

## .07 TRANSFER OF OWNERSHIP

A. The Transfer of Ownership process is used for the following allowable transfer types on AHFC's Single Family Loan Programs:

1. Transfer to a Revocable Trust

The transfer from the borrower(s) into a revocable trust for the borrower(s) is allowable under the following conditions:

- a. The Lender obtains a legal opinion that states the trust meets the requirements of an inter vivos revocable trust as applicable to Alaska state law.
- b. The trust must be revocable by the individual(s) establishing the trust.
- c. The borrower(s) must be:
  - i. The individual(s) establishing the trust, and
  - ii. The primary beneficiary of the trust
- d. The borrower(s) are not released from liability
- e. The title may be vested in the name of the trust or the trustee on behalf of the trust
- f. Transfer must be permitted by mortgage insurer/guarantor (if applicable)

2. Deceased Borrower: Transfer by Deed to an Heir/Successor in Interest

The Servicer must submit a Transfer of Ownership Certification and Notification ([Form SER-51](#)) to AHFC's Servicing Department within 10 business days of becoming aware of the change.

B. Transfer of Ownership on Multi-Family Program Loan

See AHFC Servicing Guide Section [21000.08](#) Transfer of Ownership

C. Transfer of Ownership Process Cannot be Used for the Following:

1. Release of Co-Borrower – See AHFC Servicing Guide Section [12000.09](#) Release of a Borrower

2. Addition of a Mortgagor – See AHFC Servicing Guide Section [12000.08](#)  
Addition of a Borrower
3. Assumptions - See AHFC Servicing Guide Section [12000.10](#)  
Assumptions

D. Unauthorized Transfer

If the Servicer becomes aware of an unauthorized transfer of ownership, the following must be done:

1. The Servicer must notify AHFC of the transfer and provide the details of the transfer transaction with 10 business days of becoming aware of the transfer.
2. The Servicer must follow the appropriate guarantor or MI guidelines for enforcing the due-on-sale (or transfer) provision of the loan and obtain all necessary approvals.
3. The Servicer must notify the hazard insurance company, tax service and the mortgage insurer or guarantor, as applicable.