

## Power of Attorney

### Overview

In a hardship or emergency situation, CSL will permit the use of a person acting as Attorney-in-Fact pursuant to authority granted by a borrower under a Power of Attorney (POA). The person acting as Attorney-in-Fact should have a familial, personal or fiduciary relationship with the borrower. POA is not acceptable on Cash-Out Transactions or on Jumbo loans. Fully executed POA must be submitted for review and approved by CSL underwriter prior to issuing loan documents.

The Power of Attorney may be utilized for executions on loan documents in accordance to applicable state and/or federal laws.

### Acceptable Types of POA Documents

- Durable Power of Attorney
  - Must survive the disability or incapacity of the principal.
  - Must contain language stating that the authority given remains in effect if the principal/grantor becomes incapacitated.
- Military Power of Attorney
  - Must survive the disability or incapacity of the principal.
  - Specific, Special or Limited Power of Attorney
  - Contains authorization for the attorney-in-fact to perform specific functions related to the real estate financing and is specific to the subject property (references the subject via property address or legal description).
- Specific or Special (General) Power of Attorney
  - Must contain powers to enter in real-estate transactions with specific ability to mortgage, encumber and execute loan documents.
  - Must survive the disability or incapacity of the principal.
  - Must contain language stating that the authority given remains in effect if the principal/grantor becomes incapacitated.

### General Requirements

The following specifications must be met:

- Indicate clearly that the mortgagor is appointing an attorney in fact;
- Precisely identify who is being appointed;
- The appointed attorney in fact must be the same person signing the note on behalf of the Borrower(s);
- The Borrower(s) name must match the Borrower(s) name on the note;
- Be signed and dated by the borrower;
- Be notarized (if executed outside the U.S. see Power of Attorney Executed Abroad section);
- Be effective prior to, or concurrent with the document date of the note;
- Be recorded prior to, or concurrent with, the security instrument;
- The attorney-in-fact may not be the seller, appraiser, broker, etc. or have any other direct or indirect financial interest in the transaction;
- Contain a statement of the grantor's (borrower's) name exactly as it will appear on all closing documents;
- Contain a recorder's stamp if previously recorded;
- A separate, executed POA must exist for each borrower not present at closing.

### Veteran/ Military

At the time of closing, the lender must verify that the veteran is alive, and, if on active military duty, not missing in action (MIA) and make the following certification:

“The undersigned lender certifies that written evidence in the form of correspondence from the veteran or, if on active military duty, statement of his or her commanding officer (including statement of person authorized to act for said officer), affirmatively indicating that the veteran was alive and, if the veteran is on active military duty, not missing in action status on (date), was examined by the undersigned and that the said date is subsequent to the date the note and security instruments were executed on the veteran’s behalf by the attorney in fact”.

**Signature Requirements**

Acceptable Signature Format
<p><i>Jane Smith by Robert Smith, Attorney-in-Fact</i></p> <p>Jane Smith by Robert Smith, Attorney-in-Fact</p>
<p>The abbreviations “AIF” for Attorney in Fact or “POA” for Power of Attorney is acceptable.</p> <p><i>Robert Smith AIF (or POA)</i></p> <p>Jane Smith by Robert Smith, AIF or (POA)</p>
<p><i>Jane Smith by Robert Smith AIF (or POA)</i></p> <p>Jane Smith, by Robert Smith as her Attorney-in-Fact (or POA)</p>
<p>Document that require initials, since they also have to <b>initial</b> for the principal see example below.</p> <p>Initials: <i>JS by RS, AIF or POA</i></p>
<p><i>Robert Smith as AIF for Jane Smith pursuant to POA dated XX-XX-XX</i></p> <p>Jane Smith, by Robert Smith as her Attorney-in-Fact (or POA)</p>

Signature should always be **above this signature line**, not below.

*Jane Smith by Robert Smith, Attorney-in-Fact*

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Jane Smith by Robert Smith, Attorney-in-Fact

**Power of Attorney Delivery Requirements**

If a POA is used, the certified copy POA must be attached to and delivered with the Original Note, If the original POA is recorded with the Security Instrument.

**Power of Attorney Executed Abroad**

Documents can be executed and notarized in an Embassy, Consulate, or on a Military Base. All requirements set forth by the State Department for overseas Citizens Services and the Uniform Code of Military Justice must be met.