



**RE/MAX
ESTATE PROPERTIES**

Home Seller's Guide

Table of Contents



Title	Page
Here are 10 reasons to find value in a realtor	1
16 Mistakes sellers make when listing their home	2
9 things you should NOT do before closing	3
Where do buyers look? (chart)	4
Empty Nester I - How to sell the place you call home	5
Empty Nester II - When smaller is sweeter	6
Tips for showing your home	7
Open House Register	8
<i>Listing to completion of sales transaction</i>	9
<i>What is Title Insurance?</i>	10
<i>Life of a Title Search - The process (flow chart)</i>	11
<i>20 reasons for Title Insurance</i>	12
What is a Prelim?	13
<i>How CTLA Homeowner's Policy Compares</i>	14
<i>Comparison of methods of holding title</i>	15
<i>Escrow File Check List</i>	16
<i>The Escrow Process Detailed (flow chart)</i>	17
<i>The Inspection Process</i>	18
<i>Who Pays What?</i>	19
Approximate Seller's Cost	20
Moving Countdown Check List	21
<i>Moving Check List</i>	22



Here are 10 Reasons to Find Value in a Realtor

Selling:

- Establishing a FAIR MARKET VALUE for your home.
- Present reasonable offers with serious and pre-qualified buyers.
- Is familiar with zoning codes, schools, neighborhoods, churches, transportation, shopping centers, etc.
- Is unbiased and can answer questions and meet challenges objectively.
- Knows how to gain Maximum Results through advertising and a referral network.
- Offers valuable suggestions on how to make your home more sellable.
- Assist and guide you in all your real estate paperwork to ensure all your evidence and documents are properly and legally executed.
- Has a list of professional associates that they can refer for repairs, renovations, etc.
- Licensed Agent throughout the State of California and a strict Code of Ethics enforced by the National Association of Realtors.
- Will be there for you after escrow closes.

Buying:

- Has access to a large inventory of properties in various areas.
- Knows your financial position, goals, and property requirements.
- Knows property assessments and can present an offer that will provide the best value for your money.
- Is familiar with current mortgage products and placement.
- Is unbiased and can answer questions and meet challenges objectively.
- Assist and guide you in all your real estate paperwork to ensure all your evidence and documents are properly and legally executed.
- Is familiar with zoning codes, schools, neighborhoods, churches, transportation, shopping centers, etc.
- Has a list of professional associates that they can refer for repairs, renovations, etc.
- Licensed agent throughout the State of California
- Will be there for you after your escrow closes.

16 Mistakes Sellers Make... When Listing Their Home

The Internet is a wealth of information, with literally thousands of real estate professionals offering their advice and expertise on a multitude of subjects. The following tips have been gleaned from dozens of websites and tip compilations, and offer solid solutions on how to avoid the most common mistakes...

1. Pricing Your Home Too High

Solution: A Real Estate professional can research comparable sales in your area and advise you of the appropriate price range of your property.

2. Taking an Inflexible Position on Financing

Solution: Have your Agent explain what financing options are available. Being flexible on financing terms may secure better selling price, with other advantages as well.

3. Errors in Market Timing

Solution: Ask a real estate professional to determine whether the market cycle is poised to net you the most money.

4. Not Providing Easy Access for Showings

Solution: There are many ways to show a home. 'Appointment only' is the most restrictive, lock boxes (key safes) are the most accessible. If your home is easy for agents to show, more prospective buyers will see it, improving your odds of getting the deal you want. However, your specific lifestyle may not be compatible with frequent showings. Your professional will help you determine a solution that will best fit your situation.

5. Not Utilizing Current Marketing Technology

Solution: Make sure your agent is up with the latest technology, such as Internet sites that cater to home buyers. Check around to see what technology is being utilized in your specific area. In some areas cable access advertising is popular. Others use 800 number interactive voice response systems. A good agent will know where you can get the best exposure.

6. Not "Staging" Your Property Correctly

Solution: Put some items in storage, create more light, play music or otherwise improve the "ambience." Your agent can offer helpful advice to create the right first impression.

7. Believing That Selling Property is Seasonal

Solution: Don't base selling decisions on the seasons. Property sells year round.

8. Pricing Your Property Too Low

Solution: One reason to hire a real estate professional is to make sure that no money is left on the table.

9. Not Re-evaluating the Marketing Plan

Solution: Re-evaluate your agent's marketing plan every 10 days. You and your Realtor may need to make intuitive changes based on the current market and buyers.

10. Believing Your Agent is Not Doing the Job When There Aren't Any Offers

Solution: Most sellers are unaware that 80% of all buyer activity comes from the sign and MLS—Any agent can provide that. So, if you don't have a problem showing the home, but it hasn't generated any interested buyers, it may be time to re-evaluate the price.

11. Ignoring the Importance of First Impressions

Solution: Sales have been blown by unkempt lawns, cluttered closets, unpainted front doors, hard to work locks, blown light bulbs, bad colors, stains, unlit areas and bad smells. Spend time on the little things. Double up on your gardening, keep things cleaner than usual. Take serious control of your pets during the period.

12. Not Making the Right Kind of Repairs

Don't be tempted to make improvements prior to listing without consulting a Real Estate professional. Some upgrades will not yield any real increase in value, while others may increase property value substantially.

Solution: Ask a real estate professional to suggest low cost solutions to minor repairs that will yield the best profits.

13. Not Giving the Sales Effort Enough Time

Solution: You should never give too little time to what is inherently a long process. Homes may take 3-6 months to sell, in any market. Estimate how much time you have before you need to sell and then plan ahead to allow extra time. You don't want to be forced to accept a disappointing offer.

14. Not Screening Prospects Adequately

Solution: One of the best reasons for hiring a Realtor is their ability to pre-qualify a prospect financially before valuable negotiation time is lost. More importantly, your agent may discover when a prospect has an ulterior motive for shopping homes, other than purchasing.

15. Believing You Can't Make a Difference

Solution: The top agents in the industry report that sellers themselves are responsible for at least one out of ten sales! You can network your business and personal friends, you can hand out flyers at your place of business and elsewhere, and you can keep the house in "move-in condition." Your professional Realtor should be ready to hand you all sorts of assignments to make the "team effort" successful.

16. Testing the Market

Solution: Never put your property on the market unless you really want a sale! Get ready for a professional sales push when you list with a great agent. If your plan harbors some indecision, resolve it before you list, because success is every great Realtors' objective!

Source: Karyn Lowe

9 Things You Shouldn't Do Before Closing

Here are Some Tips to Help You Sail Through Closing

1. DON'T GO IT ALONE - Working with a licensed Realtor will help you make it to closing. This is their job and they are very good at it.

2. Don't Make Another Major Purchase - You've just found out your credit is A+ so buying a new car sounds like a great idea. If you're paying cash for the home go ahead, but if you are depending on a mortgage from a lender, you'd best wait until after closing.

- An increase in your debt/income ratio reduces the amount of monthly income available for your mortgage payment. The lender may decide you cannot afford the home.
- Using cash for a purchase can be a problem too, since lenders consider cash reserves when approving a loan.

If you must make a major purchase before closing, talk to your lender before making the purchase.

3. Don't Change Jobs - Lenders like to see a consistent job history. They aren't usually as nervous if you change jobs within the same field, but it's better to stay put until the keys to the house are in your hand.

4. Don't Give an Earnest Money Deposit Directly to a FSBO Seller - The deposit should go into an escrow account. Some FSBO sellers don't understand that funds are a good faith deposit to be applied to the expenses at closing. Escrow will hold the deposit until closing day. **Better yet, arm yourself with a professional Realtor to guide you through the intricate process.**

5. Don't Let Your Emotions Take Over

- There are many areas where that statement applies, but one of the most important involves the home inspection.
- Be realistic. No home is perfect, especially older homes. Don't let the seller's refusal to do a small repair kill the deal on a home you truly love. It's not at all unusual for new owners to take care of some things themselves.
- On the other hand, don't fall so much in love with the house that you'll buy it no matter what needs to be done (unless you're absolutely sure you can handle it emotionally and financially). Decide what type of repairs you can realistically handle, then stick with the decision.

6. Don't Forget to Switch Utilities - You'd be surprised how many people forget to apply for utility service at their new home. Call the companies involved as soon as you have a contract. Find out how many days lead time they need to turn on the new service, then get back with them when you have a firm closing date.

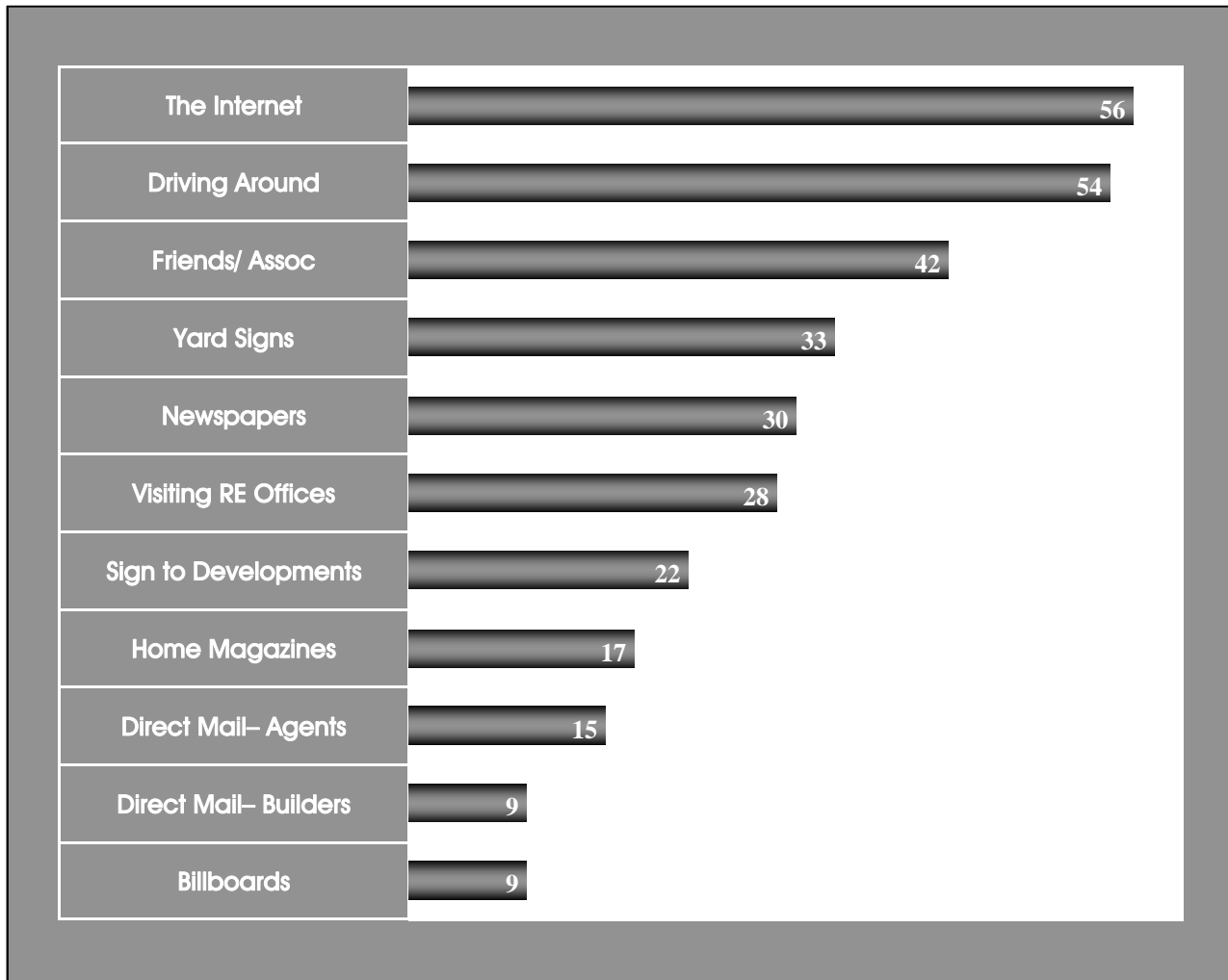
7. Don't Forget About Insurance - A no-brainer, right? But it's another task that buyers scramble to take care of at the last minute. The lender will require an insurance binder for the new home at or prior to closing. Take care of it right away.

8. Don't Panic if the Appraisal Comes in Low - At least not at first. There are some things that your Realtor can do to help correct the problem.

9. Don't Ignore the Requirements - Find out what is expected and take care of it. If the lender asks for something, get it to them immediately. **Your Realtor will be invaluable in making sure all i's are dotted and all it's crossed.**

Where do Buyers Look?

Percent of Buyers Who Found These Sources Valuable When Looking To Buy A Home



The Internet is the most valuable source of information, followed by driving around neighborhoods and talking with friends

How to Sell the Place You Call Home

“HOW TO KNOW IT’S TIME TO MOVE.”

Reason # 10: When you first bought the house, you were in the country, but now the same house is part of the city scene.

Reason # 9: You can’t get anything repaired because they stopped making those parts years ago.

Reason # 8: The swing set out in the backyard has grown roots.

Reason # 7: The plumber’s phone number is on your speed dial.

Reason # 6: You’re on a first-name basis with the handyman.

Reason # 5: The children’s rooms have all been turned into guest bedrooms.

Reason # 4: The newspaper lining the guest room dresser is dated July 4, 1976.

Reason # 3: You have to move the furniture to see the carpet’s original color.

Reason # 2: You can’t do anything to the exterior of your home without getting approval from the “Board of Historic Places.”

Reason # 1: You haven’t visited half the house in the last six months.

Here are some specific questions to ask yourself:

1. Are kitchen appliances up-to-date and in good working order? Does the kitchen have popular features like a microwave, an island?
2. Up-to-date homes often have a master bedroom suite. Does yours? Does the master bathroom have a spa or soaking tub or dual-shower heads?
3. Do you have a home office? Is telephone wiring adequate to support an office phone, computer modem, fax machine?
4. Have you built any additions—a deck, patio, carport, sunroom—without first obtaining a building permit or without passing inspection?
5. Do carpets and tile need to be replaced? Will a professional cleaning make them look like new?
6. What do the walls look like? Do they suffer from puppy-bite or kitty-scratch? Should old, tired wallpaper be removed? Do walls and woodwork need repainting?
7. Does the caulking in the bathrooms and kitchen need to be refreshed?
8. Can you make closets and counters look larger? Are there items you can pack away and do without until after you move?
9. Are shrubs and trees neat and does the yard look well-kept and attractive?
10. How does your home compare to others currently for sale now? What can you do to make it say, “Buy me!”

Price is one answer. If you’ve owned your home for years, chances are good you’ve got some serious equity. Perhaps you can afford to be flexible on price in order to get it sold. After all, to get the best possible sale today, a house must be in tip-top condition in every way: price, condition, terms and exposure. That’s where we come in, give us a call anytime.

When Smaller is Sweeter

Your house is quiet, except for the hum of the refrigerator or the voices from the TV. The rooms are filled with pictures and memories, but the children have grown and gone. You spend hours each week cleaning rooms you never use.

Are you an “empty nester” who needs a house for the future? Is it time to downsize or to move into another home more suitable for your retirement years? Here are some tell-tale signs:

- Your current home is too large for your lifestyle. Rather than close off the extra rooms or rent out the excess space, you may opt to move to a smaller home.
- You are retired and your income is lower than it was during your prime working years. You may want or need to sell your current home and move to one with a smaller mortgage payment or less upkeep. Maybe you could live more comfortably in a lower cost-of-living area. If you have loaded up a home equity loan, selling the home could give you welcome cash to help eliminate those payments.
- As you approach your golden years, your wish is to have a home with fewer, if any, stairs or one that could be easily converted to be handicap-accessible if the need arises.
- You prefer a location where the weather is more to your year-round liking and where there are activities you like—golf, tennis, boating, or socializing with seniors—during your leisure time.
- Changes in the capital gains tax law mean you don’t have to buy a larger, more expensive home or do extensive renovations to a less costly home in order to avoid a hefty tax bill on your home sale profits. Today, couples can move down and exclude up to \$500,000 in home sale profits—\$250,000 for singles—without having to buy another home. Even better, homeowners can shelter the profits on the scale of a home as often as once every two years. (Previously, homeowners could deduct, one time only, \$125,000 in home sale profits tax-free only after they turned age 55.)

Getting It Sold

Once you have decided to sell and move, take a critical look at your current home. Even the best maintained homes begin to show age.

Before you list your home for sale, be sure it’s in “move-in” condition.

Make needed repairs and replacements so the house will show at its best.

Remember, homes that sell fastest and for top dollar, show like a model home and are merchandised like a model, too. How does your home compare with other homes for sale, including new homes? Do you want to under go major renovations, or would you prefer to make price concessions to help your home compete?

Tips for Showing Your Home

First Impressions

With some effort on your part, your home may sell more quickly and bring a better price. These 19 tips have helped others get their property ready to show. We hope they will be of value to you.

Preparation for showing.

1. **First impressions are lasting.** The front door greets prospects. Make sure it is clean and polished-looking. Keep lawn trimmed, edged and free of refuse.
2. **Apply fresh paint and polish.** Faded walls and worn woodwork reduce appeal. Don't make your prospects guess how your home could look—show them by painting walls and ceilings. Decorator touches, such as wallpaper and mirrors, may enhance the living space.
3. **Let the sun shine in!** Clean windows, open draperies/curtains and let prospects see how cheerful your home can be.
4. **Fix leaky faucets.** Dripping water discolors sinks and suggests faulty plumbing.
5. **Repairs can make a big difference.** Loose knobs, sticking doors/windows, warped cabinet drawers and minor flaws detract from the home's value. Have them fixed.
6. **Bathrooms can help sell a home.** Check and repair caulking in tubs and showers. Make the bathrooms sparkle!
7. **Safety first!** Keep stairways clean. Avoid a cluttered appearance and possible injuries.
8. **Don't overlook the closets.** This could be a great time to have a garage sale and clean out your closets. Neat, well-ordered closets appear more spacious and inviting.
9. **From top to bottom...** Display the full value of your attic, basement and other utility space by removing all unnecessary articles. Brighten dark storage areas by painting walls.
10. **Arrange bedrooms neatly.** Remove excess furniture. Use attractive bedspreads and freshly laundered curtains.
11. **Can you see the light?** Illumination is like a welcome sign. Potential buyers will feel a growing warmth when all lights are on for an evening inspection.



Showing The Home

1. **Three's a crowd.** Avoid having too many people present during inspections. Prospects may feel they are intruding and hurry through the house.
2. **Pets underfoot?** Keep them out of the way—preferably out of the house.
3. **"Silence is golden."** Be courteous but avoid conversations. Allow your Realtor to respond to the buyers' questions.
4. **"Be it ever so humble."** Never apologize for the appearance of your home. Let the trained salesperson answer any objections.
5. **In the background...** The real estate agent knows the buyer's requirements and can better emphasize the features of your home when you don't accompany the tour. You will be called when needed.
6. **Why put the cart before the horse?** Trying to dispose of furniture and furnishings to potential buyers before they have purchased the house often loses a sale.
7. **A word to the wise.** Let your Realtor discuss price, terms, possession and other factors with the buyers. Realtors are eminently qualified to bring negotiations to a favorable conclusion.
8. **Use your real estate salesperson.** We have found that you will have a better selling experience when you work with a professional real estate agent or broker.

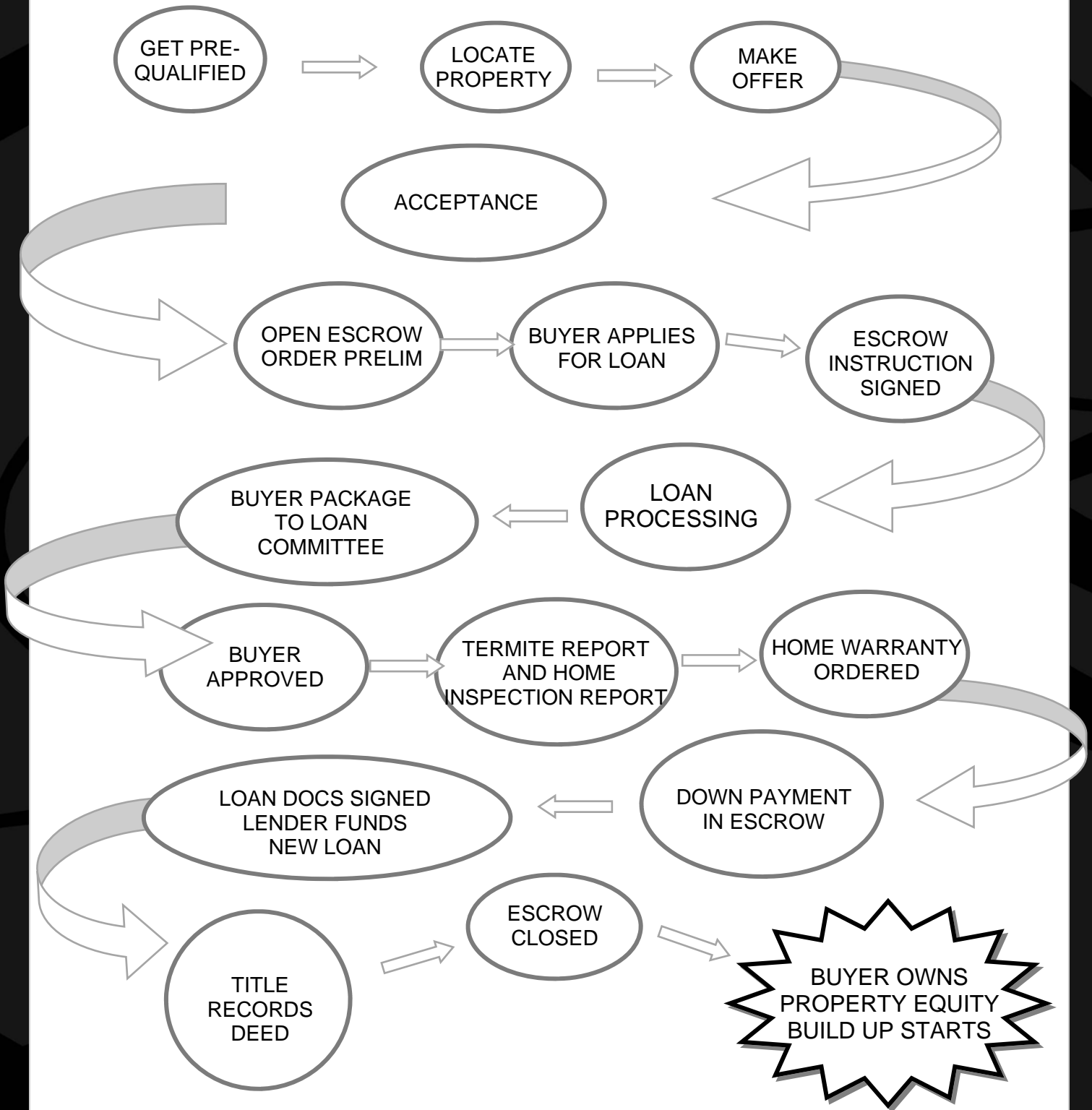


Open House Register

Name	Address	Phone	Email

Material discussed is meant for general illustration and/or informational purposes only and it is not to be construed as tax, legal, or investment advice. Although the information has been gathered from sources believed to be reliable, please note that individual situations can vary, therefore, please consult a professional for specific advice.

Listing to Completion Of Sale Transactions



What is Title Insurance?

A title insurance policy protects buyers, real estate owners or lenders against any loss or damage they might experience because of liens, encumbrances, defects in the title to said property or the fallacy of the related search.

HOW DOES TITLE INSURANCE DIFFER FROM CASUALTY INSURANCE?

Casualty Insurers (car, life, health, etc.) assume risk for *future* events by collecting monthly or annual premiums. A title policy insures the *past* of the real property and the people who owned it, for a one-time premium paid at the close of escrow.

WHAT DOES TITLE INSURANCE COVER?

Title insurance protects against claims from various defects such as another person claiming an ownership interest, improperly recorded property, fraud, forgery, liens, encroachments, easements and other items that are specified in the actual policy.

WHO NEEDS TITLE INSURANCE?

Purchasers and lenders need title insurance to know the property they are involved with is insured against various possible title defects. Whether it is a sale, refinance, construction loan, etc., the seller, buyer and lender all benefit.

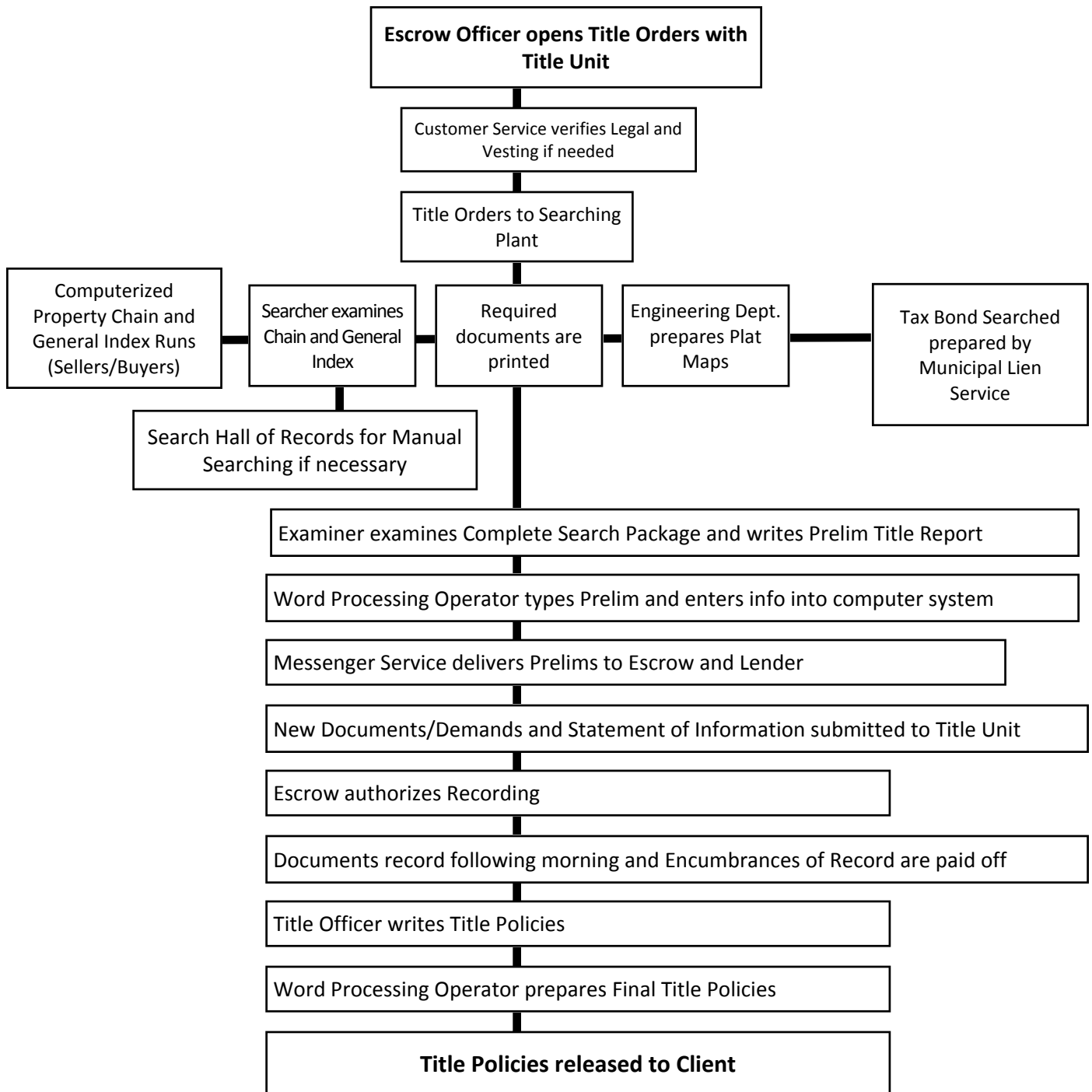
HOW IS A TITLE POLICY CREATED?

After the escrow officer or lender opens the *Title Order*, Progressive begins a search of the public records including the County Recorder, Federal & State Agencies and County & City Offices. A *Preliminary Report* is issued to the customer for review and approval. All closing documents are recorded upon escrow's instructions. When recording has been confirmed, demands are paid, funds are disbursed and the actual title policy is issued and sent to the insured.

WHAT TYPES OF POLICIES ARE AVAILABLE?

A standard CLTA "*Owner's*" policy insures the new owner, the home buyer and an ALTA or CLTA "*Lender's*" policy insures the priority of the lender's security interest. An extended coverage ALTA-R (residential) policy to owners of 1-4 unit property is also offered. The ALTA "*Homeowner's*" policy is for owners of 1-4 unit properties as well and expands the number of covered title risks to 29, including certain specified risks that may arise in the future. Progressive Title issues this extended coverage automatically on qualifying properties. *Special Binders, Guarantees and Endorsements* are also available.

The Process



20 Reasons for Title Insurance:

1. Title Insurance will protect you against a loss on your home or land due to a title defect.
2. A deed or mortgage in the chain of title may be a forgery.
3. Claims constantly arise due to marital status and validity of divorces.
4. A deed or mortgage may have been made by an incompetent or under-aged person.
5. A deed or mortgage made under an expired power of attorney may be void.
6. A deed or mortgage may have been made by a person with the same name as the owner.
7. A child born after the execution of a will may have interest in the property.
8. Title transferred by an heir may be subject to a federal estate tax lien.
9. An heir or other person presumed dead may appear and recover the property or an interest.
10. A judgment regarding the title may be voidable because of some defect in the proceeding.
11. By insuring the title, you can eliminate delays when passing your title on to someone else.
12. Title Insurance reimburses you for the amount of your covered loss.
13. Title Insurance helps speed negotiations when you're ready to sell or obtain a loan.
14. A deed or mortgage may be voidable if signed while the grantor was in bankruptcy.
15. Claims have risen dramatically over the last 30 years.
16. There may be a defect in the recording of a document upon which your title is dependent.
17. Title Insurance covers attorney fees and court costs.
18. Many lawyers protect their clients as well as themselves by procuring Title Insurance.
19. A deed or mortgage may have been procured by fraud or duress.
20. A title policy is paid in full by the first premium for as long as you own the property.

What is a Prelim?

A preliminary title report is a signed and dated report used to facilitate the issuance of a policy of title insurance. It is a report of the conditions upon which Progressive Title Company is willing to issue a policy of title insurance. Since it is issued before, or preliminary to, the issuance of the policy, it is known as “Preliminary” or a “Prelim”.

By opening a title order, you are applying for a policy of title insurance. Within a short time after the title order has been opened, Progressive Title Company will search the title to the property in question. Progressive will then examine the results of that search, prepare the preliminary title report and send it to the customer that opened the title order, so that the parties to the transaction may review the report, and its conditions for policy.

Many things affect the condition of title...and might be reported as conditions for the policy on the Preliminary Title Report.

1. The estate or interest in property which is the subject of the Preliminary Title Report.
2. The record owner of the estate or interest.
3. The legal description of the parcel of land involved.
4. Taxes (city and county).
5. Bonds or assessments, such as street lighting, sewers, sidewalk repairs, etc.
6. Easements (i.e. - public utility purposes, alleys, sewers, driveways, etc).
7. C.C. & R's (Covenants, Conditions and Restrictions) which affect the use of the land such as types of buildings, setbacks, fences, etc.
8. Deeds of Trust.
9. Liens recorded against the property (i.e. - Mechanics Liens).
 1. Judgment of liens recorded against persons (sellers) affecting the ownership such as Federal Income Tax Liens, money, judgments, etc.).
 2. Recorded leases...building, ground and mineral.
 3. Recorded declarations of Homesteads are reported with the vesting and are a part of the prelim.
 4. List of printed exceptions and exclusions.

The legal and vesting are descriptions rather than conditions and are the subject of the report.

See how the ALTA / CLTA Homeowner's policy compares . . .

- | | |
|---|--------------------------------|
| 1) Someone else owns an interest in your title. | CLTA Standard |
| 2) A document upon which your title is based is not properly, signed, sealed, acknowledged, delivered or recorded. | |
| 3) Your title is affected by forgery, fraud, duress, incompetency, incapacity or impersonation. | |
| 4) You have no legal right of access to and from your land. | |
| 5) Restrictive covenants limit your use of the land. | |
| 6) There is a lien on your title, which includes: (a) a mortgage or deed of trust, (b) judgment, tax, or special assessment, or (c) a charge by a homeowner's or condominium association. | |
| 7) Your title is unmarketable, which allows someone to refuse to purchase, lease or make a mortgage loan on the land. | |
| 8) Other defects, liens or encumbrances. | |
| 9) Mechanics liens for labor or material furnished before the policy date. | |
| 10) Someone else has rights affecting your title arising out of leases, contract, or options. | |
| 11) Someone has an unrecorded easement on your land. | |
| 12) Cannot use the property as a single family residence (1 - 4 units) because the use violates an existing zoning law. | |
| 13) Forced removal of existing structures (other than boundary walls or fences) because they: (a) extend onto other land or an easement, (b) violate a restriction shown in Schedule B, or (c) violate an existing zoning law.
<i>X - a deductible may apply (but only to the ALTA / CLTA Homeowner's Policy). See note below.</i> | |
| 14) Forced removal of existing boundary walls or fences because they: (a) extend onto other land, an easement or a building setback line, (b) violate a restriction shown in Schedule B, or (c) violate an existing zoning law or zoning regulation. <i>X - a deductible may apply. See note below.</i> | |
| 15) No actual vehicular and / or pedestrian access to the land. | |
| 16) You are forced to correct or remove an existing violation of any covenant, condition or restriction affecting the land, even if the CC&R is excepted in Schedule B. | |
| 17) Your title is lost or taken because of a violation of any covenant, condition or restriction affecting the land, which occurred before you acquired title, even if the CC&R is excepted in Schedule B. | |
| 18) Because of an existing violation of a subdivision law: (a) you are unable to obtain a building permit, (b) you are forced to correct or remove the violation, or (c) someone refuses, based on a legal right, to purchase or make a mortgage loan on the land. <i>X - a deductible may apply. See note below.</i> | |
| 19) You are forced to correct or remove your existing structures (other than boundary walls or fences) because they were built without a building permit. <i>X - a deductible may apply. See note below.</i> | ALTA / CLTA Homeowner's Policy |
| 20) Your existing structures are damaged through the exercise of a right to use an easement affecting the land, even if the easement is excepted in Schedule B. | |
| 21) Forgery, impersonation or other defect affecting your title which occurs <i>after</i> the policy date. | |
| 22) Prescriptive easement or adverse possession against your title occurring <i>after</i> the policy date. | |
| 23) Your existing improvements (or a replacement or modification of them <i>after</i> the policy date) are damaged because of the future exercise of a right to use the land for extraction or development of water, minerals or other substance, even if those rights are excepted in Schedule B and the damage occurs <i>after</i> the policy date. | |
| 24) Your neighbor builds a structure (other than boundary walls or fences) on your property <i>after</i> the policy date. | |
| 25) The residence with the address shown in Schedule A is not located on the land at the policy date. | |
| 26) The failure of the map, if any, attached to the policy to show the correct location of the land according to the public records. | |
| 27) Title can be transferred to a Living Trust <i>after</i> the policy date; extends to heirs and trust beneficiaries. | |
| 28) Automatic increase in coverage up to 150% (at 10% annually for 5 years). | |

NOTE: The ALTA / CLTA Homeowner's Policy is intended for one-to-four family residences. Not all coverage afforded by the policy is reflected in this comparison table. The foregoing table is only intended to highlight some of the important aspects of coverage under the ALTA / CLTA Homeowner's Policy and shall not be construed as an expansion of coverage otherwise afforded by the policy. All coverage is subject to any applicable exclusions, conditions or exceptions 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 policy, which will be noted in the preliminary report. Copies of these policies are available upon request. All areas above marked with an 'X' designates that one or more of the applicable covered risks are subject to a deductible and a maximum limit of liability that is less than the full extent of liability under the policy.

All Policies Revised 2006

Common Ways to Hold Title

	COMMUNITY PROPERTY	COMMUNITY PROPERTY WITH RIGHT OF SURVIVORSHIP	JOINT TENANCY	TENANCY IN COMMON	PARTNERSHIP	TRUST
PARTIES	Husband and Wife OR Domestic Partners	Husband and Wife OR Domestic Partners	Any number of persons (can be husband and wife or domestic partners)	Any number of Persons.	Any number of Partners.	Any number of beneficiaries of the trust.
DIVISION OF INTERESTS	Equal	Equal	Equal	Any number of interests equal or Unequal.	Partnership interests may be equal or Unequal.	Beneficial interests under trust may be equal or Unequal.
TITLE	In the names of the individual owners.	In the names of the individual owners.	In the names of the individual owners.	In the names of the individual owners.	In the names of the partnership.	In the name of the trustee, "as trustee."
POSSESSION	Equal right of Possession.	Equal right of possession.	Equal right of Possession.	Equal right of Possession.	According to partnership agreement.	According to trust Agreement.
CONVEYANCE	Both parties must join in a conveyance.	Both parties must join in a conveyance.	Conveyance by one co-owner breaks the joint tenancy.	Each co-owner's interest may be conveyed separately.	Any general partner authorized by the partnership agreement may convey	Trustee may convey in accordance with the trust agreement.
DEATH	Decedent's 1/2 interest passes to survivor unless devised by will.	Decedent's 1/2 interest passes to survivor.	Decedent's interest passes to the survivor (s).	Decedent's interest passes to decedent's estate.	Partnership agreement provides for either termination or continuance of the partnership	Trust agreement usually provides for distribution upon death of the settler.
SUCCESSOR'S STATUS	Tenancy in common between devisee and survivor results.	Survivor owns entire interest.	Last survivor owns entire interest.	Devisees or heirs become tenants in Common.	Heirs or devisee have rights in partnership interest but not in specific property.	Trust agreement usually provides for distribution upon death of the settler.
CREDITOR'S RIGHTS	Community property is liable for the debts of either party incurred before or during marriage or domestic partnership.	Community property is liable for the debts of either party incurred before or during marriage or domestic partnership.	Co-owner's interest may be sold at an execution sale to satisfy the co-owner's judgment creditor.	Co-owner's interest may be sold at an execution sale to satisfy the co-owner's judgment creditor.	Only a partner's right to receive profits can be executed upon by the partner's judgment creditor.	Usually, a creditor cannot execute on a beneficiary's interest.

This chart is for reference purposes only. How title is vested has important legal consequences, and this chart should not be relied upon to make that decision. You should consult an attorney to determine the most advantageous form of ownership for your particular situation. Someone who is not an attorney cannot give advice regarding how to hold title because doing so would constitute the unlawful practice of law.

Escrow File Check List

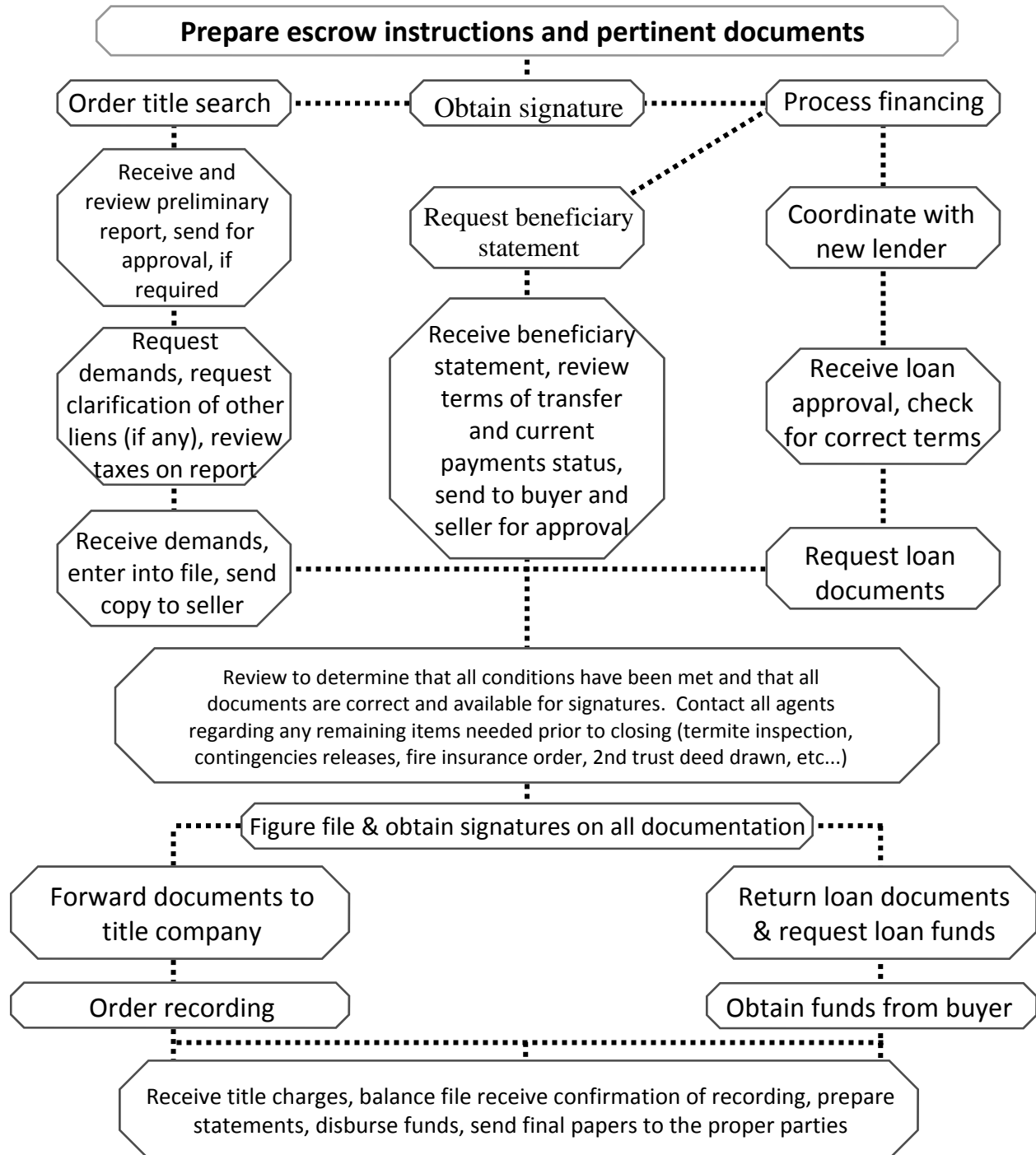
The following items are needed in the file for the closing of the sale.

- ◆ 8 PAGE PURCHASE CONTRACT AND RECEIPT FOR DEPOSIT AND COUNTERS
- ◆ AFFIDAVIT OF FOREIGN/NON-FOREIGN STATUS (IF APPLICABLE)
- ◆ ENVIRONMENTAL HAZARD BOOKLET
- ◆ LEAD-BASED PAINT (SFR pre-1978)
- ◆ TRANSFER DISCLOSURE STATEMENT
- ◆ SMOKE DETECTOR STATEMENT
- ◆ GEOLOGICAL AND FLOOD DISCLOSURE
- ◆ EARTHQUAKE PREPAREDNESS FORM (SFR-pre-1960)
- ◆ ESCROW INSTRUCTIONS AND ALL AMENDMENTS
- ◆ WALK-THRU INSPECTION SIGN-OFF (OPTIONAL)
- ◆ GENERAL HOME INSPECTION
- ◆ THE INSPECTION PROCESS
- ◆ CLOSING STATEMENT
- ◆ MORTGAGE LENDER/PRE-QUALIFYING BUYER

QUICK TIP: Develop a relationship with a lender who will quickly pre-qualify a potential buyer. This will eliminate taking your house off the market only to find that the buyer is not qualified.

If you have any questions or need a personal referral for any of the above services I would be happy to help.

The Escrow Process Detailed



The Inspection Process

STRUCTURAL PEST CONTROL INSPECTION

The Structural Pest Control often known as a “Termite Report” is conducted by a licensed inspector.

The Termite Report will indicate any type of wood destroying organisms that may be present in addition to actual termite damage, including Fungi (also known as “dry rot”), that generally results from excessive moisture. Most Termite Reports classify conditions as Section I or Section II items.

Section I Conditions

Section 1 conditions are “active” or currently causing damage to the property. In many cases, Section 1 items need to be corrected before a lender will make a loan on a home.

Section II Conditions

Section II are those conditions that are not currently causing damage, but are likely to if left unattended. A typical Section II item is a plumbing leak where the moisture has not yet caused fungus decay.

Who Pays?

The Purchase Contract will specify who is responsible for the inspection and making these corrections. This is a negotiable item and should be considered carefully.

PHYSICAL INSPECTION

The physical Inspection clause in your Purchase Contract, allows the right to have the property thoroughly inspected. This is usually done through a General Home Inspection. While Home Inspectors are not currently required to have a license, many are, or have been General Contractors. The inspection and the resulting report provide an overall assessment of the present condition of the property.

What is Inspected

The Home Inspection covers items such as appliances, water heater, furnace, electrical service, plumbing and other visible features of the property. This is a general inspection and will call for additional inspections by specific trades, such as roof and furnace inspectors.

Further Inspections

If conditions warrant, the Home Inspector may recommend a Structural Engineers Report. Such a report would identify structural failures and detail recommended corrections.

Who Pays?

Typically, the inspection is paid by the Buyer.

GEOLOGICAL INSPECTION

You may also elect to have a Geological Inspection to educate yourselves as to the soil conditions at the home. This inspection is performed by a Geological Engineer and involves not only physically inspecting the property but also researching past geological activity in the area. The primary purpose of a Geological Inspection is to determine the stability of the ground under and around the home.

Who Pays?

Typically the Buyer pays, but as with other inspections, this is negotiable according to the contract.

HOME WARRANTY

Home Protection Plans are available for purchase by a Buyer or Seller. Such plans may provide additional protection of certain systems and appliances in the home.

Who Pays What?

The Seller Can Generally Be Expected To Pay For:

- Seller's title insurance policy premium
- Escrow fee
- Real estate commission
- Document preparation fee for deed
- Documentary transfer tax (\$1.10 per \$1000.00 of sales price)
- Any city transfer or conveyance tax
- Any loan fees required by buyer's lender (FHV,VA)
- Payoff all loans in seller's name (or existing loan balance if being assumed by buyer)
- Interest accrued to lender being paid off, statement fees, reconveyance fees and prepayment penalties
- Termite work (according to contract)
- Home warranty (according to contract)
- Any judgments, tax liens, etc., against the seller
- Tax proration (for any taxes unpaid at time of transfer of title)
- Any unpaid homeowner's dues
- Recording charges to clear all documents of record against seller
- Any bonds or assessments (according to contract)
- Any and all delinquent taxes
- Notary fees

The Buyer Can Generally Be Expected To Pay For:

- Buyer's title insurance policy premium
- Escrow fee
- Document preparation (if applicable)
- Notary fees
- Recording charges for all documents in buyer's name
- Termite inspection (according to contract)
- Tax proration (from date of acquisition)
- Homeowner's transfer fee
- All new loan charges (except those required by lender for seller to pay)
- Interest on new loan from date of funding to 30 days prior to first payment date
- Assumption or change of records fee for takeover of existing loan
- Beneficiary statement fee for assumption of existing loan
- Inspection fees (roofing, property inspection, geological, etc.)
- Home warranty (according to contract)
- City transfer or conveyance tax (according to contract)
- Fire insurance premium for the first year

YOURS OR THEIRS - The Personal vs. Real Property Dilemma

The distinction between personal property and real property can be the source of difficulties in a real estate transaction. The purchase contract is normally written to include all real property; that is, all aspects of the property that are fastened down or an integral part of the structure. For example, this would include light fixtures, drapery rods, attached mirrors, trees and shrubs in the ground. It would not include potted plants, free-standing refrigerators, washers and dryers, book cases, swag lamps, etc. If there is any uncertainty whether an item is included in the sale or not, it is best to be sure that the particular item is mentioned in the purchase contract as being included or excluded.

Approximate Sellers Cost

Seller's Name: _____ Sales Price: _____

Seller's Address: _____

Property Address: _____

Home Phone: _____ Work Phone: _____

ENCUMBRANCE

1st Trust Deed: _____ Liens or Delinquent Payments: _____

2nd Trust Deed: _____ Other Encumbrances: _____

Total encumbrances: _____ Gross Equity: _____

(gross equity = selling price minus total encumbrances)

ESTIMATED SELLING COSTS

Prorated Interest @ \$P/MO (approx. 1 month loan payment & payment being current)

Prepayment Penalty, if any

Policy of Title Insurance (base rate column on schedule) \$ _____

State County Tax Stamps (\$1.10/10% of sales price) \$ _____

Escrow Fee (approx. \$2.00/1000 of sales price + \$250.00) \$ _____

Termite Inspection (approx. \$75.00 does not include corrective work) \$ _____

Reconveyance Fee (approx. \$75.00 per loan) \$ _____

Beneficiary Statement/Demand (approx. \$60.00 per loan) \$ _____

Tax Proration @ \$ _____ P/MO. For _____ MOS \$ _____

(based on C.C.E. date, taxes being current) \$ _____

VA or FHA Discount, Points (based on _____ % of sales price) \$ _____

Home Protection Plan \$ _____

Other \$ _____

Brokerage Fee (based on % of sales price) \$ _____

Miscellaneous (approx. \$800.00) \$ _____

TOTAL ESTIMATED SELLING COST \$ _____

NET EQUITY (Net equity = Gross equity minus selling cost) \$ _____

Note: Lenders, escrow and title companies vary in their charges. Therefore this is an estimate; \$ _____

not guaranteed by this company or any agent.

Seller: _____ Date: _____

Broker: _____ By: _____

Moving Countdown Check List

8 WEEKS BEFORE THE MOVE

- ◆ Contact a professional mover or truck rental and get estimates: make early reservations.
- ◆ Decide what furniture stays and what furniture goes.
- ◆ Use up things that can't be moved (frozen food and flammable household aerosol cleaning supplies).

6 WEEKS BEFORE THE MOVE

- ◆ Inventory your possessions and determine what will be sold or donated.
- ◆ Get copies of records from doctors, dentist, lawyers, accountants, etc.
- ◆ Transfer children's school records.
- ◆ Get change of address kit from post office and start filling out the cards.

4 WEEKS BEFORE THE MOVE

- ◆ Hold a garage sale then arrange for storage, if you need it.
- ◆ Clean or repair any furniture, curtains or carpet.

3 WEEKS BEFORE THE MOVE

- ◆ Assemble packing materials; dolly, scissors, packing tape, bubble wrap, newspaper, rope, boxes, etc.
- ◆ Begin packing items you won't need.
- ◆ Arrange cancellation of utilities at old home and have them installed at new home.
- ◆ Make travel and hotel reservations.
- ◆ Get car license, registration and insurance in order.

2 WEEKS BEFORE THE MOVE

- ◆ Transfer bank account and cancel direct deposit or automatic payments on account you are closing
- ◆ Make special arrangements for moving pets. Consult your Veterinarian for tips on making moving easier.
- ◆ Get your car checked and serviced for the trip.

1 WEEK BEFORE THE MOVE

- ◆ Transfer all medical prescriptions to the pharmacy in your new location.
- ◆ Return library books and videos, send out dry-cleaning and pick-up after the move.
- ◆ Finish major packing, labeling boxes by contents and room destination.

2 OR 3 DAYS BEFORE THE MOVE

- ◆ Defrost the refrigerator.
- ◆ Have cash on hand.
- ◆ Pack a weekend bag in case of delay.
- ◆ Pack a "first day handy items" box; scissors, utility knife, coffee cups, tea kettle, paper plates, paper towels, instant coffee, tea, bottled water, soft drinks, soap, pencil, paper, local phone book, bath towel and toiletries kit.

MOVING DAY

- ◆ Pick up rental truck early.
- ◆ Inspect basement, attic and garage.
- ◆ Turn off water, lock all doors and windows.
- ◆ List every item loaded onto the truck to use for a check list as they come off.

Moving Check List

Give Address Change to:

- Post Office
- Charge Accounts, Credit Cards
- Subscription: Notice requires several weeks
- Friends and Relatives

Insurance:

- Notify company of new location for coverage:
- Life, ○ Health, ○ Fire & ○ Auto

Medical, Dental, Prescriptions Histories:

- Ask Doctor & Dentist for referrals
- Transfer needed prescriptions, eyeglasses, X-rays, etc.
- Obtain birth records, medical records, etc.

Bank:

- Transfer funds, arrange check-cashing in new city
- Arrange credit references
- Obtain cashiers check necessary for closing real estate transaction

Utility Companies:

- Phone, ○ Gas, ○ Water & Power, ○ Fuel
- Get refunds on any deposits made

Delivery Service:

- Laundry, newspaper, changeover of services

AND DON'T FORGET TO:

- Empty freezer
- Defrost freezer and clean refrigerator, place charcoal to dispel odors
- Have appliances serviced for moving
- Clean rugs or clothing before moving, have them wrapped for moving
- Check with your Moving Counselor: insurance coverage, packing & unpack labor, arrival day, various shipping papers, method and time of expected payment.
- Plan for special car needs of infants

ON MOVING DAY:

- Carry enough cash or travelers checks to cover cost of moving services and expenses until you make banking connections in the new city
- Carry jewelry and documents yourself, or use registered mail
- Plan for transporting pets; they are poor traveling companions if unhappy
- Double-check closets, drawers & shelves to be sure they are empty
- Leave all old keys needed by new tenant or owner with Realtor or neighbor

AT YOUR NEW ADDRESS:

- Check on service of telephone, gas, electricity & water
- Check pilot light on stove, water heater, incinerator & furnace
- Have new address recorded on driver's license
- Register car within five days after arrival in state or a penalty may have to be paid when getting new license plates
- Apply for state driver's license
- Register children in school
- Arrange for medical services: Doctor, Dentist, etc.