal with the real estate only when authorized to do so in writing, and that (notwithstanding any change in the beneficiary or beneficiaries hereunder) it will, unless otherwise directed in writing by any of the beneficiaries, on the written direction of \_\_\_\_\_ or will on the written direction of such other person or persons as shall be from time to time named in writing by the beneficiary or beneficiaries, or on the written direction of such person or persons as may be beneficiary or beneficiaries at the time, make deeds for, or otherwise deal with the title to the real estate, provided, however, that the trustee shall not be required to enter into any personal obligation or liability in dealing with the land or to make itself liable for any damages, costs, expenses, fines or penalties, or to deal with the title so long as any money is due to it hereunder. Otherwise, the trustee shall not be required to inquire into the propriety of any such direction.

The beneficiary or beneficiaries hereunder, in his, her or their own right shall have the management of the property and control of the selling, renting and handling thereof, and each beneficiary or his or her agent shall collect and handle his or her share of the rents, earnings, avails and proceeds thereof, and the trustee shall have no duty in respect to such management or control, or the collection, handling or application of such rents, earnings, avails or proceeds, or in respect to the payment of taxes or assessments or in respect to insurance, litigation or otherwise, except on written direction as hereinabove provided, and after the payment to it of all money necessary to carry out the instructions. No beneficiary hereunder shall have any authority to contract for or in the name of the trustee or to bind the trustee personally. If any property remains in this trust twenty years from this date it shall be sold at public sale by the trustee on reasonable notice, and the proceeds of the sale shall be divided among those who are entitled thereto under this trust agreement.

The \_\_\_\_\_ shall receive for its services in accepting this trust and in taking title hereunder the sum of \$ \_\_\_\_\_; also the sum of \$ \_\_\_\_\_ per year for holding title after the \_\_\_\_\_ day of \_\_\_\_\_ [Date], so long as any property remains in this trust; also its regular schedule fees for making deeds, and it shall receive reasonable compensation for any special services which may be rendered by it hereunder, or for taking and holding any other property which may hereafter be deeded to it hereunder, which fees, charges or other compensation, the beneficiaries hereunder jointly and severally agree to pay.

In testimony whereof, the \_\_\_\_\_ has caused these presents to be signed by its vice-president and attested by its assistant secretary, and has caused its corporate seal to be hereto attached as and for the act and deed of said corporation, the day and date above written.

Attest: \_\_\_\_\_, Assistant Secretary

By \_\_\_\_\_, Vice-President

And on said day the said beneficiaries have signed this declaration of trust and trust agreement in order to signify their assent to the terms hereof.

\_\_\_\_\_ [Seal]

Address \_\_\_\_\_

\_\_\_\_\_ [Seal]

Address \_\_\_\_\_

[Etc.]

May the name of any beneficiary be disclosed to the public? \_\_\_\_\_.

To whom shall written inquiries be referred? \_\_\_\_\_.

May oral inquiries be referred directly? \_\_\_\_\_. To whom? \_\_\_\_\_.

To whom shall bills be mailed? \_\_\_\_\_.