

BUYER NEEDS & DESIRES

There are many important needs and factors involved in finding the perfect property. It's difficult to remember them all when you are put on the spot. This is a worksheet designed to outline your needs and desires. Please take your time and fill it out before we begin our search. It will serve as a great reference tool.

Property Specifics:

Square Feet (Min-Max) _____ Bedrooms _____ Baths _____

Price (Min-Max) _____ Style of Home _____

Roof Style _____ Garage / Parking _____

Preferable Flooring _____ Lot Size _____ Stories _____

Landscape Style _____ Home Age _____

Other Qualities _____

Are you interested in:

- | | |
|--------------------|----------------|
| Fireplace | Family Room |
| Pool | Covered patio |
| Spa | Decks |
| Great Room | Fenced Yard |
| Extra Parking | Large Closets |
| View | Storage |
| Boat/R.V. Parking | Alarm |
| Guest House | Pantry |
| Vaulted Ceilings | Formal Dining |
| Intercom | Breakfast Area |
| Large Laundry Room | |

Area Specifics:

Areas you are interested in: _____

Is shopping a concern? What kind of shopping? _____

Do you need to be close to schools? _____

Are there any walking distance/public transportation issues? _____



SECURITY
TITLE AGENCY

YOUR GUIDE TO BUYING A HOME

Your Home Wish List

House - Interior:

What kind of style do you want the interior of your home to have (e.g. formal, casual, cozy, traditional, contemporary)?

What kind of floor plan do you prefer (e.g. open vs. walls between all living spaces)?

In general, what are your likes and dislikes for the interior of your home?

Bedrooms:

How many bedrooms do you need?

How will each of those rooms be used?

What are your preferences for the master bedroom?

Bathrooms:

How many bathrooms do you need?

What are your needs for each of the bathrooms?

Kitchen:

What features must your kitchen have (e.g. breakfast area, types of appliances, etc.)?

What finishes do you want (e.g. countertops, flooring, appliances, etc.)?

What are your likes and dislikes for the kitchen?

Dining Room:

Would you like the dining room to be part of the kitchen configuration? What about the living room?

What size dining room table do you have?



YOUR GUIDE TO BUYING A HOME

Your Home Wish List

Living Room / Family Room:
Describe your likes and dislikes.

Do you want a fireplace?

What size room(s) do you have in mind?

What other rooms do you need or want?

What else should I know about the inside of the house you are looking for?

Summary:
What are the top five things your home needs to have?

Beyond those five things, what is something else you really want to have?

If you could have something else, what would that be?

If you could have one last thing to make this your dream home, what would that be?



PRE-QUALIFICATION

To help you determine your property price range, most lenders and agents recommend getting pre-qualified. Pre-qualification makes sense before beginning your property search.

Reasons for Pre-qualification:

- 1.** You will know the exact amount for which you can qualify. This allows you to view properties you are certain you can afford.
- 2.** Your monthly payment will be set (approximately), so you can figure it in to your budget.
- 3.** You will receive closing costs and down payment figures.
- 4.** You and your lender can select the best loan program for you.
- 5.** If you are a first time buyer, you might qualify for a special loan package that would allow you to get more home for your money.



MORTGAGE LOAN CHECKLIST

The following is a list of items and information your lender needs to process your loan in a timely fashion.

Sales contract on the purchase of your new home. Copy of sales contract and certified closing statement on your current home. For FHA loans: Copies of your Social Security card and drivers license.

Employment History:

Employment history for the last two years and complete addresses
Employment dates
W-2's for the last two years
Tax returns for the last two years, with all schedules signed in blue ink
If there are any gaps in employment in the last two years (please explain). If you are self-employed, you will need to provide a current balance sheet, and a year-to-date profit and loss statement

Residence History:

Two years of most recent residences with complete addresses
Length of time at each residence
Landlords name and complete address, if applicable

Accounts:

Names and addresses of each financial institution
All account numbers
Three months bank statements for all accounts
All current balances and values

Loans and Credit Cards:

Creditor's names and addresses
All account numbers
Current balances owed
Monthly payments and number of payments remaining

Current Real Estate:

Property addresses
Estimated market value
Outstanding balances
Monthly payment amounts
Monthly rental income amounts, if applicable

Personal Property:

Year, make and value of your automobile
Net cash value of your life insurance policy
Value of your personal property

If applicable, the following information:

Divorce papers
Check / money order for credit report and appraisal
For VA loans: Certificate of eligibility & DD214



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SHOPPING FOR A LENDER

An important aspect of your purchase is choosing a good lender. Comparing interest rates and loan packages is also advised. There are different loan programs for different financial situations. A lender might quote you a rate from a program that may or may not fit your needs. (Interest rates quoted over the phone are not usually locked rates.)

Four Things To Avoid In A Purchase:

- 1.** Changing jobs before or during the loan process can create a real problem in qualifying you for a loan, particularly if that job is in a different line of work or at a lower rate of pay.

Do Not Switch Banks Or Move Money Around:

- 2.** It's difficult to verify funds if money is moved, so leave everything as is until your loan is closed.

Do Not Pay Off Bills:

- 3.** Your loan officer will advise you if it is necessary to pay off bills to help you qualify and obtain sufficient proof of payment.

Do Not Make Any Major Purchases:

- 4.** Large purchases have a major impact on qualification. If you add a payment, or increase a payment it will decrease your qualification amount. Stay away from purchases such as cars, boats, r.v.'s, furniture, etc.

Your Real Estate Agent Can Help You With This.



TYPES OF LOANS

Loans and terms constantly change with economic conditions, the following is a summary of many types of loan offerings in existence.

Adjustable Rate Mortgage

Adjustable rate mortgages have an interest rate that is adjustable at certain intervals based on a specific index during the life of the loan.

Balloon Payment Loan

A fixed rate loan that is amortized over a specified number of years but becomes due and payable at the end of an earlier specified time. This may be extendable or may roll over into a different type of loan at that time.

Buy-Down Loan

Fixed rate loans may have an interest rate and payment that are reduced for a specific period of time by paying the interest up front to subsidize the lower payment.

Community Homebuyers's Program

A fixed rate loan for first time buyers with a low down payment, usually 3%-5%. No cash reserve requirement and easier qualifying ratios. This is subject to borrower meeting income limits and attendance of a four-hour training course on home ownership.

Conventional Loan

Conventional loans are sometimes more lenient with the appraisal and condition of the property. Conventional loans are not government insured and usually have higher down payment requirements.

FHA Loan

A fixed rate loan has a set interest rate that remains constant throughout the life of the loan.

Graduated Payment Mortgage

A fixed rate loan that has payments starting lower than a standard fixed rate loan, which are increased by a predetermined amount each year for a set number of years.

Non-Qualifying Loan

Also known as Assumable Loans - Pre-existing loans that can be assumed by the buyer without a qualifying process. The buyer pays the seller for their equity and then continues making payments on the existing loan.

VA Loan

VA loans are guaranteed by the Veterans Administration. Typically, a veteran must have served 180 days of active service to qualify.



LOAN PROCESS

When moving due to a job relocation, the following items may be tax deductible should you meet IRS's guidelines.

Adjustable Rate Mortgage Prequalification/Interview

The borrower meets with a lender who, through the course of the interview, gathers pertinent information and identifies any additional documentation that will be needed by the lender to obtain loan approval.

Verifications

The lender will obtain all documents required, including but not limited to, credit report, appraisal on property, verifications of employment, mortgage or rent obligations, funds to close, landlord ratings, preliminary title report, etc.

Loan Submission

The loan package is assembled and submitted to the selected underwriter for approval.

Documentation

Supporting documentation is obtained as required. Lender follows-up on any issues or problems that need resolution and requests any additional information or documentation required.

Loan Approval

Official notification of loan approval is made.

Documents are Drawn

Loan documents are completed and sent to the title company. The borrowers come in for final signatures.

Funding

Lender reviews the loan package for completeness and accuracy. Funds are then transferred.

Recording of Documents

Title company records the Deed and Deed of Trust at the County Recorder's Office and the escrow process is officially closed.



WORKING WITH AN AGENT

In searching for the perfect home, you need to be certain that all options are explored and researched. People who look for a home on their own often find it to be an overwhelming task. Partnering with a real estate agent is the best way to ensure you make an informed decision and experience a smooth transaction. Here are a few specific reasons to work with an agent.

- 1.** Agents have access to the Multiple Listing Service (MLS). This is a computer system devoted solely to keeping track of all the home listings in the area you desire. The majority of homes on the market are listed in MLS and need an agent for access.
- 2.** Agents are trained to write offers, handle negotiations, problem solve, and offer real estate advice. With the agent handling these tasks, you can relax and make informed decisions.
- 3.** Agents are knowledgeable about the area in which you wish to live. In addition to real estate market knowledge, they can educate you on the attributes of a desired area.
- 4.** Agents are knowledgeable about market values. Your agent will work with the listing agent to obtain the best price possible for you.
- 5.** Agents are customarily paid from the commission the seller offers. There is no charge to the buyer for agent representation.
- 6.** Due to the complexity of the buying process, occasionally unexpected problems arise. Agents know the process and are trained to handle these issues that might otherwise end a transaction.

What to Look for In an Agent:

Now that you know the benefits of agent representation, here are some qualities your agent should possess:

Your agent should let you make the decisions and not push you into a purchase that does not suit you.

It is imperative that you are comfortable around your agent. They should have a personality you can work closely with.



HOME WARRANTIES

There are many advantages to a home warranty protection. This policy protects the Seller by reducing repair costs required as part of the sale. It protects the Buyer by paying for certain repairs and costs of major mechanical systems. There are a variety of plans available in the marketplace.

Benefits of Home Warranty Coverage to the Seller

- Home may sell faster and at a higher price
- Optional coverage during the listing period of the home sale
- Protection from legal disputes that occur after the sale
- Increases the marketability of your home

Benefits of Home Warranty Coverage to the Buyer

- Warranty coverage for major systems and built-in appliances
- Protects cash flow
- Puts a complete network of qualified technicians at your service
- Low deductible for each occurrence saves more than cost of the policy over its life

Home warranties are policies designed to protect the buyer against repair costs of mechanical systems and major appliances. They consist of an origination fee (sometimes offered by seller/or negotiated in contract) and a small deductible (paid by buyer). There are a variety of plans covering items such as; air-conditioning, dishwashers, garbage-disposals, etc.

I will be happy to gather a selection of warranty plans for you.

Benefits of Home Warranty Protection

- Coverage for your major mechanical systems and built in appliances
- A full network of well qualified technicians at your service
- Your budget is protected against unexpected repair bills
- All of the above for a very low deductible/service call



INSPECTIONS

Real estate contracts often contain clauses that allow the buyer to inspect the property. This inspection provides a comprehensive review of the infrastructure of the property. This is the time to turn to a professional home inspector. Home inspectors identify problems and assist in promoting and facilitating communication with the seller. This is a sizable investment you are making. By investing a small amount now you may save a substantial amount in the future.

Structural Pest Control:

Determines any active infestation by wood destroying organisms.

- Section I on the subsequent report will be items that need immediate attention because of active infestation. Lenders usually want the work performed prior to funding the loan.
- Section II on the report will be items that could cause infestation and, if not corrected, could cause damage.

Physical Inspection:

- This inspection encompasses roof, plumbing, electrical, heating and any other accessible area of the structure.
- A detailed report will be written with recommendations for repair or for further inspection by a specialist.

Other Common Inspections Include:

- Water Conservation
- Contractor's Home Inspection
- Well and Septic
- Seismic
- Hazardous Materials
- Chimney
- Heating & Air Conditioning
- Structural Engineering
- Energy Audit
- Geotechnical
- Zoning and Building Permit Compliance



MOVING CHECKLIST

This comprehensive list of reminders will be valuable in the moving days ahead.

Previous Residence

PREPARING FOR THE MOVE:

Leave keys & garage openers
Travel funds (cash & checks)
Prepare pet transportation
Personally transport valuables & jewelry

ADDRESS CHANGES:

Bank accounts
Forwarding address at post office
Credit cards
Insurance
Magazine/Publications

CANCEL UTILITIES: CHECK FOR REFUNDS:

Electric/Gas
Telephone
Water
Garbage removal
Cable

DOCUMENTS TO OBTAIN:

School transcripts
Medical records
Dental records
Veterinary records

New Residence

ADDRESS CHANGE:

Ask post office to hold mail for your arrival

ACTIVATE UTILITIES:

Electric/gas
Telephone
Water
Garbage removal
Cable
Misc.-bottled water, propane, etc.

SCHOOLS, LICENSES & SERVICES:

Electric/Gas
Telephone
Water
Garbage removal
Cable

OBTAIN NEW MEDICAL SERVICES:

New Doctor
New Dentist
New Vet



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Seller Accepts Buyer's Offer

5 Days

Lender Process:
Buyers Begin Loan Application; request copy of existing property survey or ILC if available from the Seller.

Home Inspection Process:
Arrange for Home Inspection

Contract Process:
Review, sign and return the Seller's Property Disclosure

Moving Process:
Research and schedule moving company

10 Days

Lender Process:
Lender orders appraisal and receives results of full-blown credit report

Home Inspection Process:
Home Inspection Completed per Buyer's Request

Insurance Process:
Contact Insurance agent to set up appointment to meet regarding homeowners insurance

Moving Process:
Pick up moving boxes and begin packing up items you will not need in the next 30 days

14 Days

Lender Process:
Buyer's to Provide All Requested Information to Lender

Home Inspection Process:
Negotiate Completion Of Home Inspection Process

Insurance Process:
Meet with your Insurance agent to discuss policies.

Title Process:
Title Search is Completed By Title Company

18 Days

Lender Process:
Appraisal complete. Lender may request additional information.

Moving Process:
Begin setting up telephone, cable, etc. at new property address

Insurance Process:
Follow up with Insurance agent to ensure policy will be in effect on date of property possession.

Title Process:
Title company may require payoff information

21 to 30 Days

Lender Process:
Lender submits Loan package. Receive results of survey.

Moving Process:
Change utilities, water, etc. after loan is approved, effective on date of possession

Contract Process:
Schedule walk-thru of property, if requested

Title Process:
All title requirements are identified prior to closing date.



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TITLE COMPANIES AND ESCROW OFFICERS _____

Title companies in Arizona insure the title to your new home and offer escrow services. An escrow officer is employed by the title company to handle the escrow transaction. The duties of the escrow officer are as follows:

- Accept executed contract and issue earnest money receipt.
- Request a commitment for title insurance.
(shows requirements for issuance of a title policy)
- Order payoff/assumption statements from existing lenders(s).
- Prorate taxes and insurance upon instructions from the seller and buyer.
- Accept hazard insurance policy, inspection reports, and relevant bills.
- Compute settlement figures.
- Assist the buyer and seller when signing documents.
- Record the appropriate documents with the county recorder.
- Disperse final documents and money on the basis of mutual instructions.



ESCROW

What is an Escrow?

An escrow is a neutral, independent account created to process a transaction such as a sale or loan. It protects the interests of all parties involved and favors neither the buyer nor seller. An escrow is created after the Purchase Contract is executed and becomes the depository for all monies, instructions and documents pertaining to the transaction.

How does the Escrow Process Work?

The escrow officer follows instructions based on the written terms of your Purchase Contract and the lender's requirements for closing. The escrow officer secures the satisfaction of all requirements of the title commitment. Escrow cannot be completed until all terms and conditions have been met.

Opening an Escrow:

Either real estate agent may open escrow as soon as the Purchase Contract is executed by placing the initial deposit (earnest money) in an escrow account at the Title Company.

Escrow Instructions:

Escrow instructions define all the terms and conditions that must occur before the transaction can be finalized. The escrow instructions represent your written statement to the escrow holder protecting your interests and specify the disposition of the sales proceeds and the conditions under which the deed may be recorded in favor of the buyer. In most cases, the escrow instructions will be contained within the purchase contract.

Information You Need to Provide:

You will be asked to complete a Statement of Identity for the Title Company. This is a confidential tool used to correctly identify all parties involved in the transaction.



LOAN PAYOFFS

The seller's loan(s) will be paid off during the escrow process unless the buyer is assuming the loan(s). The seller will need to furnish the following information to the escrow officer so the loan payoff demands can be ordered and insure the loan(s) will be paid off correctly during the escrow process.

- Name of the lender(s)
- Loan Number(s)
- Lender(s) address and telephone numbers
- Homeowner's Association information if necessary

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Warranty Deed:

A Warranty Deed is the document that legally transfers title of the property to the new owner. The seller must sign the deed in front of a notary public. Proper identification is required when signing. The deed is recorded when escrow closes.



YOUR APPOINTMENT FOR SIGNING

The escrow officer will contact you to arrange an appointment for you to sign all the necessary documents. Your appointment will take approximately 45 minutes. Your signature(s) will need to be notarized so make certain to bring either a passport or current driver's license for identification purposes.

After Your Signing Appointment:

After the seller and the buyer have signed all the necessary instructions and documents, the escrow officer will return them to the lender for final review. The review generally occurs within a day, allowing the necessary work to be completed to record the close of escrow.

Closing Escrow: Recording of the deed signifies legal transfer of title to the property from the seller to the buyer and is the culmination of the transaction. Usually the Deed and Deed of Trust are recorded within one working day of the escrow's receipt of loan funds. This completes the transaction and signifies the "close of escrow."

Your Proceeds: A final settlement statement and check for any proceeds due will be available the day the sale is completed, documents are recorded and the escrow is closed.

After Escrow Closes:

After the loan has been finalized, the documents signed and recorded, and the financial settlement completed, there are still a few items that must be attended to in order to officially complete the transaction.

Your existing loan is paid in full from escrow. Your lender is required by law to issue a full release and reconveyance of their loan. As soon as the Deed of Reconveyance removing the previous Deed of Trust is received, it is recorded and the original is returned to you. This process can sometimes take several weeks.

Finally, in some cases, the escrow officer will be instructed to hold funds in escrow to pay off obligations that may not be completed until after escrow closes. For example, funds might be set aside for termite repair work or correction of a structural problem. Upon completion of the project and receipt of the proper documentation for release, the escrow officer will disburse the reserve funds as appropriate.



UNDERSTANDING TITLE INSURANCE

In Arizona, most real estate transactions are closed with a title insurance policy. Many erroneously assume that possession of the deed to the property is all they need to prove ownership. This is not true. Unknown title defects may attach to real estate. A property owner's greatest protection is a policy of title insurance.

What is Title Insurance?

It is a contract of indemnity and guarantees that the title is as reported and, if not reported and the owner is damaged, the title policy covers the insured for their loss up to the amount of the policy.

Title insurance assures owners they are acquiring marketable title. Title insurance is designed to eliminate risk to loss caused by defects in title. Traditional title insurance provides coverage only for title problems that were in existence at the time the policy was issued. More extensive coverage is now available through as ALTA residential policy (the Plus Policy).

The Title Search:

Title companies work to eliminate risks by performing a search of public records or through the title company's own plant. The search consists of public records, laws and court decisions pertaining to the property to determine the current recorded ownership, any recorded liens or encumbrances or any other matters of record that could affect the title to the property. When a title search is complete, the Title Company issues a commitment detailing the matters affecting title and the requirements for issuance of a policy.

Commitment for Title Insurance:

The commitment for title insurance (often called a prelim) indicates all the items or situations that pertain to the subject property. It is a detailed report of findings from a title company search. It sets forth the current status of the property ownership, matters affecting the title that will appear as exceptions or exclusions to the policy, and requirements of reissuing a policy. When you receive the prelim, you should review it carefully, paying attention to the sections identified below:

- Make certain the ownership vesting is correct by comparing the names on the commitment to those on your Deed.
- Review the informational notes for important property facts.
- Carefully review the exceptions: bonds, deeds of trust, current taxes, CC&R's and easements.



COMMITMENT FOR THE TITLE

INSURANCE AND POLICY COVERAGE:

The commitment for title insurance (prelim) indicates a multitude of items or situations that pertain to the subject property.

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The commitment for the title insurance (prelim) indicates a multitude of items or situations that pertain to the subject property. It is a detailed report of findings resulting from a title search. It explains the current status of the property ownership, title insurance offered by the title company, and any exceptions or exclusions to the policy. Upon receipt, you should review your prelim paying particular attention to the sections listed below.

Reviewing the Commitment:

- Be sure the ownership vesting is correct by comparing the names on the prelim to those on your purchase contract.
- Review the informational notes for important property facts.

Standard Policy Coverage:

A title policy is guaranteed insurance against any undetermined risks. Review the following list for items and issues covered by a title policy.

- Mistakes in interpretation of legal documents and wills.
- A forged signature on the deed.
- Errors in indexing or copying.
- Falsification of records.
- Impersonation of the real owner.
- Deeds delivered without consent of grantor.
- Recording mistakes.
- Missing or undisclosed heirs.
- Deeds and mortgages signed by persons of unsound mind, by minors or by someone listed as a single but actually married.
- In regards to lender's coverage, the title policy covers:
 - Invalidity of the insured assignment.
 - Priority of the insured mortgage.
 - Invalidity of the insured mortgage on the title.

Items and Issues that are not Covered:

- Matters that an accurate survey would show; easements, boundaries, etc.
- Matters assumed, known or created by the insured.
- Rights of parties in possession.
- Unpatented water or mineral rights.
- Unrecorded matters.
- Matters that a physical inspection would disclose.



TITLE INSURANCE - ENHANCED

ALTA Homeowners Policy:

We are pleased to introduce the ALTA Homeowners Policy which provides enhanced coverage concerning access, location, encroachments, violations of restrictions, subdivision law, building permit requirements, surface entry for water or mineral extraction, and supplemental taxes. It also provides important Post Policy protection from forgery, encroachment, and conveyance to a trust.

The ALTA Homeowners Policy additionally offers the highest appreciation coverage, automatically increasing the value of your policy to 150% during the first five years you own your new home. It gives you additional coverage for the following risks:

- Building permit violations
- Subdivision compliance
- Restrictive covenants violations
- Post policy forgery
- Post policy encroachment
- Post policy structural damage from minerals extraction
- Post policy Living Trust coverage
- Enhanced Access - Vehicular and Pedestrian
- Map not consistent with legal description
- Automatically Inflation Protection (5 years)
- Supplemental Tax Lien coverage
- Enhanced encroachment protection (public utility easement)
- Water rights extraction coverage



ALTA HOMEOWNERS POLICY

You Get ALTA Plain Language Coverage:

- Someone else owns an interest in your title.
- A document is not properly signed.
- Forgery, Fraud, Duress.
- Defective recording of any document.
- There is a lien on your title because there is a:
 - a) deed of trust
 - b) judgment, tax, to special assessment
 - c) charge by the homeowner's association
- Title is unmarketable.
- Mechanic's lien protection.
- Forced removal of structure because it:
 - a) extends on to other land or on to an easement.
 - b) violates a restriction on Schedule B.
 - c) violates an existing zoning law.
- Can't use land for a single family dwelling because use violates a restriction in Schedule B or a zoning ordinance.
- Pays rent for substitute land or facilities.
- Unrecorded lien by a homeowner's association.
- Unrecorded easements.
- Rights under unrecorded leases.

The ALTA Homeowners Policy.....

is available for an owner-occupied, one-to-four-family residence or condominium unit. Some of the covered risks are subject to a separate deductible amount (1%) and to a separate maximum dollar limit (\$10,000 - \$25,000).



COMPARE THE PLUS POLICY

Compare Coverage	Standard	ALTA Plain Language	Plain Language & Plus
Someone else owns an interest in your title	•	•	•
A document is not properly signed	•	•	•
Forgery, Fraud, Duress	•	•	•
Defective recording of any document	•	•	•
There are no restrictive covenants	•	•	•
There is a lien on your title because there is:			
a) a deed of trust	•	•	•
b) a judgment, tax, or special assessment	•	•	•
c) a charge by the homeowner's assoc.	•	•	•
Title is unmarketable	•	•	•
Mechanic's lien protection		•	•
Forced removal of structure because it:			
a) extends on to other land or on to an easement		•	•
b) violates a restriction on Schedule B		•	•
c) violates an existing zoning law		•	•
Can't use land for single family dwelling because the use violates a restriction in Schedule B or a zoning ordinance		•	•
Pays rent for substitute land of facilities		•	•
Unrecorded lien by a homeowner's association		•	•
Unrecorded easements		•	•
Rights under unrecorded leases		•	•
Plain language		•	•
Building permit violations			•
Subdivision compliance			•
Restrictive covenants violations			•
Post policy forgery			•
Post policy encroachment			•
Post policy structural damage from minerals extraction			•
Post policy Living Trust coverage			•
Enhanced Access - vehicular and pedestrian			•
Map not consistent with legal description			•
Automatic Inflation Protection (5 years)			•
Supplemental Tax Lien Coverage			•
Enhanced Encroachment Protection (Public Utility Easements)			•
Water Rights Extraction Coverage			•



ANNUAL TAX STATEMENT

Annual tax statements are billed for the year, although they are not issued until the fall of the current year (September or October).

Taxes May be Paid in Two Halves:

- The first installment is due September 1 and delinquent November 1.
- The second installment is due March 1 in the following year and delinquent May 1.
- Always check the property description on the tax statement to avoid paying on the wrong property. To assure proper posting of payment and information to your property, furnish your parcel number when making any payments or inquiries at the Assessor or Treasurer's office. Your parcel number can be found on the valuation card sent to you by the Assessor each year and is usually in the following format: ###-##-###. Sometimes the number is followed by a capital letter.
- The law does not recognize failure to receive a tax statement as a reason for waiving interest. The Treasurer must and will assess interest on all delinquent payments.

New Ownership:

- The transfer of ownership information may take as long as six months to process. Therefore, new owners may not receive a tax bill for property purchased after November 1 of the previous year.
- If a tax statement has not been received by October 15, the new owner must contact the Treasurer for a statement so that payment can be made before the first half becomes delinquent. The Treasurer's office number is 602-506-8511. (Note: Tax bills are normally mailed to the new lender and paid from impounded funds).

Value Notification:

- On or before January 31 of each year, an Assessment Notice is sent from the Assessor to each property owner at the last known address. The Notice includes information for the new tax year, the property's full cash value, assessed value, classification and assessment ratio.
- During a 45-day period after receipt of the Assessment Notice, valuations can be protested through the County Assessor. For information call the Assessor's Office at 602-506-3406.



ARIZONA TAX CALENDAR

Important Dates in the Arizona Tax Calendar

January 1st:

Current taxes become a lien not yet payable.
First day to file exception with the Assessor's Office.

February 1st:

On or before this date, Assessor is required to notify property owners of any increase in taxes or of delinquent taxes for previous years sold at auction.
(Three year redemption period)

February 15th:

Last day to file an appeal with the Assessor's Office if the property owner feels that the values are excessive or that they violate the limitations of increase.

February 28th:

Last day to file exceptions.

March 1st:

Second half taxes for the previous year, are due and payable.

May 1st:

Second half taxes for previous year, are now delinquent.

July 25th:

Tax Roll is certified.

September 15th:

Tax statements are mailed mid-September.

October 1st:

First half of current year taxes are now due and payable.
You may pay for the full year at this time.

November 1st:

First half of current year taxes are now delinquent.

PROPERTY TAX INFORMATION

Treasurer's phone number: (602) 506-8511

www.treasurer.maricopa.gov



SECURITY
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YOUR APPOINTMENT FOR CLOSING

Listed below are the items you need to obtain and bring to your escrow appointment.

Note: Make sure all of your lender's requirements have been met before your appointment.

Identification:

In order to notarize your signature you must bring picture I. D. (current driver's license, military I.D., or passport).

Funds:

You must bring a cashier's check made out to the title company. Wiring funds is also an acceptable method of payment. Your escrow officer will tell you the amount you will need to provide.

Taking Title:

Review your options and decide how you wish to take title to your new home.

Fire and Hazard Insurance:

Be sure to contract your insurance agent to order coverage before your appointment. Have your agent contact your escrow officer with premium information & for property verification.

After Your Signing:

After the buyer has signed all documents, they are sent to your lender for review. When the lender is ready to fund the loan, they contact the title company. The escrow officer schedules the closing and recording time and handles all financial and technical details. A warranty deed and deed of trust are recorded within one working day and the transaction is complete.



Arizona's **GOOD FUNDS LAW**

ARF 6-834 requires that "escrow agents not distribute money from an escrow account until funds related to the transaction have been deposited and available." The legislation specifies which forms of payments are acceptable for deposit.

All availability dates are based on funds deposited in our bank, and the days are considered business days. A business day is defined as a calendar day other than Saturday or Sunday, and also excluding most major holidays.

Same DAY:

- Cash: Special requirements may need to be met if necessary to accept cash.
- Electronic Payment / Transfer or Wire: This is the preferred method for loan proceeds.

Next DAY:

- Official Checks: Must be In-State checks drawn on FDIC insured Institution.
- Cashiers, Certified and Tellers Checks.
- U.S. Treasury Checks.
- Postal Money Orders (other Money Orders, see "Fifth Day").
- Federal Reserve, Federal Credit Union and Federal Home Loan Bank Checks.
- State and Local Government Checks: Must be In-State.
- "On-Us" (Security Title) Checks**: Must be Local or In-State.***

Second DAY - see caution:

- Other Checks: Personal, Corporate, Credit Union, Money Market, and Travelers Checks – Must be Local.**

Fifth DAY - see caution:

- Official Checks: Out-of-State and / or Not Drawn on FDIC-Insured Institution.
- Money Orders (except Postal Money Orders-see "Next Day").
- State and Local Government Checks: Non-Local.
- Other Checks: Personal, Corporate, Credit Union, Money Market, and Travelers Checks – Non Local, Other.



Arizona's **GOOD FUNDS LAW** cont.

*** Caution:**

Because of the length of time it takes for us to receive notice from the banks on NSF and returned items – regardless of the information shown here – when disbursing funds from escrow based on a deposit of a personal check, if 10 days has not elapsed since the funds were deposited, telephone verification from the customer's bank that the check has paid is required. Money Orders: Be extremely cautious when receiving money orders as they are known to be easily altered.

*** "On-Us" (Security Title) Checks:**

Next-day availability is dependent on the check being drawn against the same bank or branch as our own depository bank, and both are located in the same state or check processing region. Disbursement availability will be dependent upon County administration, escrow administration or legal department discretion.

*** Local Check (Processing Region):**

A check is considered "Local" when it is drawn against a bank located in the same processing region as our depository bank. In Arizona, any ABA number beginning with a 12 (i.e., 1210, 1211) or 32 (i.e., 3221, 3222) is in our processing region.

Drafts:

No disbursements can be made against a draft until it has been submitted for collection to our depository bank, and we have confirmation that a final payment been received and credited to our account.

Third Party Checks:

It is company policy not to accept any third party checks: such as, any check drawn on a non-financial institution account, payable to a payee other than Security Title and subsequently endorsed over to Security Title. The one exception: United States Treasury checks payable to Farmers A Home Administration's borrower, endorsed over to Security Title. Any variance from this policy must be approved by escrow administration or by the legal department.

Foreign Checks:

It is the policy of this company NOT to accept foreign checks into escrow.



COMPARE POTENTIAL SCENARIOS

Listed are potential scenarios in buying a home. For additional explanations please contact escrow officer.

Problem:

The current homeowners purchased their property eight months ago. The city notifies them that the Seller's addition on the home has been "red-tagged" because it is not legally permitted.

Their Choices are:

- Pay the permit fees and bring the addition up to code.
- Tear down the room.

The homeowners contact their agent questioning why an unpermitted room was not disclosed to them prior to purchasing the property. The agent's Broker gets involved and contacts the title company who insured the property. Under the ALTA Residential Policy, without the added protection, the title company denies the claim on its policy.

However, the Added Protection Provides Coverage

Problem:

The current homeowners purchased their property eight months ago. The homeowners association notifies them that their second story room addition, built by the former owner is in direct violation of the CC&R's and must be removed. The homeowners association also informs them that the orange casitas roof tile installed prior to purchase violates the restrictions in the CC&R's and must be changed. The homeowners contact the agent inquiring why they didn't go over the CC&R's prior to closing. Under the ALTA Residential Policy, without the added protection, the title company denies the claim on its policy.

However, the Added Protection Provides Coverage

Problem:

The current homeowners are in escrow to finance the property. The preliminary report shows a second deed of trust on the property. The homeowners claim they never executed a second deed of trust and request a copy of the signed document. To their dismay, their names are forged on the trust deed. Under the ALTA Residential Policy, without the added protection, the title company denies the claim on its policy.

However, the Added Protection Provides Coverage

Problem:

The current homeowners ask their next door neighbor to stop building a patio cover which is encroaching onto their property. The neighbor continues building the cover. Under the ALTA Residential Policy, without the added protection, the title company denies the claim on its policy.

However, the Added Protection Provides Coverage



CLOSING COSTS

Closing costs are often confusing. When you apply for your loan, you will receive a Good Faith estimate of these charges, as well as an explanatory booklet.

Following is a mini glossary:

Appraisal Fee:

A one-time fee to pay an independent fee appraiser.

Credit Report Fee:

A one-time fee covering the cost of the credit report.

Document Preparation Fee:

There may be a separate fee covering the preparation of the final legal papers.

Homeowners Fee:

Some associations may require an up front deposit or dues, as well as a fee to transfer their records from seller to buyer (transfer fee). These amounts vary for each association.

Loan Discount:

A one-time fee to adjust the yield on the loan to what market conditions demand. (often called POINTS).

Loan Origination Fee:

A one-time set up fee charged by the lender for their administrative costs.

Miscellaneous Title Charges:

The title company may charge fees for items such as title policies, document preparation, recording fees, and a escrow fee.

PMI Premium:

Depending on your down payment, you may have to pay an up front fee for mortgage insurance. Lenders may also require monies to be held by them in a reserve account.

Prepaid Interest:

This is a per diem charge that will vary depending on the time of the month your loan closes.

Taxes and Hazard Insurance:

Depending on the month your property closes, you may be required to reimburse the seller for property taxes. You will have to pay a year's hazard insurance premium up front, and may be required by the lender to put a certain amount for taxes and insurance in a reserve account. This account is held by the lender.



CLOSING COSTS: Who Pays What



SECURITY
TITLE AGENCY

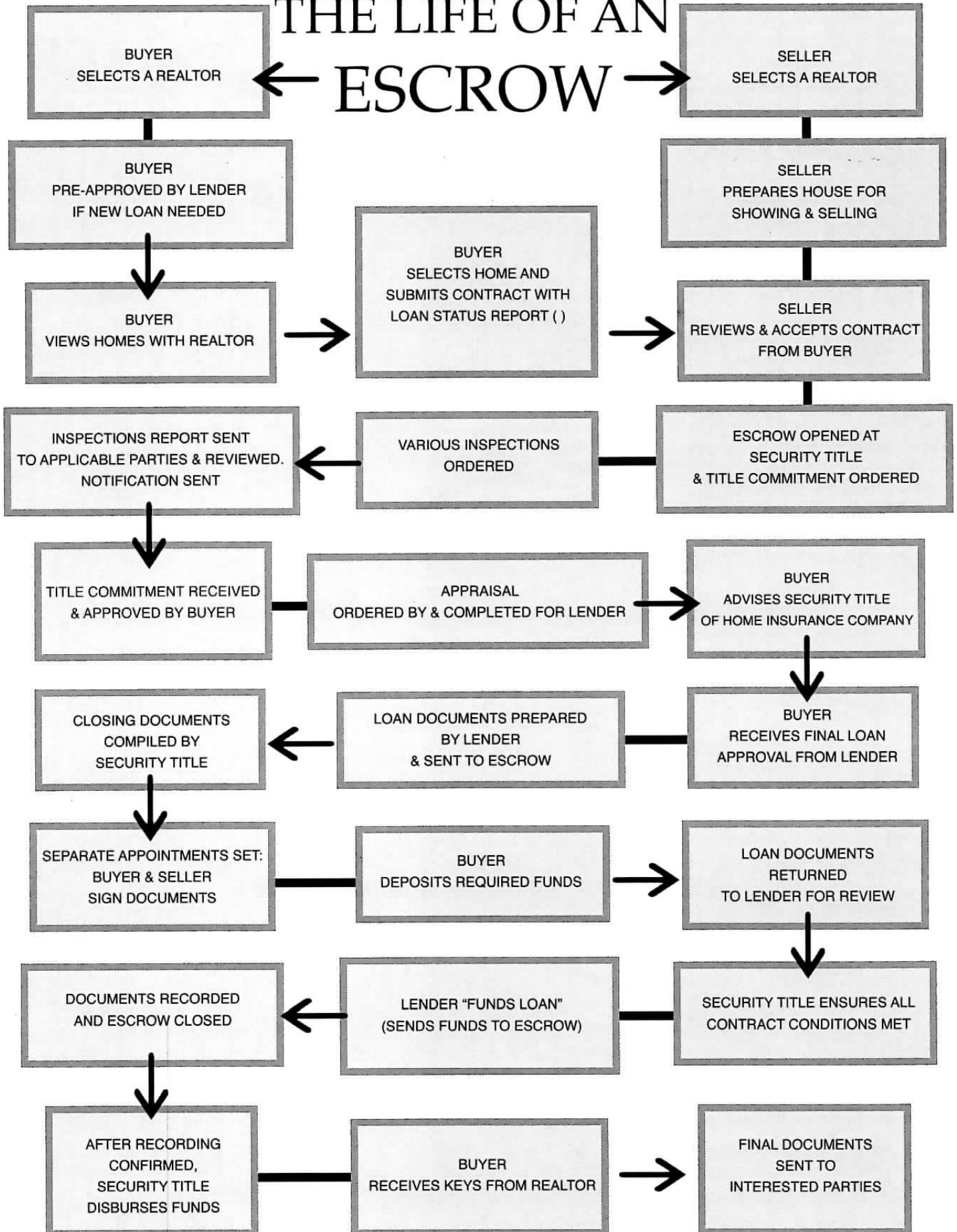
THIS CHART INDICATES WHO CUSTOMARILY PAYS WHAT COSTS

	CASH	CT M	FHA	VA	CONV
1. Downpayment	BUYER	BUYER	BUYER	BUYER	BUYER
2. Termite (Wood Infestation) Inspection (negotiable except on VA)				SELLER	
3. Property Inspection (if requested by Buyer)	BUYER	BUYER	BUYER	BUYER	BUYER
4. Property Repairs, if any (negotiable)	SELLER	SELLER	SELLER	SELLER	SELLER
5. New Loan Origination Fee (negotiable)			BUYER	BUYER	BUYER
6. Discount Points (negotiable)			BUYER	SELLER	BUYER
7. Document Preparation Fee (Charge Seller on FHA/VA)			SELLER	SELLER	BUYER
8. Credit Report		BUYER	BUYER	BUYER	BUYER
9. Appraisal or Extension Fee (negotiable)			BUYER	BUYER	BUYER
10. Interest Proration on Seller's Existing Loan		SELLER			
11. Existing Loan Payoff	SELLER		SELLER	SELLER	SELLER
12. Existing Loan Payoff Demand	SELLER		SELLER	SELLER	SELLER
13. Loan Prepayment Penalty (if any)	SELLER		SELLER	SELLER	SELLER
14. Next Month's PITI Payment		BUYER	BUYER	BUYER	BUYER
15. Prepaid Interest (approx. 30 days)			BUYER	BUYER	BUYER
16. Mortgage Transfer Fee		SPLIT			
17. Reserve Account Balance (Credit Seller / Charge Buyer)		PRORATE	PRORATE	PRORATE	PRORATE
18. FHA MIP, VA Funding Fee, PMI Premium		PRORATE	BUYER	BUYER	BUYER
19. Assessments payoff or proration (sewer, paving, etc.)	SELLER	SELLER			
20. Taxes	PRORATE	PRORATE	PRORATE	PRORATE	PRORATE
21. Tax Impounds			BUYER	BUYER	BUYER
22. Tax Service Contract			SELLER	SELLER	BUYER
23. Fire/Hazard Insurance	BUYER	BUYER	BUYER	BUYER	BUYER
24. Flood Insurance			BUYER	BUYER	BUYER
25. Homeowners Association (HOA) Transfer Fee	SPLIT	SPLIT	SPLIT	SELLER	SPLIT
26. HOA/Disclosure Fee	SELLER	SELLER	SELLER	SELLER	SELLER
27. Current HOA Payment	PRORATE	PRORATE	PRORATE	PRORATE	PRORATE
28. Next Month's HOA Payment	BUYER	BUYER	BUYER	BUYER	BUYER
29. Home Warranty Premium (negotiable)					
30. Realtors' Commissions	SELLER	SELLER	SELLER	SELLER	SELLER
31. EAGLE Homeowners Title Policy	SELLER	SELLER	SELLER	SELLER	SELLER
32. Lenders Title Policy and Endorsements			BUYER	BUYER	BUYER
33. Account Servicing Set-up Fee (negotiable)		SPLIT			
34. Escrow Fee (NOTE: Charge Seller on VA Loan)	SPLIT	SPLIT	SPLIT	SELLER	SPLIT
35. Recording Fees (Flat Rate)	SPLIT	SPLIT	SPLIT	SPLIT	SPLIT
36. Reconveyance/Satisfaction Fee	SELLER		SELLER	SELLER	SELLER
37. Courier/Express Mail Fees	SPLIT	SPLIT	SPLIT	SELLER	SPLIT
38. Wire Fees	SPLIT	SPLIT	SPLIT	SELLER	SPLIT
39. Email Loan Documents			BUYER	SELLER	BUYER

Note: Prorated items will appear on Closing Statement as charges for one and credits for the other.



THE LIFE OF AN ESCROW



WAYS TO TAKE TITLE IN ARIZONA



COMMUNITY PROPERTY	JOIN TENANCY WITH RIGHT OF SURVIVORSHIP	COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP	TENANCY IN COMMON
Requires a valid marriage between two persons.	Parties need not be married; may be more than two joint tenants.	Requires a valid marriage between two persons.	Parties need not be married; may be more than tenants in common.
Each spouse holds an undivided one-half interest in the estate.	Each joint tenant holds an equal and undivided interest in the estate, unity of interest.	Each spouse holds an undivided one-half interest in the estate.	Each tenant in common holds an undivided fractional interest in the estate. Can be disproportionate, e.g. 20% and 80%; 60% and 40%; 20%, 20%, 20% and 40%; etc.
One spouse cannot partition the property by selling his or her interest.	One joint tenant can partition the property by selling his or her joint interest.	One spouse cannot partition the property by selling his or her interest.	Each tenant's share can be conveyed, mortgaged or devised to a third party.
Requires signatures of both spouses to convey or encumber.	Requires signatures of all joint tenants to convey or encumber the whole.	Requires signatures of both spouses to convey or encumber.	Requires signatures of all tenants to convey or encumber the whole.
Each spouse can devise (will) one-half of the community property.	Estate passes to surviving joint tenants outside of probate.	Estate passes to the surviving spouse outside of probate.	Upon death the tenant's proportionate share passes to his or her heirs by will or intestacy.
Upon death the estate of the decedent must be "cleared" through probate, affidavit or adjudication.	No court action required to "clear" title upon the death of joint tenant(s).	No court action required to "clear" title upon the first death.	Upon death the estate of the decedent must be "cleared" through probate, affidavit or adjudication.
Both halves of the community property are entitled to a "stepped up" tax basis as of the date of death.	Deceased tenants' share is entitled to a "stepped up" tax basis as of the date of death.	Both halves of the community property are entitled to a "stepped up" tax	Each share has its own tax basis.

Note: Arizona is a community property state. Property acquired by a husband and wife is presumed to be community property unless legally specified otherwise. Title may be held as "sole and Separate" If a married person acquires title as sole and separate, his or her spouse must execute a disclaimer deed to avoid the presumption of community property. Parties may choose to hold title in the name of an entity, e.g., a corporation, a limited liability company; a partnership (general or limited) or a trust. Each method of taking title has certain significant legal and tax consequences; therefore, you are encouraged to obtain advice from an attorney or other qualified professional.

SECTION 1 - *property*

- 1a** *Lines 1-2* Buyer's name and Seller's name are at the beginning of the contract. In case the seller's name is not known at the time the contract is written, the agent needs to mark the box "as identified in Section 9c."
- 1b** *Lines 30-52* Fixtures and Personal Property List. Seller lists all items that are included or excluded in the purchase of the property.
- 1c** *Lines 8-14* Close of escrow is defined as recordation. If Escrow Company or recorder's office is closed on Close Of Escrow® date; COE shall occur on the next day that both are open for business.
- 1d** *Lines 15-22* No contract extension is required if COE falls on a date escrow or recorder is closed. COE is automatically extended to the next business day both are open for business.
- 1e** *Lines 23-24* Seller is not obligated to have keys made for locks, etc.
- 1f** *Lines 27-29* Expands the list of Addenda.
- 1g** *Lines 30-52* Fixtures and Personal Property List. Seller lists all items that are included or excluded in the purchase of the property.



SECTION 2 - financing

Lines 54 Pre-Qualification. A place to mark if the completed new, AAR Pre-Qualified Form is or is not attached.

2a

Loan Contingency. If the loan contingency is not fulfilled, the buyer has no obligation to close escrow. Therefore, the Contract can be considered canceled or terminated because it is unenforceable against the Buyer. Further, if seller agrees to allow the buyer additional time to obtain the loan, the parties should execute an amendment to the Contract extending the close of escrow date.

2b

Lines 55-58 If buyer does not deliver a notice of an unfulfilled loan contingency to the seller or the escrow company within three days prior to COE or within three days of being served a cure notice the buyer is in breach of failure to deliver the notice, and the seller is entitled to the earnest money.

2c

Lines 59-61 Unfulfilled Loan Contingency. The contract shall be canceled and the Buyer entitled to a refund of Earnest Money, if after a diligent and good faith effort, the buyer is unable to obtain loan approval without PTD conditions no later than 3 days prior to COE.

2d

Lines 62-65 Interest Rate/Necessary Funds. New Paragraph wherein buyer agrees that if he cannot obtain loan approval due to failure to lock the interest rate and "points" with the lender during the inspection period or failure to have the down payment or other funds due to obtain loan approval without conditions and close the transaction is not an unfulfilled loan contingency.

2e

Lines 66-68 Loan Status Update (LSU). The Buyer MUST deliver an LSU to the Seller within five (5) days after contract acceptance.

2f

Lines 69-71 Loan Application. The buyer must, unless previously completed during the inspection period complete, sign and deliver to the lender a loan application and grant lender permission to access Trimerged Residential Credit Report and provide lender with all requested signed disclosures and initial request documents contained in LSU.

2h

Lines 74-75 Type of Financing.

2i

Line 76 Loan Cost. States buyer to pay for all costs for obtaining the loan unless otherwise provided for in the contract.

2j

Lines 77-78 Seller Concessions. Seller concessions are a prevalent loan condition. The concession, if any, is specifically defined as the maximum amount that the seller agrees to pay for buyer's loan costs, including pre-pays, impounds and Buyers title/escrow closing costs. (PMI Insurance is considered a loan cost. Home Warranty, Inspection fees and HOA fees are examples of items not considered loan.

2k

Lines 79-80 VA Loan Costs. Seller agrees to pay escrow fee if the buyer is obtaining an VA Loan and up to percentage or dollar amount of loan costs not permitted to be paid by buyer in addition to any other costs they have agreed to pay in the contract including Seller's concessions.

2l

Lines 81-84 Changes. Buyers must notify the Seller of any changes in the loan described in the Pre-Qualified Form attached to the contract or the LSU provided within five (5) days after acceptance.

2m

Lines 85-88 Appraisal Contingency. The premises must appraise for at least the PURCHASE price and if it fails to appraise for the purchase price and ANY APPRAISAL REQUIRED BY THE LENDER, the Buyer has five (5) days to cancel and receive a refund of their earnest money.

2n

Lines 89-90 Appraisal Fee. Appraisal fee to be paid by and appraisal fees may or may not be included in the Seller concessions as indicated in line 90.



SECTION 3 - title and escrow

3a *Lines 91-95* Escrow. Lines are for entering escrow title companies contact information.

3b *Lines 96-97* Escrow will need to know the marital status of the Buyer(s) in order to properly prepare vesting and loan documents.

3c *Lines 98-107* Title Commitment and Title Insurance. All parties shall be provided with a copy of a commitment for Title Insurance. Buyer shall have 5 days after receipt to notify Seller of any item disapproved. At Sellers expense, a Homeowners Title Insurance Policy will be issued to the Buyer. "If applicable, Buyer shall pay the cost of obtaining the ALTA Lender Title Insurance Policy." To clarify that the expense of lender's policy is the buyer's obligation.

3d *Lines 108-117* Additional Instructions: Escrow Company shall furnish notice of pending sale to the HOA. IF an Affidavit of Disclosure is provided, Escrow Company shall record the Affidavit at COE.

3e *Lines 119-123* Release of Earnest Money-holds escrow agent harmless for release of earnest money.



SECTION 4 - disclosures

Lines 134-136 Seller Property Disclosure Statement.

4a *Lines 137-141* Insurance Claims History – Seller shall deliver to Buyer a written five-year insurance claims history regarding Premises (or a claims history for the length of time Seller has owned the Premises if less than five years) from Seller’s Insurance Company or an insurance support organization or consumer reporting agency, or if unavailable from these sources, from Seller, within 5 days after contract acceptance. Seller may obscure any reference to date of birth or social security number from the document. Buyer shall provide notice of any items disapproved within the Inspection Period or 5 days after receipt of the claims history whichever is later.

4b **REMEMBER:** If this is not provided to the buyer in a timely manner, an additional 5 days may be given to the buyer for disapproval.

4c *Lines 142-155* Lead Based Paint Disclosure. “Buyer is further advised to use certified contractor to perform renovation, repair or painting projects that disturb lead-based paint in residential properties built before 1978 and to follow specific work practiced to prevent lead contamination.” If home was built before 1978, Seller will notify Buyer of any known lead based paint on premises.

4d *Lines 158-161* Affidavit of Disclosure — Escrow Agent’s sole responsibility is to record the affidavit if the Seller provides it to escrow. Buyer shall provide notice of any items disapproved within the inspection period of five (5) days after receipt of the Affidavit, whichever is later.

REMEMBER: If this is not provided to the buyer in a timely manner if required; an additional 5 days may be given to the buyer for disapproval.

SECTION 5 - warranties

5a *Lines 166-171* Seller Warranties - All other agreed upon repairs and corrections will be completed pursuant to Section 6j, AND all personal property included in the sale and all debris will be removed from the premises.

5b *Lines 179-184* Buyer Warranties; Buyer warrants that Buyer is not relying on any verbal representation concerning the Premises except disclosure as follows... This is basically protection for the Agent from lawsuit. If Buyer is purchasing based on a verbal representation from the agent they are to disclose it here.



SECTION 6 - *due diligence*

- 6a** *Lines 185-196* Inspection Period: States that the inspection period begins "the day after acceptance of the Contract." Buyer to verify MLS information. Also, Buyer is advised to consult the Arizona Department of Real Estate, Buyer Advisory to assist in Buyer's due diligence inspections and investigations. Buyer shall provide Seller and Broker(s) upon receipt at no cost copies of all inspection reports concerning the Premises obtained by buyer.
- 6b** *Lines 200-204* Wood-Destroying Organism of Insect Inspection. Buyer shall order AND PAY for the termite inspection. It is imperative that the inspection is done during the inspection period so that if treatment is required buyer can put on their items requested to be repaired, or their items disapproved for cancellation purposes.
- 6c** *Lines 209-212* Insurance: If Homeowner's Insurance is a material matter to the Buyer, Buyer shall apply for and obtain written confirmation of the availability and cost of homeowner's insurance for the premises from Buyer's Insurance Company during the inspection period.
- 6d** *Lines 213-217* IF SEWER connection is a material matter to Buyer; it must be investigated during the inspection period.
- 6e** *Lines 219-222* Swimming Pool Barrier Regulations- During the Inspection Period, Buyer agrees to investigate all applicable state, county and municipal Swimming Pool barrier regulations and agrees to comply with and pay all costs of compliance prior to occupying the Premises, unless otherwise agreed to in writing. Agent should be aware that the burden both financially and responsibility wise to comply with any swimming pool regulations unless otherwise agreed to in the contract are on the buyer.
- 6f** *Lines 224-230* Buyer acknowledgement- Includes Buyer acknowledgment that Broker is not qualified nor licensed to conduct due diligence.
- 6g** *Lines 232-235* Inspection Period Notice- Buyer shall conduct all desired inspections and investigations prior to delivering such notice to Seller and all items disapproved shall be provided in a single notice.



SECTION 6 - *cont.*

Lines 236-254 Buyer Disapproval: If Buyer, in Buyer's sole discretion disapproves of items as provided herein, Buyer shall deliver to Seller notice of the items disapproved and state in that notice their election. Buyer's failure to give notice shall be deemed Buyer's election to proceed.

Buyer has three options on their items disapproved: proceed, ask for repairs or cancel.

6j If Seller agrees in writing to correct items disapproved, Seller shall correct the items, complete any repairs in a workmanlike manner and deliver any paid receipts evidencing the corrections and repairs to Buyer 3 days or ___ prior to COE.

REMEMBER: If the Seller does not complete the repairs and deliver the paid receipts to the Buyer 3 days or ___ prior to COE, the buyer could deliver a cure notice to the Seller which could extend the COE date.

Verbal discussions will not extend these time periods. Only a written agreement signed by both parties will extend response times to cancellation dates.

6k *Lines 255-257 Notice of the Non-Working Warranted Items:* Buyer shall provide Seller with notice of any non-working warranted items of which Buyer becomes aware during the inspection period or the Seller warranty for that item(s) shall be waived.

6n *Lines 269-271 Seller's Responsibility Regarding Inspections and Walkthroughs:* Seller shall make the Premises available and have all utilities on, including propane, until COE to enable Buyer to conduct these inspections and walkthrough(s).

Utilities required to be on during the full contract period. Also Buyer has the right to multiple walkthroughs to complete their inspections.

SECTION 6 - *remedies*

7a *Lines 272-275 Cure Period:* If a party fails to comply with the provisions of the contract the other party shall deliver a notice to the non-complying party specifying the non-compliance. If the non-compliance is not cured within 3 days after delivery of the notice "Cure Period" the failure to comply shall become a breach of contract.

REMEMBER: The cure period may extend the COE.

7b *Lines 276-285* In event of a breach, the non-breached party may cancel and/or proceed against the breaching party.



SECTION 7 - cont.

- 7c** *Lines 286-294* Alternative Dispute Resolution-ADR-If mediation does not resolve the disputes, the parties agree to binding arbitration and the decision of the arbitrator shall be final and nonappealable. Parties can opt out and go to court.
- 7d** *Lines 295-301* Exclusions from ADR-basically the same as the exclusions from mediation in the prior contract.
- 7e** *Lines 302-304* Attorney Fees and Costs- The prevailing party in any dispute or claim arising out of or relating to this Contract shall be awarded their reasonable attorney fees and costs costs.

SECTION 8 - additional terms and conditions

- 8a** *Lines 305-334* Area allotted for additional terms and conditions.



SECTION 8 - cont.

8f *Lines 342-347 Compensation-* The contract shall constitute an irrevocable assignment of Seller's proceeds at COE if seller is obligated to pay the commission. If Buyer is obligated to pay Broker(s), payment shall be collected from Buyer as a condition of COE.

REMEMBER: To provide escrow with any commission agreements for payment at COE.

8g *Lines 348-352 Copies and counterpart -* includes lead based paint disclosure CANNOT be signed in counterpart.

8h *Lines 353-354 Days-*all references to days in this Contract shall be construed as calendar days and a day shall begin at 12:00 A.M. and end at 11:59 P.M.

8i *Lines 355-359 Calculating time periods-*in computing any time period prescribed or allowed by this Contract, the day of the act or event from which the time period begins to run is NOT included and the last day of the time period is included.

8j *Lines 368-371 Notice-* Delivery of all notices and documentation required or permitted hereunder shall be in writing and deemed delivered and received when (1) hand delivered (2) sent via facsimile (3) sent via email or (4) sent by overnight courier service-addressed to Buyer as indicated in Section 8r to Seller as indicated in Section 9a and to the escrow company indicated in Section 3a. and to the escrow company indicated in Section 3a.
NOTE: Those areas are the BROKERS, not the buyer and seller.

8k *Lines 372-376 Earnest Money Added:* "Buyer acknowledges that failure to pay the required closing funds by the scheduled Close of Escrow, if not cured is delivered pursuant to Section 7a , shall be construed as a material breach of this contract and all earnest money shall be subject to forfeiture."

8l *Lines 372-376 Release of Broker(s) -* "Price and terms of sale, return or investment." The parties understand and agree that the release of Broker(s) from liability and responsibility of specific terms of the sale.



SECTION 8 - *cont.*

8r *Lines 391-394* Broker on behalf of Buyer.

8s *Lines 395-396* Agency confirmation-establishes agency between Buyer, Seller or both the Buyer and Seller.

SECTION 9 - *seller acceptance*

9a *Lines 402-405* Broker on behalf of Seller – more information provided for Seller’s agent.

9b *Lines 408-416* This is where you mark if a counter offer is attached.
Offer rejected by seller — Month, date, year and seller’s initials.



QUICK REFERENCE

YOUR ESCROW NUMBER _____
 YOUR NEW ADDRESS _____
 CITY/STATE/ZIP _____

Complete the following as it becomes available.

Utility companies may ask for your Escrow number and the name of your Title Company.

IMPORTANT: Do not cancel your home insurance or discontinue utilities prior to the close of escrow.

REALTOR	Name _____	Phone _____		
	Assistant _____	Cell _____		
	Company _____	Pager _____		
ESCROW	Address _____	Fax _____		
	City/State/Zip _____	Email _____		
	Escrow Officer _____	Email _____		
INSURANCE	Escrow Assistant _____	Email _____		
	Address _____	Phone _____		
	City/State/Zip _____	Fax _____		
IGAS	Agent _____	Policy# _____	STOP DATE	STOP DATE
	Phone () _____		___/___/___	___/___/___
	New Agent _____	Policy# _____		
CABLE	Phone () _____			
	Southwest Gas 602.861.1999 • 1.800.873.2440 • In Mesa 480.644.2221			
	New Gas Company _____		___/___/___	___/___/___
ELECTRIC	Cox 602.277.1000			
	New Cable Company _____		___/___/___	___/___/___
	Salt River Project 602.236.8888 • Arizona Public Service 602.371.7171			
COMMUNICATIONS	New Electric Company _____		___/___/___	___/___/___
	Qwest 1.800.244.1111 • AT&T 1.800.222.0300 • MCI 1.800.444.3333 • Cox 602.277.1000			
	Long Distance Carrier, if Different _____			
WATER	New Phone Company _____			
	Your New Phone () _____ New Fax () _____		___/___/___	___/___/___
	Cell Phone _____			
OTHER	Pager _____			
	Internet Service _____			
	Apache Junction 480.982.2201 Gilbert 480.503.6800 Phoenix 602.262.6251			
Arcadia 480.945.8363 Glendale 623.930.3190 Queen Creek 480.987.3240		___/___/___	___/___/___	
Cave Creek 480.488.1400 Goodyear 623.932.3015 Scottsdale 480.312.2461				
Chandler 480.782.2280 Mesa 480.644.2221 Sun Cities 623.974.2521				
Chandler Heights 480.988.2731 Paradise Valley 480.948.7411 Sun Lakes 480.895.1366				
Fountain Hills 480.837.9522 Peoria 623.773.7160 Tempe 480.350.8361				
Newspapers: Arizona Republic 602.444.1000 • The Tribune 480.898.6500				
Other _____				
Magazines _____			___/___/___	
Pest Control _____			___/___/___	
Lawn Service _____				
Post Office _____				



SECURITY
TITLE AGENCY

YOUR PERSONAL CONTACTS _____

This easy-to-use directory of key contacts will keep important numbers at your fingertips.

Real Estate Agent _____

Company _____

Phone _____ **Cell** _____ **Fax** _____

Email _____

Address _____

Loan Officer _____

Company _____

Phone _____ **Cell** _____ **Fax** _____

Email _____

Address _____

Other _____

Company _____

Phone _____ **Cell** _____ **Fax** _____

Escrow Officer _____

Security Title Agency _____

Phone _____ **Cell** _____ **Fax** _____

Email _____ **securitytitle.com**

Address _____



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HELPFUL TELEPHONE NUMBERS

UTILITIES

Arizona Public Service	602-371-7171
Salt River Project	602-236-8888
Southwest Gas	602-861-1999
Mesa Gas	602-644-2221

WATER

Carefree	480-488-4691
Casa Grande	520-421-8601
Cave Creek	480-488-1400
Chandler	480-786-2280
Fountain Hills	480-837-2003
Gilbert	480-503-6800
Glendale	623-930-3190
Maricopa	520-568-4452
Mesa	480-644-2221
Paradise Valley	480-948-5410
Peoria	623-412-7160
Phoenix	602-262-6251
Queen Creek	480-358-3450
Scottsdale	480-312-2461
Surprise	928-684-5451
Tempe	480-350-8361
Wickenburg	800-383-0834

TELEPHONE

Qwest	800-244-1111
Telephone Directory	800-422-8793

CABLE

Cox Communications	602-277-1000
Direct TV	800-543-6776
TCI	480-948-8488
Insight	623-582-8282

NEWSPAPER

Arizona Republic	602-271-8000
Phoenix Business Journal	800-486-3289
The East Valley Tribune	480-898-5641

www.azcentral.com

phoenix.bizjournals.com

www.eastvalleytribune.com



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MORE HELPFUL TELEPHONE NUMBERS

ENVIRONMENTAL PROGRAMS

AZ Dept. of Environmental Quality	602-253-2687
Environmental Hotline	480-994-7899
Recycling Hotline	480-994-7657
Maricopa Environmental	602-506-6700

BUILDING INFORMATION

Uniform Building Code	480-994-2633
Uniform Fire Code	480-994-7070
Zoning	480-994-2500

AUTOMOBILE INFORMATION

Emissions Testing	602-470-4646
Motor Vehicle Division	602-255-0072

CONSUMER SERVICES

Better Business Bureau	602-264-1721
AZ Attorney General Consumer Line	602-542-5763
AZ Attorney General Consumer	602-542-1525

SCHOOLS

Maricopa School	
Superintendent-District	602-506-3866
Boundaries	
AZ Office of Child Care	602-255-1272
Facilities	
Day Care Centers	
Catholic Diocese	602-257-0030
Jewish Schools Federation	602-272-1800
AZ Community Colleges	602-255-4037

TRANSPORTATION

Airport Express	480-944-1132
Super Shuttle	602-244-9000
Yellow Cab	602-252-5252
Discount Cab	602-266-1110

