How to issue a secured loan from your IRA

**Prior to Funding:**

1. **You**
   - Please prepare a Promissory Note with the following information:
     - Amount of loan
     - Date of issuance
     - Interest Rate
     - Interest Compounding Period (annual, quarterly, monthly, daily, none)
     - Re-payment terms and an amortizable table if applicable
     - Maturity Date
   - The lender must be listed as “Madison Trust Company, Custodian, FBO [Accountholder’s name & MTC Account #].”
   - The Promissory Note must be signed and notarized by the Borrower prior to funding.
   - If the Borrower is a business entity, you will also need to submit the entity’s formation documents (along with a Certificate of Good Standing if the entity has been in existence for more than 12 months).

2. **You**
   - Please prepare the Security Documents of the Loan (such as a Deed of Trust, Personal Guarantee, etc.)

3. **You**
   - Submit the Promissory Note, Security Documents, and an Investment Authorization Form to Madison Trust.

4. **MTC**
   - Issues a check or wire from your IRA to the Borrower in the amount specified in the Investment Authorization.

**Post-Funding:**

1. **You**
   - If the loan is secured by a Deed of Trust, submit the Deed of Trust to the local county clerk’s office for recording.

2. **You**
   - Submit a copy of the recorded Deed of Trust to Madison Trust for safekeeping.

3. **Borrower**
   - The Borrower will issue payments to your IRA via check or wire made payable to “Madison Trust Company Custodian FBO [Accountholder’s name & MTC Account #].”

[DOWNLOAD INVESTMENT AUTHORIZATION FORM]

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