

# Title Security Agency



*A Joint Venture with First American Title™*



## HOME **SELLER'S** GUIDE

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selling a home



**FOR SALE**

by OWNER

Many people believe they can save a considerable amount of money by selling their homes themselves. It may seem like a good idea at the time, but while you may be willing to take on the task, are you qualified? Following are some questions to help you realistically assess what's involved:

**DO** you have the knowledge, patience, and sales skill needed to sell your home?

**IF** your buyer is aggressive, **CAN** you negotiate a successful outcome for yourself?

**DO** you know how to determine the current market value of your home?

**ARE** you aware of conditions in the marketplace today that affect value and length of time to sell?

**DO** you know how to determine whether or not a buyer can qualify for a loan?

**ARE** you concerned about having strangers walking through your home?

**DO** you understand the steps of an escrow and what's required of you and the buyer?

**ARE** you familiar enough with real estate regulations to prepare a binding sales contract? Counter-offers?

**ARE** you aware that every time you leave your home, you are taking it off the market until you return?

**HAVE** you made arrangements with an escrow and title company, home warranty company, pest-control service and lender to assist you with the transaction?

**DO** you need to hire a real estate attorney? If so, **DO** you know what the cost will be and how much liability they will assume in the transaction?

**DO** you know how to advertise effectively and what the costs will be?

**ARE** you aware that prospective buyers and bargain hunters will expect you to lower your price because there's no Realtor® involved?

**DO** you understand the various types of loans buyers may choose and the advantages and disadvantages for the Seller?

**ARE** you prepared to give up your evenings and weekends to show your home to potential buyers and "just-looking" time-wasters?

# benefits

FROM A PROFESSIONAL REALTOR®

BEFORE YOU MAKE THE DECISION TO TRY TO SELL YOUR HOME ALONE, CONSIDER THE BENEFITS A REALTOR® CAN PROVIDE THAT YOU MAY NOT BE AWARE OF:

A Realtor® understands market conditions and has access to information not available to the average homeowner.

A Realtor® can advertise effectively for the best results.

A Realtor® knows how to price your home realistically, to give you the highest price possible within your time frame.

A Realtor® is experienced in creating demand for homes and how to show them to advantage.

A Realtor® knows how to screen potential buyers and eliminate those who can't qualify or are looking for bargain-basement prices.

A Realtor® knows how to go toe-to-toe in negotiations.

A Realtor® is always "on-call," answering the phone at all hours, and showing homes evenings and weekends.

A Realtor® can remain objective when presenting offers and counter-offers on your behalf.

A Realtor® maintains errors-and-omissions insurance.

A Realtor® will listen to your needs, respect your opinions and allow you to make your own decisions.

A Realtor® can help protect your rights, particularly important with the increasingly complicated real estate laws and regulations.

A Realtor® is experienced with resolving problems to ensure a successful closing on your home.

ONLY YOU CAN DETERMINE WHETHER YOU SHOULD ATTEMPT TO SELL YOUR HOME—PROBABLY YOUR LARGEST INVESTMENT—ALL ALONE. TALK WITH A REALTOR® BEFORE YOU DECIDE. YOU MAY FIND WORKING WITH A PROFESSIONAL IS A LOT LESS EXPENSIVE AND MUCH MORE BENEFICIAL THAN YOU EVER IMAGINED!

# fast facts

## > FOR SELLERS

### > REALTOR®

A Realtor® is a licensed real estate agent and a member of the National Association of Realtors®, a real estate trade association.

Realtors® also belong to their state and local boards of Realtors®. They have a wealth of resources at their disposal, including the Multiple Listing Service and continuing education. All association members agree to abide by a 17-article Code of Ethics and strive for the height of professionalism.

### > REAL ESTATE AGENT

A real estate agent is licensed by the state to represent parties in the transfer of property. Every Realtor® is a real estate agent, but not every real estate agent is a professional Realtor®.

### > LISTING AGENT

A listing agent forms a legal relationship with the homeowner to sell the property.

### > BUYER'S AGENT

A buyer's agent or buyer broker is an agent hired by the buyer. Generally, the buyer broker is paid from the commission fee agreed to by the Seller.

### > REALTOR'S® PREAMBLE

Excerpt from the **Preamble to the Realtor's® code of Ethics:**

*The term **Realtor®** has come to connote competency, fairness, and high integrity resulting from adherence to a lofty ideal of moral conduct in business relations.*

*No inducement of profit and no instruction from clients ever can justify departure from this ideal.*

*In the interpretation of this obligation, Realtors® can take no safer guide than that which has been handed down through the centuries, embodied in the Golden Rule:*

***"Whatsoever ye would that others should do to you, do ye even so to them."***

### > MULTIPLE LISTING SERVICE (MLS)

the MLS is a database of properties listed for sale by Realtors® who are members of the local board of Realtors®. Information on an MLS property is available to thousands of Realtors®.

## [ COUNT ON ]

### Title Security Agency

## [ COUNT ON US ] *for service*

Whether it is a residential or commercial transaction we have a complete line of products and services for you. We offer our clients the most outstanding professionals in the industry! Our staff of experienced Escrow Officers provide technical assistance to Sellers, Buyers, Realtors, Loan Officers, and Attorneys. Our Escrow Officers provide expert handling of the simplest to the most complex real estate transactions with accuracy and within your time frame to allow for the smoothest of transactions.

## [ COUNT ON US ] *for options*

Multiple underwriters provide Title Security the ability to better serve the many types of coverage and pricing needs of our customers. Title Security is underwritten by the following companies: First American Title, Old Republic Title, and Title Resources Guaranty Company.

## [ COUNT ON US ] *for convenience*

We offer many convenient locations in Southern Arizona which includes Tucson, Green Valley, and Casa Grande.

## [ COUNT ON US ] *for all of your needs*

Title Security offers more than  
title insurance and escrow services:  
local Property Research • local Account Servicing



# a home warranty

A **home warranty** is an insurance policy that covers a variety of mechanical, electrical, and plumbing items, as well as some appliances, inside the home. Optional coverage is available for more expensive systems such as air conditioners, refrigerators, pools, and spas.

The Seller may purchase a home warranty plan prior to selling to protect against repairs needed during the listing period, and the Buyer may be able to assume the policy at the close of escrow. Or the Seller may offer to purchase a home warranty policy for the Buyer. Offering a home warranty plan may provide these benefits:

- > Increase the marketability of your home by reassuring potential Buyers.
- > Help sell your home faster and at a higher price.
- > Ward off potential disputes after the sale for repair and/or replacement of covered items.

Most home warranty plans can be paid for at the close of escrow. A copy of the invoice is presented to Title Security, and it becomes part of the Seller's closing costs.

## preparing your home FOR SALE

- First impressions have a major impact on potential Buyers.
- Try to imagine what a potential Buyer will see when they approach your house for the first time and walk through each room. Ask your Realtor® for advice; they know the marketplace and what helps a home sell. Here are some tips to present your home in a positive manner:

- ✓ Mow and edge the lawn regularly and trim the shrubs.
- ✓ Make your entry inviting: Paint your front door and buy a new front door mat.
- ✓ Paint or replace the mailbox, if needed.
- ✓ If screens or windows are damaged, replace or repair them.
- ✓ Repair or replace worn shutters and other exterior trim.
- ✓ Make sure the front steps are clear and hazard-free.
- ✓ Make sure the door bell works properly and has a pleasant sound.
- ✓ Ensure that all exterior lights are working.
- ✓ Check stucco walls for cracks and discoloration.
- ✓ Remove any oil and rust stains from the driveway and garage.
- ✓ Clean and organize the garage, and ensure the door is in good working order.
- ✓ Repair or replace loose knobs on doors and cabinets.
- ✓ Shampoo carpeting or replace if very worn. Clean tile floors, particularly the caulking.
- ✓ Brighten the appearance inside by painting walls, cleaning windows and window coverings, and removing sunscreens.
- ✓ Repair leaky faucets and caulking in bathtubs and showers.
- ✓ If doors stick or squeak, fix them.
- ✓ Make sure toilet seats look new and are firmly attached.
- ✓ Repair or replace loud ventilating fans.
- ✓ Replace worn shower curtains.
- ✓ Rearrange furniture to make rooms appear larger. If possible, remove and/or store excess furniture.
- ✓ Remove clutter throughout the house. Organize and clean out closets and pantry.
- ✓ Make sure all kitchen appliances are clean and work properly.
- ✓ Avoid extension cords in plain view.
- ✓ Keep washer and dryer clean and empty.
- ✓ Air conditioners/heaters, evaporative coolers, hot water heater should be clean, working, and inspected if necessary. Replace filters.
- ✓ Check the pool and/or spa equipment and pumps. Make sure all are working properly and that the pool and/or spa are kept clean.
- ✓ Inspect fences, gates, and latches. Repair or replace as needed.



# staging YOUR HOME for show

To make the best impression, keep your home clean, neat, uncluttered, and in good repair. Please review this list prior to each showing:

- 1 **keep** everything clean. A messy or dirty home will cause prospective buyers to notice every flaw.
- 2 **clear** all clutter from counter tops.
- 3 **let** the light in. Raise shades, open blinds, pull back the curtains and turn on the lights.
- 4 **get** rid of odors such as tobacco, pets, cooking, etc., but don't overdo air fresheners or potpourri. Fresh baked bread and cinnamon can make a positive impact.
- 5 **send** pets away or secure them away from the house and be sure to clean up after them.
- 6 **close** the windows to eliminate street noise.
- 7 **if** possible you, your pets, and your children should be gone while your home is being shown.
- 8 **clean** trash cans and place them out of sight.
- 9 **if** you must be present while your home is shown, keep noise down. Turn off the TV and radio. Soft, instrumental music is fine, and avoid vocals.
- 10 **keep** the garage door closed and the driveway clear.
- 11 **hang** clean, attractive guest towels in the bathrooms.
- 12 **check** that sinks and tubs are scrubbed and unstained.
- 13 **make** beds with attractive spreads.
- 14 **stash** or throw out newspapers, magazines, junk mail.

# THE APPRAISAL PROCESS

**If** the Buyer is securing a new loan to purchase your home, the Buyer's lender will require an appraisal to determine the fair market value of the property. A licensed appraiser will research nearby houses (within one mile if possible) that have sold in the last six months and are similar to yours in size, age, construction, and amenities.

The appraiser will make an appointment to see your home and will take about 30 minutes to an hour to look over the property. They will measure your home, draw a representative floor plan, take photographs inside and out, and review the property's condition, specific improvements, and amenities. You can help the appraiser by providing a list of any improvements and remodeling projects completed since you bought your home along with an approximate dollar amount for each improvement. Keep in mind that remodeling projects rarely bring a 100 percent return on investment, but a list will ensure the appraiser doesn't overlook the added features.

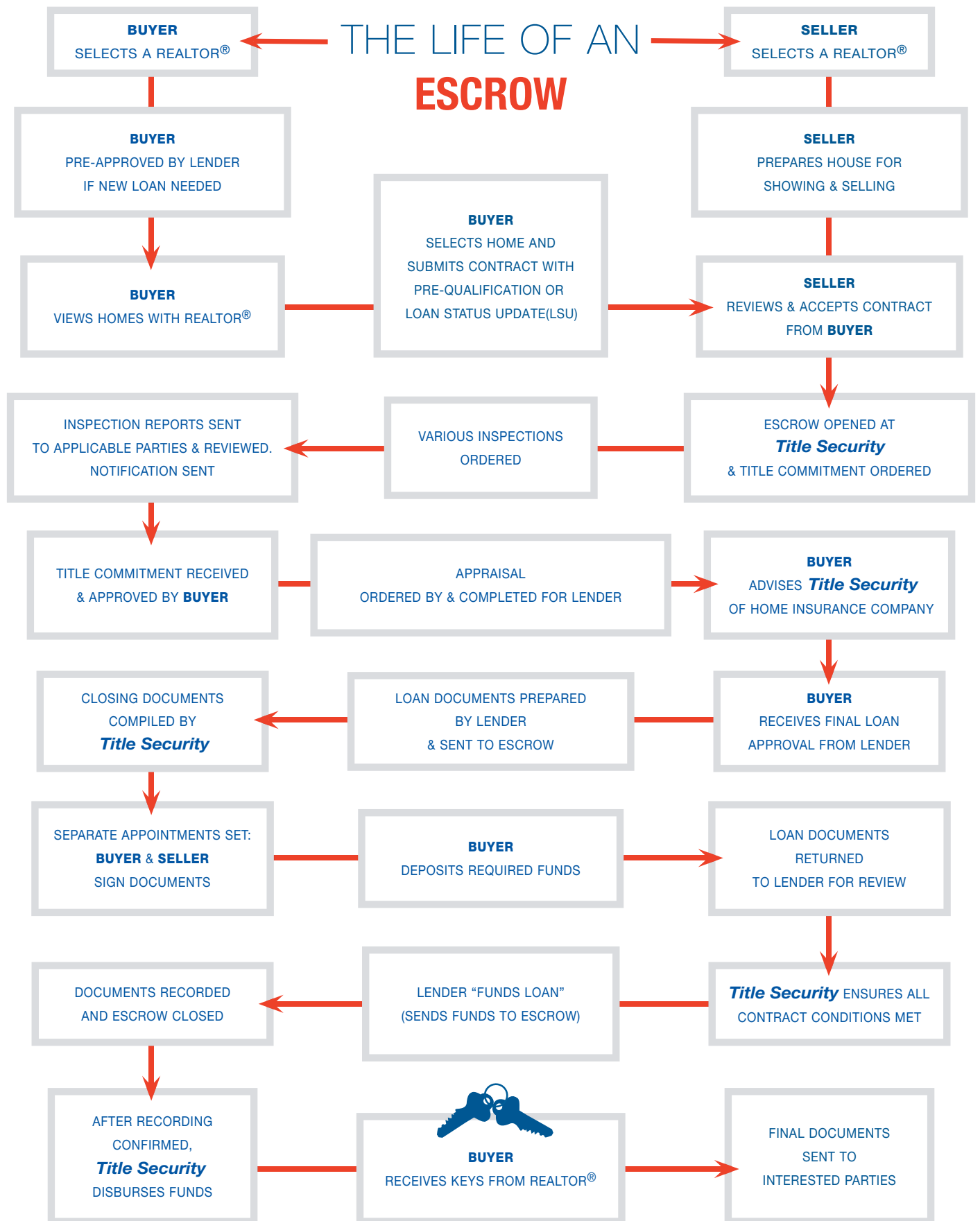
The appraiser will provide a typed appraisal report to the Buyer's lender within a few days after visiting your property. You will be notified if the lender requires repairs before they will lend on your home. If specified in the contract, you must repair these problems. The appraiser will have to return to review the required repairs, and a re-inspection fee will be charged.

**Note:** If the Buyer is applying for an FHA or VA loan, your property will have to meet certain requirements. Chipped or peeling paint on any structures on the property will have to be scraped and repainted. Missing or damaged shingles and missing slats or blocks in your fence will have to be replaced. Other improvements also may have to be made before the escrow can close. Your Realtor® should be able to advise you on the latest FHA/VA requirements.

## ARIZONA PROPERTY TAXES

Property taxes are prorated at closing for taxes accrued but not yet due and payable, based on the yearly tax amount and the closing date. For Cash transactions: Escrow will pay the full year's tax, if closing date occurs after tax bill information is available.

<b>JANUARY</b> S M T W T F S	<b>FEBRUARY</b> S M T W T F S	<b>MARCH</b> S M T W T F S SECOND HALF PREVIOUS YEAR'S TAXES ARE DUE	<b>APRIL</b> S M T W T F S	<b>MAY</b> S M T W T F S SECOND HALF PREVIOUS YEAR'S TAXES ARE DELINQUENT	<b>JUNE</b> S M T W T F S
<b>JULY</b> S M T W T F S	<b>AUGUST</b> S M T W T F S	<b>SEPTEMBER</b> S M T W T F S CURRENT YEAR'S TAX BILLS ARE MAILED	<b>OCTOBER</b> S M T W T F S FIRST HALF CURRENT YEAR'S TAXES ARE DUE	<b>NOVEMBER</b> S M T W T F S FIRST HALF CURRENT YEAR'S TAXES ARE DELINQUENT	<b>DECEMBER</b> S M T W T F S



# THE ESCROW PROCESS AT T.S.A

**WHAT IS AN ESCROW?** An escrow is a process wherein the Buyer and Seller deposit written instructions, documents, and funds with a neutral third party until certain conditions are fulfilled. In a real estate transaction, the Buyer does not pay the Seller directly for the property. The Buyer gives the funds to an escrow company who, acting as an intermediary, verifies that title to the property is clear and all written instructions in the contract have been met. Then the company transfers the ownership of the property to the Buyer through recordation and pays the Seller. This process protects all parties involved.

The State of Arizona licenses and regulates all escrow companies. The Insurance Commissioner and the State Banking Department can inspect a company's records at any time, providing further oversight of the company's management and position as an impartial third party to the transaction.

In Arizona, escrow services are generally provided by a title insurance company instead of an attorney. The stability, reliability and performance of your title and escrow company are vital to protect the interests of all parties to the transaction.

**HOW IS AN ESCROW OPENED?** Once the completed contract (or Purchase Agreement) is fully signed and executed and the Seller has accepted the offer, the Buyer's Agent will open the escrow. The earnest money deposit and the contract are placed in escrow. As a neutral party to the transaction, Title Security can respond only to those written instructions agreed to mutually by all "interested" parties (Seller and Buyer); Title Security cannot otherwise alter the contract or create instructions and that protects all interested parties.

**HOW TO HOLD TITLE.** The Buyer should inform the escrow officer and lender as soon as possible of how they wish to hold title of their home and **exactly** how their name(s) will appear on all documents. This allows the lender and title company to prepare all documents correctly. **(Changes later, such as adding or deleting an initial in your name can delay your closing.)** Buyers may wish to consult an attorney, accountant or other professional before deciding how to hold title.

**WHAT HAPPENS AT TITLE SECURITY?** During the escrow period, our title department begins researching and examining all historical records pertaining to the subject property. Barring any unusual circumstances, a commitment for title insurance is issued, indicating a clear title or listing any items which must be cleared prior to closing. The commitment is sent to the buyer for review.

The escrow officer follows instructions on the contract, coordinates deadlines and gathers all necessary paperwork. For example, written requests for payoff information (called "demands") are sent to the Seller's mortgage company and any other lien holders.

## AS PART OF OUR SERVICE, TITLE SECURITY WILL:

**OPEN** escrow and deposit Buyer(s) "good faith" funds in a separate escrow account.

**CONDUCT** a title search to determine ownership and status of the subject property.

**ISSUE** a title commitment and begin the process to delete or record items to provide clear title to the property.

Per contract, **CONFIRM** that the lender has determined the Buyer, is qualified for a new loan.

**ASK** you to complete a beneficiary's statement if you are assuming the Seller's loan.

**MEET** all deadlines as specified in the contract.

**REQUEST** payoff information for the Seller's loan(s), other liens, homeowners association fees, etc.

**PRORATE** fees, such as property taxes, per the contract, and prepare the settlement statement.

**SET** separate appointments: Seller will sign documents; the Buyer will sign documents and deposit funds.

**REVIEW** documents ensuring all conditions and title requirements are fulfilled; request funds from lender.

When all funds are deposited, **RECORD** documents at the County Recorder to transfer the subject property from the Seller to the Buyer.

After recordation is confirmed, **CLOSE** escrow and disburse funds, including Seller's proceeds, loan payoffs, Realtors®' commissions, related fees for recording, etc.

**PREPARE** and send final documents to parties involved.



## WHO PAYS CLOSING COSTS ?

Your contract and any applicable government regulations determine who pays which closing costs. Your Realtor® can explain these costs to you.

### THE SELLER GENERALLY WILL PAY

- Owner's title insurance premium
- Realtor®'s commission
- Escrow fee, one half (except Seller pays all on VA)
- Any loan fees required by Buyer's lender, i.e., FHA, VA
- All loans in Seller's name (unless Buyer assumes existing loan)
- Interest accrued on loan being paid off, statement fees, recoveyance fees, prepayment penalties
- Home warranty premium per contract
- Homeowners Association transfer fee, one half
- Homeowners Association Disclosure Fee
- Any unpaid Homeowners Association dues
- Any judgements, tax liens, etc., against Seller
- Half of Recording charges
- Property taxes: pro-rated to the date the title is transferred plus any delinquent taxes
- Any bonds or assessments per contract
- Courier fee split with buyer except on VA loan if applicable
- Any property repairs per contract

### THE BUYER GENERALLY WILL PAY

- Downpayment
- Property Appraisal
- Termite (Wood Infestation) Inspection (negotiable except on VA)
- Lenders title policy premium, if new loan
- Escrow fee, one half (except Seller pays all on VA)
- Half of Recording charges
- Homeowners Association transfer fee, one half
- All new loan charges (except those lender requires Seller to pay)
- Interest on new loan from date of funding to 30 days prior to first payment date
- Assumption/change of records fees for takeover of existing loan
- Beneficiary statement fee for assumption of existing loan
- Home warranty premium per contract
- Hazard insurance premium for first year
- All prepaid items, such as interest, or funds for an escrow account
- Courier fees split with the seller except on VA loan if applicable
- Professional home inspection

## CLOSING your escrow

### The closing appointment:

Your escrow officer or escrow technician will contact you to schedule your closing appointment. The Buyer will sign separately from the Seller.

### Don't forget your identification.

You will need valid identification with your photo on it. A driver's license is preferred. This is necessary so that your identity can be sworn to by a notary public. It's a routine step, but it's important for your protection.

### What happens next?

If the Buyer is obtaining a new loan, the Buyer's signed loan documents will be returned to the lender for review. Title Security will ensure that all contract conditions have been met and will ask the lender to "fund the loan." If the Buyer's loan documents are satisfactory, the lender will send the check directly to Title Security, usually within 24 hours.

When the loan funds are received, Title Security will verify that all necessary funds are in. Then we will record the deed at the County Recorder's Office and disburse escrow funds to the Seller and other appropriate payees. The Realtor® will present the keys to the property to the Buyer.



# Understanding TITLE INSURANCE

**THE TITLE INDUSTRY IN BRIEF:** Prior to the development of the title industry in the late 1800's, a homebuyer received a grantor's warranty, attorney's title opinion, or abstractor's certificate as assurance of home ownership. The Buyer relied on the financial integrity of the grantor, attorney, or abstractor for protection. Today, title insurance companies are regulated by state statute. They are required to post financial guarantees to ensure that any claims will be paid in a timely fashion. They also must maintain their own "title plants" which house duplicates of recorded deeds, mortgages, plats, and other pertinent county property records.

## What IS TITLE INSURANCE?

Title insurance has the unique distinction of being the only form of insurance invented in the United States. It is said that as early as 1853, title insurance existed in this country. Title insurance is a contract to protect an owner against losses arising through defects in the title to real estate owned. If the title is insurable, the company guarantees the owner against any losses due to defects in title or expenses in legal defense of the title up to the amount of the policy, which is the purchase price of the property.

The theory of title insurance is that, in the ideal instance, no risks are taken. This belief arises because a policy is not issued until careful examination of the title has been made. Title insurance, therefore, performs two functions: one, an efficient title search, and two, insurance against loss by reason of certain defects in the title. However, title insurance does involve risks.

Since the accuracy of the examination of title records is the keynote of a successful title insurance company, and since efficient examinations are the key to doing business, title insurance company operations have come to center on "title plants". These plants contain the records of the County Recorder's Office, which show the history of title to any parcel of land. In addition, the title plant contains a file containing a record of past searches and examinations of title. These serve as starting points for future searches and examinations of title. In brief, the title plant contains a concise record of pertinent information to enable skilled technicians to conduct short, efficient title examinations and issue its *Policy of Title Insurance*.

## Why IS TITLE INSURANCE NEEDED?

Buyers of real property could face substantial financial loss if a serious cloud on the title goes undetected. An expert title search before the purchase of real property will identify the nature of title and fix most problems that might be present. An Owner's Policy offers protection against various hazards, including those even the most thorough search of the public records do not disclose, such as forgeries, missing heirs, or recording errors. And, the Owner's Policy will pay valid claims as well as defense costs against attacks on the title. For a one-time premium that is modest in relation to the value of property involved, the purchaser receives the protection of a title policy backed by the reserves and solvency of an insurance company.

Similarly, the Seller wants to be sure his or her title is marketable in order to sell the property. A title insurance commitment facilitates the flow of mortgage money by identifying title problems so they can be resolved whenever possible and also by insuring against title risks.

Financial organizations are acutely concerned when it comes to the security of the funds they lend for real estate investments. The Loan Policy provides the lender a high degree of safety against loss of capital from title hazards. By identifying risks and eliminating them whenever possible, the title industry is a major element in encouraging lending.

## When IS THE PREMIUM DUE?

It is a one-time premium which is paid at the close of escrow. It is customary for the Seller to pay for the Owner's Policy. If there is a new loan, the Buyer pays for the Lender's Policy. The policy has a perpetual term and provides coverage for as long as you are in a position to suffer a loss.

# Owner's Policy Comparisons

		ALTA STANDARD	ALTA RESIDENTIAL	HOMEOWNERS
COVERED RISKS	1. Someone else owns an interest in your title	✓	✓	✓
	2. A document is not properly signed	✓	✓	✓
	3. Forgery, fraud, duress, incompetency, incapacity, or impersonation affects your title	✓	✓	✓
	4. Defective recording of any document affects your title	✓	✓	✓
	5. You have no legal access to and from your land	✓	✓	✓
	6. Restrictive covenants limit your use of the land	✓	✓	✓
	7. A lien on your title due to the following: (a) a deed of trust, (b) a judgment, tax, or special assessment, and/or (c) a charge by the homeowners' association	✓	✓	✓
	8. Purchase, lease, or loan refused because title is unmarketable	✓	✓	✓
	9. Unrecorded mechanic's liens on your title for labor and materials		✓	✓
	10. Others have rights under unrecorded leases, contracts, or options		✓	✓
	11. Someone else has an unrecorded easement on your land		✓	✓
	12. Forced removal of structure because it: (a) extends onto other land or onto an easement, (b) violates a restriction on Schedule B, and/or (c) violates an existing zoning law		✓	✓
	13. Cannot use land for single family dwelling or residence because use violates a restriction in Schedule B or a zoning ordinance		✓	✓
	14. Other defects, liens, or encumbrances		✓	✓
	15. Plain language		✓	✓
	16. Forgery occurs <b>after</b> policy date			✓
	17. Cloud on title occurs <b>after</b> policy date			✓
	18. Adverse possession occurs <b>after</b> policy date			✓
	19. Prescriptive easement occurs <b>after</b> policy date			✓
	20. No legal <b>vehicular</b> and/or <b>pedestrian</b> access to your land			✓
	21. Forced correction due to violation of covenant, condition, or restriction			✓
	22. Someone takes your title due to restriction violation that occurred before policy date			✓
	23. Violation of land regulation or subdivision law causes the following: (a) refusal of building permit, (b) refusal of purchase, lease, or loan, and/or (c) forced correction or removal of violation			✓
	24. Forced removal/correction of structure due to violation of building permit			✓
	25. Forced correction due to violation of zoning law or regulation			✓
	26. Forced removal of structure—includes your boundary wall/fence—due to encroachment			✓
	27. Permit, purchase, lease, or loan refused due to neighbor's encroaching structure			✓
	28. Forced removal of structure due to building setbacks or easement			✓
	29. Structure damaged through use or maintenance of easement			✓
	30. Improvements damaged from extraction of minerals, water, or other substance <b>after</b> policy date			✓
	31. Neighbor builds encroaching structure (excludes wall/fence) <b>after</b> policy date			✓
	32. Residence with address shown not located on land at policy date			✓
	33. Map not consistent with legal description			✓
PLUS	34. Title can be transferred to Living Trust <b>after</b> policy date; title extends to heirs and trust beneficiaries			✓
	35. Automatic increase in coverage to 150% (10% annually for 5 years)			✓

**Note:** For residential property, 1 to 4 units. Coverage shown are subject to Exclusions, Conditions, and Schedule B items set forth in the policy. Because of the nature or location of certain properties, an inspection of the property may be necessary to determine if additional exceptions from coverage need to be shown in Schedule B of the residential policy which will be noted in the preliminary report. The foregoing table is intended to highlight only some important aspects of coverage and is not to be construed as expanding or limiting the coverage as set forth in the mentioned title policies. Copies of these policies are available upon request. Any decision on coverage should be made only after review of the policies themselves. **Revised: 7/9/99**

P L A N N I N G

# YOUR



# MOVE

## ABOUT 2 MONTHS BEFORE YOU MOVE

- ✓ Research your new city through the Chamber of Commerce or, if a computer is available to you, through many of the online websites.
- ✓ Start cleaning closets and storage areas and decide what goes with you, what goes to a charitable organization or garage sale, and what goes in the trash.
- ✓ Talk with your accountant or an IRS advisor about any moving expenses that might be tax deductible and require records.
- ✓ Contact moving companies (and the Better Business Bureau) for services and estimates.
- ✓ Start a list of everyone you want to notify about your move. Keep it handy because names will pop into your mind unexpectedly. Along with friends and relatives, include schools, doctors, dentists, creditors, attorney, accountant, broker, and any recurring services such as maid, lawn, exterminator, water softener, diaper, internet provider, magazine subscriptions, etc.

## 1 MONTH OUT

- ✓ Notify the post office of the move, and pick up a supply of change of address cards.
- ✓ If possible, open bank accounts at the new location now so your checks can be printed, and you won't have to rely on temporary checks which are not accepted everywhere.
- ✓ Get serious about cleaning out the house; start accumulating boxes and begin packing. Hold a garage sale.
- ✓ Contact your insurance companies (health, auto, homeowners, renters) and discuss coverage at the new location.
- ✓ Contact utility companies and arrange to disconnect/ connect at your current home and at your new home.
- ✓ Driving? Flying? How will you, your family, your pets, your plants, extra cars, get to the new city? Arrange for that now.
- ✓ Take pets to your veterinarian for check up and regular immunizations before the trip.

## 2 WEEKS BEFORE

- ✓ Contact your bank about closing your existing accounts when you move.
- ✓ If you're driving your car, have it serviced.
- ✓ Find out what you need to do to transfer records for doctors, dentists, veterinarians, etc. Be sure to get permanent records from schools, not copies. Get prescriptions for new pharmacies.

## 1 WEEK LEFT

- ✓ Get rid of all flammable products, paint, gasoline, etc.
- ✓ Contact your local trash collector about proper disposal.
- ✓ Gather odds and ends: dry cleaning, safe deposit box items, prescriptions, anything you've loaned.
- ✓ Return library books, rented videos, anything borrowed.
- ✓ Drain gas and oil from equipment you're shipping, such as lawn mowers, gas weed trimmers, etc.

## A COUPLE OF DAYS

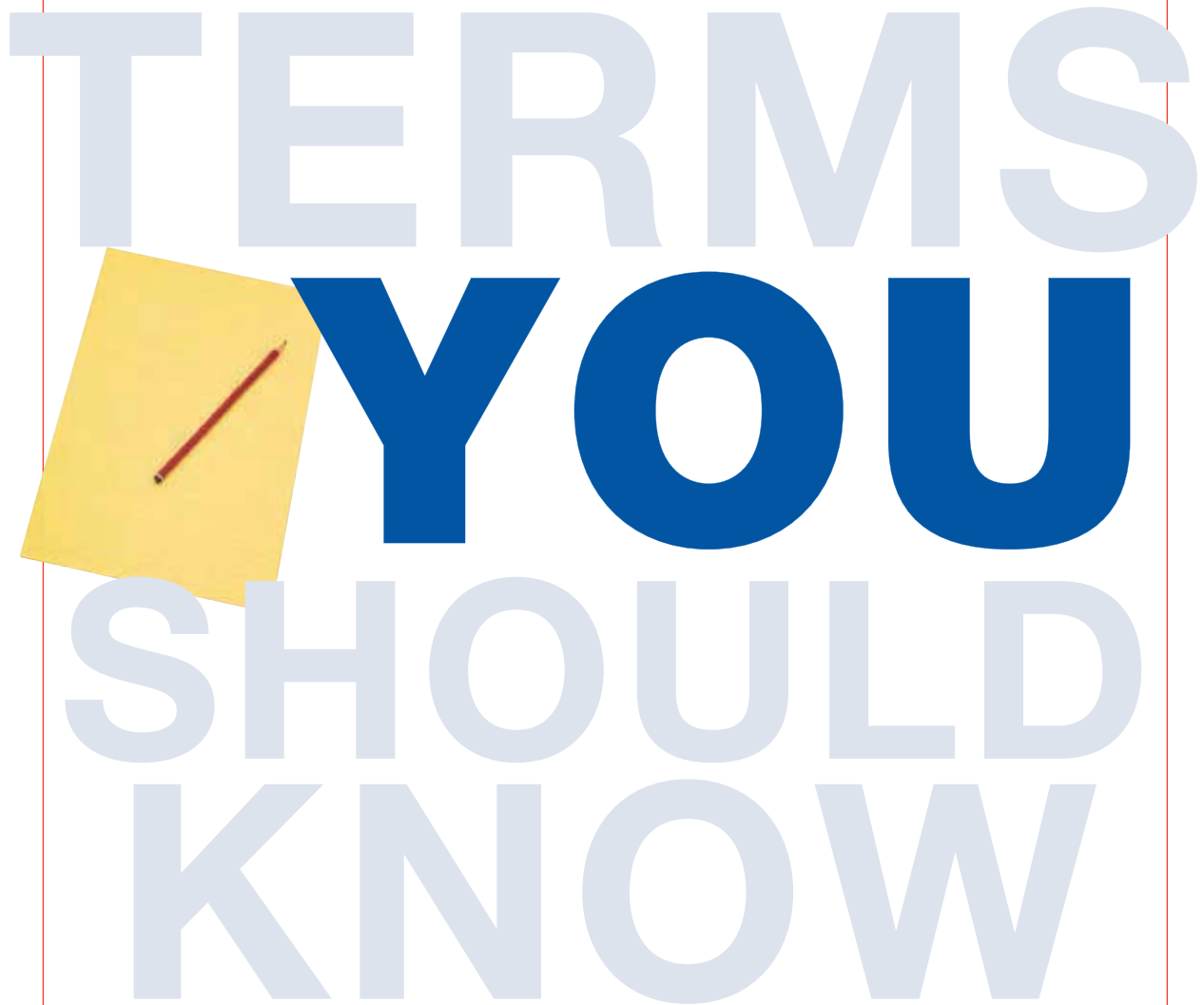
- ✓ Give away plants you're not taking.
- ✓ Defrost the refrigerator and freezer.
- ✓ Write out clear instructions—sketch a map, too, if you can—of your new home, and include your itinerary and emergency numbers. Keep a copy yourself, and give copies to the moving company and your family or friends.
- ✓ Complete packing. Be sure to set aside the items you want to take with you so the mover doesn't accidentally load them onto the truck.
- ✓ Pack local phone books. You'll be glad you did.
- ✓ Check with the utility companies to verify connect and disconnect dates after escrow closes.
- ✓ Contact your Realtor® and verify when and where keys to your new home will be available.
- ✓ Pick up beverages and snacks for moving day.
- ✓ Disconnect major appliances.

## THE BIG DAY

- ✓ If you can't be there when the movers arrive, arrange for someone to meet them.
- ✓ Check the movers' bill of lading and inventory carefully before signing. Keep papers with you in a safe place.
- ✓ Make one last trip through the house, double-checking closets, drawers, and cabinets. Lock the windows.
- ✓ Leave the garage remote control for the new owners.
- ✓ Turn off all the lights, close and lock the door, and leave the keys as prearranged with your Realtor® or new owner.

**GOOD LUCK, AND ENJOY YOUR NEW HOME!**

# TERMS YOU SHOULD KNOW



- > **AMORTIZED LOAN:** A loan that is paid off—both interest and principal—by regular payments that are equal or nearly equal.
- > **AMENDMENT:** A change—either to alter, add to, or correct—part of an agreement without changing the principal idea or essence.
- > **APPRAISAL:** An estimate of value of property resulting from analysis of facts about the property; an opinion of value.
- > **ASSUMPTION:** Taking over another person's financial obligation; taking title to a property with the Buyer assuming liability for paying an existing note secured by a deed of trust against the property.
- > **BENEFICIARY:** The recipient of benefits, often from a deed of trust; usually the lender.
- > **CLOSE OF ESCROW:** The date the documents are recorded and title passes from Seller to Buyer. On this date, the Buyer becomes the legal owner, and title insurance becomes effective.



- > **CLOUD ON TITLE:** A claim, encumbrance, or condition that impairs the title to real property until disproved or eliminated through such means as a quitclaim deed or a quiet title legal action.
- > **COMPARABLE SALES:** Sales that have similar characteristics as the subject property, used for analysis in the appraisal. Commonly called “comps.”
- > **CONVEYANCE:** An instrument in writing, such as a deed or trust deed, used to transfer (convey) title to property from one person to another.
- > **DEED OF TRUST:** An instrument used in many states in place of a mortgage. Arizona uses deeds of trust.
- > **DEED RESTRICTIONS:** Limitations in the deed to a property that dictate certain uses that may or may not be made of the property.
- > **EARNEST MONEY DEPOSIT:** Down payment made by a purchaser of real estate as evidence of good faith; a deposit or partial payment.
- > **EASEMENT:** A right, privilege or interest limited to a specific purpose that one party has in the land of another.
- > **HAZARD INSURANCE:** Real estate insurance protecting against fire, some natural causes, vandalism, etc., depending upon the policy. The Buyer often adds liability insurance and extended-coverage for personal property.
- > **HOMESTEAD EXEMPTION:** Automatic in Arizona, it allows any resident of Arizona, 18 years of age or older, to be exempt from attachment, execution or forced sale up to \$150,000 of equity in a single dwelling unit. Exceptions include (1) process and sale of a consensual lien, i.e. where a deed of trust or equity loan is for enclosed; (2) a forced sale resulting from a mechanic's lien, and (3) any equity beyond the \$150,000. (you should consult an attorney to determine if this exemption offers you protection in the event of an attachment, execution, or forced sale.)
- > **IMPOUNDS:** A trust type of account established by lenders for the accumulation of borrower's funds to meet periodic payments of taxes, mortgage insurance premiums, and/or future insurance policy premiums, required to protect their security.
- > **LEGAL DESCRIPTION:** A description of land recognized by law, based on government surveys, spelling out the exact boundaries of the entire piece of land. It should so thoroughly identify a parcel of land that it cannot be confused with any other.
- > **LIEN:** A form of encumbrance that usually makes a specific property the security for the payment of a debt or discharge of an obligation. For example, judgments, taxes, mortgages, deeds of trust.
- > **MORTGAGE:** The instrument by which real property is pledged as security for repayment of a loan.
- > **PITI:** A payment that combines Principal, Interest, Taxes and Insurance.
- > **POWER OF ATTORNEY:** A written instrument whereby a principal gives authority to an agent. The agent acting under such a grant is sometimes called an “Attorney-in-Fact.”
- > **PURCHASE AGREEMENT:** The purchase contract between the Buyer and Seller. It is usually completed by the real estate agent and signed by the Buyer and Seller.
- > **QUITCLAIM DEED:** A deed operating as a release, intending to pass any title, interest, or claim which the grantor may have in the property, but not containing any warranty of a valid interest or title by the grantor.
- > **RECORDING:** Filing documents affecting real property with the County Recorder as a matter of public record.
- > **WARRANTY DEED:** A real estate oriented document used to convey fee title to real property from the grantor (usually the Seller) to the grantee (usually the Buyer).

## NOTES



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