

BANK ACCOUNT SET-UP PROCEDURE FOR Oregon REALTORS® HOME Foundation

The premise behind the Oregon REALTORS® HOME Foundation is that interest can be earned on real estate trust accounts and used for affordable housing projects in the State. One of the vehicles for funding community-based affordable housing projects is from trust account interest.

For the convenience of the financial institutions, the bank enrollment and reporting procedures have been set up in a similar manner to the attorneys' foundation (IOLTA) with which most banks are familiar. Unlike IOLTA, Oregon REALTORS® HOME Foundation is completely voluntary.

In order to qualify, both the REALTOR® who owns the trust account and the bank where the account is maintained must agree to participate by filling out the appropriate enrollment forms. The name of the account at the bank should be changed to indicate that Oregon REALTORS® HOME Foundation is an "interest beneficiary only" (IBO) and Oregon REALTORS® HOME Foundation's federal tax identification number 84-1641552 should be used on the account for reporting interest.

Example:

The account:

The Cottage Realty
K Cook Brkr/Sales Trust Acct
PO Box 1020
Real Town, OR 97212
Cottage Tax ID#

Became:

Oregon REALTORS®
HOME(IBO) Cottage Realty K
Cook Brkr/Sales Trust Acct
PO Box 1020
Real Town, OR 97212
84-1641552 (OAR HOME Tax ID#)

If it is more convenient for the bank, the name of the office can appear first, with "Oregon REALTORS® HOME Foundation" on the second line. Headings for signature cards and any other customer account agreements are changed in a like manner except that abbreviations are not used. At most banks, new signature cards are signed, but the account numbers and the other commission required information on checks and deposits does not change. The bank also requires a letter to be submitted by the broker stating that the bank can charge the account for interest earned to the benefit of Oregon REALTORS® HOME Foundation. These charges are deducted from the interest earned on the account.

All distributable interest on said account shall be paid to:



Oregon REALTORS® HOME
Foundation
P.O. Box 351
Salem, OR 97308