

Land Trust Service Corporation

Basic Trustee Services – US Clients

Land Trust Service Corporation was formed in 1998 by Mark Warda, a Florida attorney since 1978 and author of *Land Trusts in Florida* to fill the needs of readers of his book who needed a dependable trustee at a reasonable price. While trustees in Illinois, the home of the land trust, charge about \$100 per year, Florida banks were asking \$1500 or more per year to be trustee, which is unreasonable except for the largest properties.

Starting as a sideline, it is now a full time business run by Mark and his wife Alexandra, holding hundreds of properties throughout the state of Florida for in-state, out-of-state, and foreign beneficiaries.

Because different clients desire different levels of service we offer three different land trust packages:

An **Extra-Service Land Trust** is **\$750**. This is for people who need their trust documents the same day, need call-backs in the evening or on weekends, or have special issues with their trust that require extra time. It includes everything below.

A **Full Service Land Trust** is **\$500**. This is the normal first land trust for a new client who wants to discuss the best structure, or work out minor issues with the seller or title company, or for an existing client who needs more than the bare documents. It includes up to a half-hour of time with us on the phone or in our office, and with us calling the title company, seller or lender to smooth out minor issues when necessary. If you have never done a land trust or have questions about the setup and operation of the trust, you would be best served by this package. It includes the documents below. **Major issues:** If the seller or lender present documents that are not acceptable for a land trust and extra time is required to iron out those issues and make sure the documents are correct, there will be an extra fee for the extra time.

A **Simple Land Trust** is **\$400**. This is for people who are familiar with trusts, who can just send us these setup forms, and receive the documents without the need for any telephone time or ironing out issues with the seller or closing agent. It includes the trust agreement, direction to trustee or deed, and our signing of any necessary closing documents.

All trust packages include our first year trustee fee. Future years are \$100 per year or fraction thereof. There are other fees for extra services we may be asked to perform such as signing closing documents for selling a property out of trust (\$300) or forwarding lawsuits by Priority Mail (\$25). Our complete list of fees is at: www.floridalandtrust.com/LTSC-5.html

We only serve as trustee of properties located in Florida. We hope to eventually have a list of attorneys in other states who provide land trust services.

Setup Forms. Please use the forms on the next two pages to request a trust from us, and include the last deed if requested for the type of trust you need. When we get a request for a trust without our setup forms, this involves extra time obtaining additional information or looking up the deed, so if no setup forms are sent we charge \$75 for the extra time involved.

These forms are for U.S. taxpayers. Non-U.S. taxpayers should request other forms from us.

We normally only set up trusts in which we are the trustee because we want to operate a trust company and not a law office (though Mark Warda is a licensed Florida attorney). However, if you get the Full Service or Extra Service Land Trust, and sign a release of liability, we could set up a trust with another person as trustee.

For liability protection each parcel of land should be in a separate trust unless they are contiguous lots that comprise one parcel. There are additional setup and annual fees for multiple parcels in one trust, or multiple beneficiaries.

Consultations: Additional consultations, with or without a trust package are \$100 per 1/2 hour. Simple questions can be answered by email for free.

Trust names: Because all of our forms, rubber stamps, and systems are all set up to input "Trust No. ____" if you prefer to use a special trust name, we charge \$50 for the extra work. We can send you info on how to pick the trust number if you need one ahead of time.

Emergencies: We can usually get a trust ready within two or three days, but we sometimes are out of town or get backed up. If you must have papers within 24 hours and if we are able to put other matters aside there is a \$100 emergency fee.

Land Trust Service Corporation has no interest in becoming involved in illegal transactions, money laundering, or tax fraud schemes. Florida law provides numerous legal benefits to property owners who use land trusts. Our sole business purpose is to make those legal benefits available to clients at a reasonable fee. We will resign immediately upon learning of the possibility of any criminal activity regarding a trust, and deed the trust property to the trust beneficiary.

While a land trust property can qualify for the homestead tax exemption, you may not be able to keep your ownership private if you apply for the exemption. This is discussed in our Homestead Info report which we can send you if you send a request to: mark@floridalandtrust.com.

Land Trust Setup Instruction Sheet

To: Land Trust Service Corporation

From: _____ Phone _____ Email _____

I/we wish to set up a land trust for the following property:

Street address of property _____

City, State, Zip _____

Property will be homestead No Yes (*Be sure to read our Homestead Property Information Sheet.*)

LTSC will assign a trust number unless you require a special name for which there is an additional

\$50 charge Special trust name _____

Included is a signed Land Trust Data Sheet with beneficiaries and other information.

The property will be put into the trust as follows (*choose 1., 2., or 3.; if 1., choose a., b., or c.*):

1. The property is ***being purchased*** into the trust. Closing date _____

Title company or attorney _____

Contact person _____ Phone _____

Email address of contact person _____

Financing: Cash Mortgage to _____ New Assumed

If there is a new mortgage loan, there will be an additional fee of at least \$100 based on the time spent reviewing and signing the loan documents.

a. The property will be purchased by the land trust (*We send instructions to the title company.*)

b. The seller of the property will be the initial beneficiary of the trust and the beneficial interest will be assigned to the buyer. Name(s) of seller(s) _____

(We need a Land Trust Data Sheet for the seller. We will send instructions by email to the title company. We will also send them the assignment and forms DR-228 and DR-430. There is a \$200 charge for the assignment and related paperwork.)

c. The beneficiary will purchase the property and then deed it to the land trust (*Have closing agent send us a copy of your deed before or after recording. We will send you a new deed into trust which you will need to sign, and a trust agreement.*)

2. The ***beneficiary will deed*** the property to the trustee. (*If a person will sign the deed without a spouse joining, we need to know whether you are married or unmarried.*) ***Include a photocopy of last deed.***

3. ***Another trustee will deed*** the property to the trustee ***Include a photocopy of last deed.***

Payment: Extra-Service Land Trust \$750 first trust (one parcel)/\$700 subsequent trust (one parcel)

Full Service Land Trust \$500 first trust (one parcel)/\$450 subsequent trust (one parcel)

Simple Land Trust \$400 first trust (one parcel)/\$300 subsequent trust (one parcel)

If you cancel after we prepare the trust, \$150 credit will be given toward next trust; balance is nonrefundable.

If we record the deed, the recording fee is extra, usually \$10.70.

Check enclosed

I paid by Zelle to mark@floridalandtrust.com

Charge to my credit card: _____ Exp: _____

Card billing address: _____ Zip: _____

Card security code _____

Signature _____

Post Office Box 186, Lake Wales, FL 33859

Phone: 863-678-0011

Fax: 863-678-0155

Email: mark@floridalandtrust.com

Land Trust Data Sheet

The undersigned makes application to Land Trust Service Corporation to set up a land trust as follows:

The Beneficiaries (owners) of the trust will be:

Set up with husband and wife 100% in tenancy by the entireties

_____% Name _____ SS# or EIN _____*

Mailing Address _____ Phone _____

_____ Fax _____

Email address _____

Successor(s) _____ SS# _____

Address _____ Phone _____

Successor(s) _____ SS# _____

Address _____ Phone _____

Use additional sheets for successors if necessary.

_____% Name _____ SS# or EIN _____*

Mailing Address _____ Phone _____

_____ Fax _____

Email address _____

Successor(s) _____ SS# _____

Address _____ Phone _____

Successor(s) _____ SS# _____

Address _____ Phone _____

Use additional sheets for successors if necessary.

*We are required by law to have a tax number. For a company it would be the EIN.
If beneficiary is an LLC we need to know if it files 1065, 1120S, 1120, Disregarded
No successor beneficiary is needed if beneficiary is an LLC or corporation.

Street address of property: _____

Legal description: _____

Tax parcel #: _____ County: _____

I/we certify that the above information is true, that the land trust is not being set up for any illegal or criminal purpose, and that I am/we are U.S. residents for tax purposes, and I/we agree to indemnify the trustee for any liability with regard to this trust.

_____(sign)
Beneficiary
Print name _____

_____(sign)
Beneficiary
Print name _____

How to Set Up a Land Trust with Land Trust Service Corporation

The procedure to set up a land trust with Land Trust Service Corporation is as follows:

1. Complete and sign the Land Trust Setup Instruction Sheet and the Land Trust Data Sheet on the previous pages. If you send us other documentation, or verbal instructions, without the setup forms there is a \$75 surcharge for the extra work we need to do to gather the information we need to put together the trust.
2. Submit it to us (with a copy of the deed if the property is already owned), and your set-up fees. You can mail us a check with the forms, or pay by credit card and fax or email your setup forms to save time. First-time clients must provide photocopy of driver license or passport photo page.
3. You or your closing agent will next receive the trust documents which must be executed.

A. If you are purchasing the property, you will receive the following:

- Land trust agreement
- Direction to trustee to allow us to sign the closing documents

Your closing agent will receive a closing instruction letter.

If the seller is the initial beneficiary we will prepare an Assignment of Beneficial Interest and Documentary stamp tax report (DR-228). For these there is a \$200 fee and the title company will need to collect documentary stamp tax on the purchase price.

B. If the property is presently in your name or your company's name you will receive the following:

- Land trust agreement
- Deed to trustee

C. If the property is presently in a trust that you own you will receive the following:

- Trustee's deed to successor trustee
- Land trust agreement
- Amendment to trust

4. Once these are executed and returned to us, either we will record the deed or the closing agent will and then send it to us. Any recording and documentary stamp fees will be charged to your credit card, or billed separately if you paid by check.

Note: Any closing documents that need to be executed by us as trustee should be sent to us by the closing agent by courier, regular mail, or email with enough time to return them prior to closing. You should be sure we have the signed Trust Agreement and Direction to Trustee before we need to sign your closing documents. Our notary is normally available only on Mondays, Wednesdays, and Fridays at around noon. If we receive documents that need to be notarized after noon on a notary day, we would not be able to sign them until the next notary day. (We will explain this to your closing agent as soon as you provide us with his or her name and email address.)

Questions: Email: mark@floridalandtrust.com

Land Trust Service Corporation
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www.floridalandtrust.com

Phone: 863-678-0011

Fax: 863-678-0155