

# LAND TRUST AGREEMENT

## TRUST AGREEMENT

Trust Agreement made this \_\_\_\_ Day of \_\_\_\_\_ 20\_\_

**You OR your company name** as Grantor(s)/Beneficiarie(s), (hereinafter collectively referred to as the "Beneficiary", whether one or more, which designation shall include all successors in interest of any Beneficiary), and **Your Trustee (somebody you TRUST)** as Trustee whose address is, Trustee Mailing address (hereinafter "Trustee" shall include all successor trustees).

Therefore, the parties hereby mutually agree as follows:

**1) Declaration of Trust** The trust created by the Grantors herein shall be known as **The (street Number) Trust** (hereinafter referred to as the "Trust"). The Beneficiaries are about to convey or cause to be conveyed to the Trustee by deed, absolute in form, the property described in the attached Exhibit "A", which said property shall be held by the Trustee, in trust, for the following uses and purposes, under the terms of this Agreement and shall be hereinafter referred to as the "Trust Property".

**2) Purpose of Trust** The purposes of this Trust shall be to hold title to the Trust Property and to protect and conserve it until its sale or other disposition or liquidation.

**3) Trust Property** The Beneficiaries will convey or cause to be conveyed to the Trustee by absolute deed. The described said property in the attached Exhibit "A" which the Trustee shall hold full legal and equitable title to said property, in trust, only for the use and purpose stated under the terms of this Agreement and any valid addendum hereto duly executed by the parties. The Trustee shall not commit any activity that is not expressly outlined in this Trust Agreement necessary for the purposes of fulfilling obligations contained herein.

**4) Consideration** No consideration was paid by Trustee for the conveyance of property described herein. The conveyance will be accepted and held by the Trustee subject to all existing liens, encumbrances, easements, restrictions or other clouds or claims against the title thereto, whether the same are of record or otherwise. The property will be held on the trusts, terms and conditions and for the purposes hereinafter set forth, until the whole of the trust estate is conveyed, free of this trust, as hereinafter provided.

**5) Duties and Interest of Beneficiaries** The persons named in the attached Exhibit "B" are the Beneficiaries of this Trust, and as such, shall be entitled to all earnings, avails and proceeds of the Trust Property according to their interests set opposite their respective names. The interests of the Beneficiaries shall consist solely of the following rights respecting the Trust Property:

- A) The right to direct the Trustee to Convey or otherwise deal with the title to the Trust Property as hereinafter set out.
- B) The right to participate in the management and control the Trust Property.
- C) The right to receive the proceeds and avails from the rental, sale, mortgage, or other disposition of the Trust Property.

No Beneficiary shall have any legal or equitable right, title or interest, as realty, in or to any real estate held in trust under this Trust Agreement, or the right to require partition of that real estate, but shall have only the rights set out above, and the death of a Beneficiary shall not terminate this Trust or in any manner affect the powers of the Trustee.

**6) Powers and Duties of Trustee** The Trustee shall not record this agreement or the name of any of the Beneficiaries in any place of public record, divulge copies of this Trust Agreement to individual or entity other than the Beneficiaries or Successor Trustees specified within this agreement, or reveal the identity of the Beneficiaries unless ordered by Court Order as a matter of law.

Having the written consent of the Beneficiaries, the Trustee, shall have full authority and powers with respect to the following of the Trust Property:

- A) Issue notes or bonds and to secure the payment of the same by mortgaging the whole or any part of the Trust Property; to borrow money, giving notes therefore signed by him in his capacity as Trustee; to invest such part of the capital and the profits therefrom and the proceeds of the sale of bonds and notes in such real estate, equities in real estate, and mortgages in real estate in the United States of America, as he may deem advisable.
- B) With the consent of the Beneficiary, the Trustee shall have the authority to hold the legal title to all of the Trust Property, and shall have the exclusive management and control of the property as if he were the absolute owner thereof, and the Trustee is hereby given full power to do all things and perform all acts which in his judgment are necessary and proper for the protection of the Trust Property and for the interest of the Beneficiaries in the property of the Trust, subject to the restrictions, terms, and conditions herein set forth.
- C) Without prejudice to the general powers conferred on the Trustee hereunder, it is hereby declared that the Trustee shall have the following powers, with the consent of the Beneficiaries:
  - 1) To purchase any real property for the Trust at such times and on such terms as may seem advisable; to assume mortgages upon the property.
  - 2) To sell at public auction or private sale, to barter, to exchange, or to dispose of otherwise, any part, or the whole of the Trust Property which may, from time to time form part of the Trust estate, subject to such restrictions and for such consideration for cash and for credit, and generally upon such terms and conditions as may seem judicious, to secure payment upon any loan or loans of the Trust, by mortgage with or without power of sale, and to include such provisions, terms, and conditions as may seem desirable.
  - 3) To rent or lease the whole or any part of the Trust Property for long or short terms, but not for terms exceeding the term of the Trust the remaining.

- 4) To repair, alter, tear down, add to, or erect any building or buildings upon land belonging to the Trust; to fill, grade, drain, improve, and otherwise develop any land belonging to the Trust; to carry on, operate, or manage any building, apartment house, or hotel belonging to the Trust.
- 5) To make, execute, acknowledge, and deliver all deeds, releases, mortgages, leases, contracts, agreements, instruments, and other obligations of whatsoever nature relating to the Trust Property, and generally to have full power to do all things and perform all acts necessary to make the instruments proper and legal.
- 6) To collect notes, obligations, dividends, and all other payments that may be due and payable to the Trust; to deposit the proceeds thereof, as well as any other moneys from whatsoever source they may be derived, in any suitable bank or depository, and to draw the same from time to time for the purposes herein provided.
- 7) To pay all lawful taxes and assessments and the necessary expenses of the Trust; to employ such officers, brokers, engineers, architects, carpenters, contractors, agents, counsel, and such other persons as may seem expedient, to designate their duties and fix their compensation; to fix a reasonable compensation for their own services to the Trust, as organizers thereof.
- 8) To represent the Trust and the Beneficiaries in all suits and legal proceedings relating to the Trust Property in any court of law of equity, or before any other bodies or tribunals; to begin suits and to prosecute them to final judgment or decree; to compromise claims or suits, and to submit the same to arbitration when, in his judgment, such course is necessary or proper.
- 9) To arrange and pay for and keep in force in the name and for the benefit of the Trustee, such insurance as the Trustee may deem advisable, in such companies, in such amounts, and against such risks as determined necessary by the Trustee.
- 10) To keep careful and accurate books showing the receipts and disbursements of the Trust and also of the Trust Property, and such other items as he may deem of importance or as the Beneficiaries hereunder may require.
- 11) To keep books of the Trust open to the inspection of the Beneficiaries at such reasonable times at the main office of the Trust as they may appoint.
- 12) To furnish the Beneficiaries at special meetings at which the same shall be requested a careful, accurate, written report of his transactions as Trustee, hereunder, of the financial standing of the Trust, and of such other information concerning the affairs of the Trust as they shall request.
- 13) The Trustee shall have no power to bind the Beneficiaries personally and, in every written contract he may enter into, reference shall be made to this declaration; and any person or corporation contracting with the Trustee, as well as any beneficiary, shall look to the funds and the Trust Property for payment under such contract, or for the payment of any debt, mortgage, judgment, or decree, or for any money that may otherwise become due or payable, whether by reason or failure of the Trustee to perform the contract, or for any other reason, and neither the Trustee nor the Beneficiaries shall be liable personally therefore.
- 14) To sell the Trust Property and distribute the proceeds therefrom:

- a) If any property shall remain in trust under this Agreement for a term which exceeds that allowed under applicable state law, the Trustee forthwith shall sell same at public sale after a reasonable public advertisement and reasonable notice to the Beneficiaries and, after deducting his reasonable fees and expenses, he shall divide the proceeds of the sale among the Beneficiaries as their interests may then appear, without any direction or consent whatsoever, or
- b) To transfer, set over, convey and deliver to all the then Beneficiaries of this Trust their respective undivided interests in any non-divisible assets, *or*
- c) To transfer, set over and deliver all of the assets of the Trust to its Beneficiaries, in their respective proportionate shares, at any time when the assets of the Trust consist solely of cash.

**7) Compensation of Trustee** The Beneficiaries jointly and severally agree that the Trustee shall receive the sum of One Hundred Dollars (\$100) one time fee for his/her services as Trustee hereunder

**8) Liability of Trustee** The Trustee and his successor as Trustee shall not be required to give a bond, and each Trustee shall be liable only for his own acts and then only as a result of his own gross negligence or bad faith.

**9) Removal of Trustee** The Beneficiaries shall have the power to remove a Trustee from his office or appoint a successor to succeed him/her at any time.

**10) Resignation and Successor**

- A) Any Trustee may resign his/her office with thirty (30) days written notice to Beneficiaries and Beneficiaries shall proceed to elect a new Trustee to take the place of the Trustee who had resigned, but the resignation shall not take effect until a certificate thereof, signed, sealed, and acknowledged by the Trustee, and a certificate of the election of the new Trustee, signed and sworn to by the Beneficiaries and containing an acceptance of the office, signed and acknowledged by the new Trustee, shall have been procured in a form which is acceptable for recording in the registries of deeds of all the counties in which properties held under this instrument are situated. If the Beneficiaries shall fail to elect a new Trustee within thirty (30) days after the resignation, then the Trustee may petition any appropriate court in this state to accept his resignation and appoint a new Trustee.
- B) Any vacancy in the office of Trustee, whether arising from death or from any other cause not herein provided for, shall be filled within thirty (30) days from the date of the vacancy and the Beneficiaries shall proceed to elect a new Trustee to fill the vacancy, and immediately thereafter shall cause to be prepared a certificate of the election containing an acceptance of the office, signed, sealed, and acknowledged by the new Trustee, which shall be in a form acceptable for recording in the registries of deeds of all the counties in which properties held under this instrument are situated.

- C) Whenever a new Trustee shall have been elected or appointed to the office of Trustee and shall have assumed the duties of office, he/she shall succeed to the title of all the properties of the Trust and shall have all the powers and be subject to all the restrictions granted to or imposed upon the Trustee by this agreement, and every Trustee shall have the same powers, rights, and interests regarding the Trust Property, and shall be subject to the same restrictions and duties as the original Trustee, except as the same shall have been modified by amendment, as herein provided for.
- D) Notwithstanding any such resignation, the Trustee shall continue to have a lien on the Trust Property for all costs, expenses and attorney's fees incurred and for said Trustee's reasonable compensation.

**11) Dealings with Trustee** No party dealing with the Trustee in relation to the Trust Property in any manner whatsoever, and, without limiting the foregoing, no party to whom the property or any part of it or any interest in it shall be conveyed, contracted to be sold, leased or mortgaged by the Trustee, shall be obliged to see to the application of any purchase money, rent or money borrowed or otherwise advanced on the property; to see that the terms of this Trust Agreement have been complied with; to inquire into the authority, necessity or expediency of any act of the Trustee; or be privileged to inquire into any of the terms of this Trust Agreement. Every deed, mortgage, lease or other instrument executed by the Trustee in relation to the Trust Property shall be conclusive evidence in favor of every person claiming any right, title or interest under the Trust that at the time of its delivery the Trust created under this Agreement was in full force and effect; and that instrument was executed in accordance with the terms and conditions of this Agreement and all its amendments, if any, and is binding upon all Beneficiaries under it; that the Trustee was duly authorized and empowered to execute and deliver every such instrument; if a conveyance has been made to a successor or successors in trust, that the successor or successors have been appointed properly and are vested fully with all the title, estate, rights, powers, duties and obligations of its, his or their predecessor in Trust.

**12) Name of Trustee** The name of the Trustee shall not be used by the Beneficiaries in connection with any advertising or other publicity whatsoever without the written consent of the Trustee.

**13) Income Tax Returns** The Trustee shall be obligated to file any income tax returns with respect to the Trust, as required by law, and the Beneficiaries individually shall report and pay their share of income taxes on the earning and avails of the Trust Property or growing out of their interest under this Trust.

**14) Assignment** The interest of a Beneficiary, or any part that interest, may be transferred only by a written assignment, executed in duplicate and delivered to the Trustee. The Trustee shall note its acceptance on the original and duplicate original of the assignment, retaining the original and delivering the duplicate original to the assignee as and for his or her evidence of ownership of a beneficial interest under this Agreement. No assignment of any interest under this Agreement, other than by operation of law, that is not so executed, delivered and accepted shall be valid without the written approval of all of the other Beneficiaries who possess the power of direction. No person who is vested with the power of direction, but who is not a Beneficiary under this Agreement, shall assign that power without the written consent of all the Beneficiaries.

**15) Individual Liability of Trustee** The Trustee shall not be required, in dealing with the Trust Property or in otherwise acting under this Agreement, to enter into any individual contract or other individual obligation whatsoever; nor to make himself individually liable to pay or incur the payment of any damages, attorney's fees, fines, and penalties, forfeitures, costs, charges or other sums of money whatsoever. The Trustee shall have no individual liability or obligation whatsoever arising from his ownership, as Trustee, of the legal title to the Trust Property, or with respect to any act done or contract entered into of indebtedness incurred by him in dealing with the Trust Property or in otherwise acting under this Agreement, except only as far as the Trust Property and any trust funds in the actual possession of the Trustee shall be applicable to the payment and discharge of that liability or obligation.

**16) Reimbursement and Indemnification of Trustee** If the Trustee shall pay or incur any liability to pay any money on account of this Trust, or incur any liability to pay any money on account of being made a party to any litigation as a result of holding title to Trust Property or otherwise in connection with this Trust, whether because of breach of contract, injury to person or property, fines or penalties under any law, or otherwise, the Beneficiaries, jointly and severally agree that on demand they will pay to the Trustee, with interest at the rate of (*Not Applicable*) % per annum, all such payments made or liabilities incurred by the Trustee, together with his expenses, including reasonable attorney's fees, and that they will indemnify and hold the Trustee harmless of and from any and all payments made or liabilities incurred by him for any reason whatsoever as a result of this Agreement; and all amounts so paid by the Trustee, as well as his compensation under this Agreement, shall constitute a lien on the Trust Property. The Trustee shall not be required to convey or otherwise deal with the Trust property as long as any money is due to the Trustee under this Agreement; nor shall the Trustee be required to advance or pay out any money on account of this Trust or to prosecute or defend any legal proceedings involving this Trust or any property or interest under this Agreement unless he shall be furnished with sufficient funds or be indemnified to his/her satisfaction.

**17) Entire Agreement** This Agreement contains the entire understanding between the parties and may be amended, revoked, or terminated only by written agreement signed by the Trustee and all of the Beneficiaries.

**18) Governing Law** This agreement, and all transactions contemplated hereby, shall be governed by, construed and enforced in accordance with the laws of the State of Virginia. The parties herein waive trial by jury and agree to submit to the personal jurisdiction and venue of a court of subject matter jurisdiction located in *Hampton*, State of *Virginia*. In the event that litigation results from or arises out of this Agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled. In such event, no action shall be entertained by said court or any court of competent jurisdiction if filed more than one year subsequent to the date the cause(s) of action actually accrued regardless of whether damages were otherwise as of said time calculable.

**Binding Effect** The terms and conditions of this Agreement shall inure to the benefit of and be binding upon any successor trustee under it, as well as upon the executors, administrators, heirs, assigns and all other successors in interest of the Beneficiaries.

**19) Trustee's Liability to Beneficiaries** The Trustee shall be liable to the Beneficiaries for the value of their respective beneficial interests only to the extent of the property held in Trust by him hereunder and the Beneficiaries shall enforce such liability only against the Trust Property and not against the Trustee personally.

**20) Annual Statements** There shall be no annual meeting of the Beneficiaries, but the Trustee shall prepare an annual report of their receipts and disbursements for the fiscal year preceding, which fiscal year shall coincide with the calendar year, and a copy of the report shall be sent by mail to the Beneficiaries not later than March 1st of each year.

**21) Termination** This trust may be terminated at any time by the Beneficiaries and with thirty (30) days written notice of termination delivered to the Trustee, the Trustee shall execute any and all documents necessary to vest fee simple marketable title to any and all Trust Property in Beneficiaries.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Signed, sealed and delivered in the presence of:  
**Beneficiaries:**

\_\_\_\_\_  
*Type beneficiary name here, (Sign above)*

**Trustee:**

\_\_\_\_\_  
*Type trustee name here, (sign above)*

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

Before me personally appeared \_\_\_\_\_, *the Beneficiary(s)*, and \_\_\_\_\_, *the Trustee*, to me well known and known to me to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that he executed said instrument for the purposes therein expressed.

WITNESS my hand and official seal in the State and County aforesaid, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Notary Public  
State of \_\_\_\_\_  
My Commission Expires:  
\_\_\_\_\_

*Exhibit "A"*

*Property:*

**Your property address**

Legal Description:

**Your property legal description**



EXHIBIT “B”

Beneficiaries:

**You OR your company name**