

- Types of POA documents acceptable:
 - Specific, Special or Limited Power of Attorney
 - Military Power of Attorney
- A Specific Power of Attorney that references the property and authorizes the attorney-in-fact to enter into a real estate transaction to the mortgage property is permitted provided certain parameters are met. The Power of Attorney must:
 - Be specific to the transaction (i.e. list the full property address and/or legal description and purpose of the transaction)
 - If the original handwritten 1003 was signed by the borrower in original handwriting or via electronic signature, all other documents may be signed using the Power of Attorney.
- First Colony Mortgage Corporation dba GHMC or GHMC TPO must be provided a copy of the power of attorney document for review and approval prior to the loan closing. First Colony Mortgage Corporation dba GHMC or GHMC TPO does not accept signatures executed with a Power of Attorney unless authorized in writing and documents have been prepared reflecting the use of POA.
- The Power of Attorney must:
 - Indicate clearly that the borrower is appointing an attorney-in-fact;
 - Identify who is being appointed;
 - Contain a statement of the grantors' (borrower's) name exactly as it will appear on all closing documents;
 - Be signed and dated by the borrower;
 - Survive the disability or incapacity of the principal;
 - Be effective prior to, or concurrent with the document date of the note;
 - Be notarized; and
 - Be recorded prior to, or concurrent with, the Security Instrument. Must contain recorder's stamp if previously recorded
- A Power of Attorney must not be used to sign initial disclosures and also be used for signing closing documents. Either the initial disclosures or the closing documents must be signed by the borrower in their original handwriting (*electronic signatures on the initial disclosures are acceptable as live signatures*). The only exception would be if the borrower utilizing the POA is actively serving in the US armed forces outside the US (see *POA for Veteran* requirements).
- A POA must be recorded to be valid. Therefore, if the POA is not recorded prior to loan closing/settlement/escrow, it must be sent with the Security Instrument to be recorded. The POA must be recorded before any other document in the transaction is recorded. The POA must be recorded in the same county in which the security instrument is recorded.
- The Power of Attorney must be in compliance with state and/or federal laws.
- The title policy cannot include any exceptions based on the use of a POA.
- Incomplete Power of Attorney forms are not acceptable. Also, a POA containing any strike-outs for corrections, whiteouts or handwritten changes is not acceptable.
- The names on the Power of Attorney must be consistent with names as they appear on the Note and Security Instrument.
- Name, address, or other discrepancies noted upon review of the POA document by GHMC may result in the requirement for a corrected POA to be executed prior to closing.

POWER OF ATTORNEY REQUIREMENTS

- A separate, executed POA must exist for each borrower not present at closing.
- The appointed attorney in fact must be the same person signing the note on behalf of the borrower(s).
- Acceptable POA signature language must be typed under the appropriate signature line on the loan documents including the Note and Security Instrument. The attorney in fact must sign exactly as the name appears typed below it. The POA signature cannot carry over to a separate signature line.
- The POA must be acceptable to the closing attorney / Title Company closing the loan. The Title Policy cannot include exceptions based on the use of a Power of Attorney.
- If it is determined that a Power of Attorney is required by applicable law (e.g. loans where there is a Guardian or Conservator) a written statement explaining the use of the Power of Attorney will be required as well as supporting documentation in order to determine loan eligibility.
- **Restrictions on the use of a Power of Attorney**
 - Power of attorneys cannot be utilized in connection with Texas A6 loans.
 - A power of attorney cannot be utilized if the loan is a Conventional cash-out refinance
 - Except as required by applicable law, a POA may not be utilized to sign a note or mortgage if no other borrower executes the note or mortgage in person in front of a notary public (this restriction does not apply if the designated agent is the borrower's attorney or relative)
 - Except as otherwise required by applicable law, or unless the agent is the borrower's relative, the note and mortgage may not be executed by the following individuals pursuant to a POA: lender, loan originator, title insurance company, seller, appraiser, broker, etc. or any other individual with direct or indirect financial interest in the transaction. Additionally prohibited from acting as an agent are any of these entities' employees, employers, relatives or affiliates.
- **FHA and USDA Loans**
 - The *initial* loan application may not be executed using a power of attorney except for military personnel on active duty or on an unaccompanied tour and incapacitated borrowers unable to sign the application.
 - For service personnel, the absent borrower's signature on the loan application should be obtained via mail or fax; either the initial or the final loan application must contain the signatures of all borrowers.
 - When a borrower is incapacitated and unable to sign the application, evidence must be provided that the signer has the authority to purchase the property and obligate the borrower. Acceptable evidence includes a durable power of attorney specifically designed to survive incapacity and avoid the need for court proceedings.
- If the borrower is out of the country and needs a POA, the following criteria must be met:
 - the POA must be drafted in compliance with state law where the property is located;
 - all requirements set forth by the State Department for overseas Citizens Services and the Uniform Code of Military Justice must be met;
 - the borrower(s) must execute the POA in a U.S. consulate or embassy and can be notarized by the party witnessing execution at the consulate or embassy office; and
 - The loan must close in the state where the property is located.
- POA for a Veteran: The veteran's written consent to the specifics of the loan transaction must be obtained. This requirement can be satisfied by either:
 - obtaining the veteran's signature on both the sales contract and the URLA 1003, as long as the veteran's intention to obtain a VA loan is expressed somewhere in those documents, or
 - a specific POA or other document(s) signed by the veteran, which must include the following elements:
 - Entitlement – a clear intention to use all or a specified amount of entitlement
 - Purpose – a clear intention to obtain a loan for purchase, construction, repair, alteration, improvement, or refinancing
 - Property Identification – identification of the specific property
 - Price/Terms – the sales price, if applicable, and other relevant terms of the transaction

POWER OF ATTORNEY REQUIREMENTS

- Occupancy – the veteran’s intention to use the property as a home to be occupied by the veteran (or other applicable VA occupancy requirement).
 - Authorization for AIF to sign and receive federal, state and investor required disclosures and documents necessary to consummate the loan on veteran’s behalf.
- In addition, at the time of loan closing, the following must be obtained:
- Verify that the veteran is alive, and, if on active military duty, not missing in action (this is known as an “alive and well” certification), this must be dated on or after the Note date; 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."
 - If there is difficulty in obtaining verification that the service person in a combat area is alive and not in MIA status, the VA may help to obtain the necessary information. If the loan closes without verifying the veteran’s status and the veteran was deceased or missing in action at the time of closing, then VA may deny the loan guaranty.
- Acceptable POA signatures are as follows:

State Specific	Acceptable Signatures
All States	<p><u>Jane Doe by John Doe, Attorney in Fact</u> Jane Doe by John Doe, Attorney in Fact</p> <p><u>Jane Doe by John Doe, as Attorney in Fact</u> Jane Doe by John Doe, as Attorney in Fact</p> <p><u>Jane Doe by John Doe, her Attorney in Fact</u> Jane Doe by John Doe, her Attorney in Fact</p> <p><u>Jane Doe by John Doe as her Attorney in Fact</u> Jane Doe by John Doe as her Attorney in Fact</p>
Loans Closed in the state of Louisiana	<p><u>Jane Doe by John Doe as Mandatary</u> Jane Doe by John Doe as Mandatary</p>
Loans Closed in the states of Pennsylvania and Wisconsin	<p><u>Jane Doe by John Doe, her Agent</u> Jane Doe by John Doe, her Agent</p>
Signatures	<p>In all states, documents executed by the attorney-in-fact must include the principal’s name, the agent’s name, and the agent’s capacity in the signature.</p>