



ARE YOU READY TO BUY?

Now it is time for you to look deep within yourself (and your bank account) to decide if you are ready to buy a home. Finding your motivation and specifying your wants and needs is a good beginning, but there are other things to consider before taking the leap into home ownership.

WHAT'S YOUR FINANCIAL SITUATION?

What's your debt load? Credit cards, utilities, car payments, childcare, and groceries are factors to consider. Don't forget the money for a broken air conditioning unit will be coming out of pocket. Will you be able to handle unforeseen emergencies? What portion of your monthly income will be used for housing payments?

How's your credit history? Delinquent credit card and bank payments, past bankruptcies or a student loan that's unpaid can severely affect your ability to get a mortgage loan. For a small fee, you can obtain a credit report on yourself and clear up any misunderstandings before applying for a loan.

Credit Agencies:	Experian	(800) 397 - 3742
	Equifax	(800) 997 - 2493
	Trans Union	(216) 779 - 2378

WHAT'S YOUR EMPLOYMENT HISTORY?

If you have been working continuously for the past two years, a lender should consider this to be steady employment. This does not mean that to be approved for a mortgage loan you need to have worked at the same place for two years; in fact, job changes can be favorable, especially for an increase in pay.

However, if your work history has not been continuous for the last two years, as long as you have a reasonable explanation for any breaks in employment, you still may qualify for a loan.

HAVE YOU SAVED MONEY FOR A DOWN PAYMENT AND CLOSING COST?

In addition to the amount of money you will have to borrow for your home, the lender will require you to invest—in cash—around 5 - 20% of the purchase price toward the loan. If you are looking at a \$100,000 home, ten percent down would be \$10,000.

Closing costs are additional expenses incurred throughout the buying process that must be paid for in cash. These include inspection fees, escrow and title charges, and document fees. Closing costs vary depending upon loan type and contract terms, but are commonly up to 5% of sales price.



HOW MUCH HOME CAN YOU AFFORD?

It is believed that most people can afford a home two and a half times their annual income. This is a handy guideline, but the way interest rates vary, current thinking relies on how much you have saved for a down payment and closing cost, how much of a monthly mortgage payment you can afford, and how much you need per month to meet other responsibilities.

DOWN PAYMENT AND CLOSING COSTS

Saving money for the down payment and the closing cost is usually the hardest part of preparing yourself to buy a home. Because a down payment is typically from 5 - 20% of the purchase price of your home and closing costs are typically up to 5% of the purchase price, it is a good idea to find out how much you have available. This money could be from:

- Checking, savings and money market accounts
- Cash value of your life insurance
- Stocks and bonds
- Resale value of any personal property
- Gifts from parents or other relatives

Once you know what your assets are worth, figure out what your expenses total. Expenses might include:

- Utilities
- Charge account balances
- Insurance premiums
- Auto and/or school loans
- Federal, state and local taxes

Don't forget to consider moving fees, home decorating costs, and any other upcoming expenses – you don't want the down payment and closing costs to deplete all your savings.

When you subtract your expenses from your assets, the difference will be what you have to use for a down payment and closing costs.



HOME MORTGAGE CALCULATOR

(Amortized over 30 years at a fixed rate)

INTEREST RATES

Loan Amount	4%	4.50%	5%	5.50%	6%	6.50%	7%	7.50%	8%	8.50%
100,000	\$478	\$507	\$537	\$568	\$600	\$632	\$665	\$699	\$734	\$769
120,000	\$574	\$608	\$644	\$682	\$720	\$758	\$798	\$839	\$881	\$923
140,000	\$669	\$710	\$752	\$795	\$840	\$885	\$931	\$979	\$1,028	\$1,077
160,000	\$765	\$811	\$859	\$909	\$960	\$1,011	\$1,064	\$1,118	\$1,174	\$1,230
200,000	\$956	\$1,014	\$1,074	\$1,136	\$1,200	\$1,264	\$1,330	\$1,398	\$1,468	\$1,538
220,000	\$1,052	\$1,115	\$1,181	\$1,250	\$1,320	\$1,390	\$1,463	\$1,538	\$1,615	\$1,692
240,000	\$1,147	\$1,217	\$1,289	\$1,363	\$1,440	\$1,517	\$1,596	\$1,678	\$1,762	\$1,846
260,000	\$1,243	\$1,318	\$1,396	\$1,477	\$1,560	\$1,643	\$1,729	\$1,817	\$1,908	\$1,999
280,000	\$1,338	\$1,420	\$1,504	\$1,590	\$1,680	\$1,770	\$1,862	\$1,957	\$2,055	\$2,153
300,000	\$1,434	\$1,521	\$1,611	\$1,704	\$1,800	\$1,896	\$1,995	\$2,097	\$2,202	\$2,307
320,000	\$1,530	\$1,622	\$1,718	\$1,818	\$1,920	\$2,022	\$2,128	\$2,237	\$2,349	\$2,461
340,000	\$1,625	\$1,724	\$1,826	\$1,931	\$2,040	\$2,149	\$2,261	\$2,377	\$2,496	\$2,615
360,000	\$1,721	\$1,825	\$1,933	\$2,045	\$2,160	\$2,275	\$2,394	\$2,516	\$2,642	\$2,768
340,000	\$1,625	\$1,724	\$1,826	\$1,931	\$2,040	\$2,149	\$2,261	\$2,377	\$2,496	\$2,615
400,000	\$1,912	\$2,028	\$2,148	\$2,272	\$2,400	\$2,528	\$2,660	\$2,796	\$2,936	\$3,076
420,000	\$2,008	\$2,129	\$2,255	\$2,386	\$2,520	\$2,654	\$2,793	\$2,936	\$3,083	\$3,230
440,000	\$2,103	\$2,231	\$2,363	\$2,499	\$2,640	\$2,781	\$2,926	\$3,076	\$3,230	\$3,384
460,000	\$2,199	\$2,332	\$2,470	\$2,613	\$2,760	\$2,907	\$3,059	\$3,215	\$3,376	\$3,537
480,000	\$2,294	\$2,434	\$2,578	\$2,726	\$2,880	\$3,034	\$3,192	\$3,355	\$3,523	\$3,691
500,000	\$2,390	\$2,535	\$2,685	\$2,840	\$3,000	\$3,160	\$3,325	\$3,495	\$3,670	\$3,845
550,000	\$2,629	\$2,789	\$2,954	\$3,124	\$3,300	\$3,476	\$3,658	\$3,845	\$4,037	\$4,230
600,000	\$2,868	\$3,042	\$3,222	\$3,408	\$3,600	\$3,792	\$3,990	\$4,194	\$4,404	\$4,614
650,000	\$3,107	\$3,296	\$3,491	\$3,692	\$3,900	\$4,108	\$4,323	\$4,544	\$4,771	\$4,999
700,000	\$3,346	\$3,549	\$3,759	\$3,976	\$4,200	\$4,424	\$4,655	\$4,893	\$5,138	\$5,383
750,000	\$3,585	\$3,803	\$4,028	\$4,260	\$4,500	\$4,740	\$4,988	\$5,243	\$5,505	\$5,768
800,000	\$3,824	\$4,056	\$4,296	\$4,544	\$4,800	\$5,056	\$5,320	\$5,592	\$5,872	\$6,152
Per 1,000 Variable	\$4.78	\$5.07	\$5.37	\$5.68	\$6.00	\$6.32	\$6.65	\$6.99	\$7.34	\$7.69

A photograph of three real estate professionals—two men and one woman—sitting behind a dark wooden desk in an office setting. The woman is on the left, wearing a black blazer. The man in the center is wearing a grey suit and glasses. The man on the right is wearing a dark suit. Behind them is a light-colored wall with a framed abstract painting featuring orange and grey tones. The text "HOW CAN A REAL ESTATE PROFESSIONAL HELP?" is overlaid in white, bold, sans-serif capital letters across the middle of the image.

HOW CAN A REAL ESTATE PROFESSIONAL HELP?

The selection of an agent will be one of the most important decisions you will make when looking to buy a home. Think about it—you are on the verge of spending an astronomical amount of money on something that you will have to look at and live in every day. Wouldn't it make sense to seek advice and wisdom from someone with first hand experience in the whole process?

Working with a professional real estate agent is beneficial for several reasons:

- They can easily obtain information on all properties listed for sale.
 - They can set appointments for you to see homes that interest you.
 - They can help you complete the necessary paperwork when you make an offer.
 - They will help you arrange for financing.
 - They are experienced negotiators. They know how to talk-the-talk.
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WHAT IS ESCROW?

Buying or selling a home is the largest monetary transaction most of us experience in our personal lives. Buying or selling a home or land usually involves the transfer of a large sum of money. As a buyer or a seller, you want to make sure that all the conditions of sale have dictated that money and all related documents be transferred through a neutral third party. This is called escrow.

In Arizona, escrows are processed by Escrow Officers. Most of these are employed by Title Companies. Escrow Officers are people who have years of hands-on experience in handling all types of documents and large sums of money involved in transferring real property.

The Escrow Officer serves as the neutral “stake holder” and the communication link to all parties in the transaction. The Escrow Officer holds all documents and money until all conditions of the sale are completed, at which time he/she will impartially carry out the written instructions given by the principals in the transaction.

HOW IS RESALE ESCROW OPENED?

An escrow is opened by one of the real estate agents involved in the transaction. In some counties, it is traditional for the “listing” agent (the real estate agent who has the property listed for sale) to open the order. In other counties it is the agent representing the buyer who will open the order. Your real estate agent can give you guidance in the area.

Today, many buyers and sellers are very knowledgeable about the process and both may have a favorite Escrow Officer and title company they wish to use. However, any question about “which title company” is always worked out before arriving at that point in the process!

When an “order” (or “file”) is opened, the agent will call the selected Escrow Officer. An “escrow number” is used to identify this transaction throughout the escrow (and, once the file is closed, on into the storage system used to safeguard these files). When the order is opened, the real estate agent provides all the information about the property (address, current owner, prospective buyer, buyer’s lender, outstanding loan information, sales price etc.). The agent may also send a set of instructions which outlines the details of the transaction, such as commission to be paid to the agent and expected closing date.

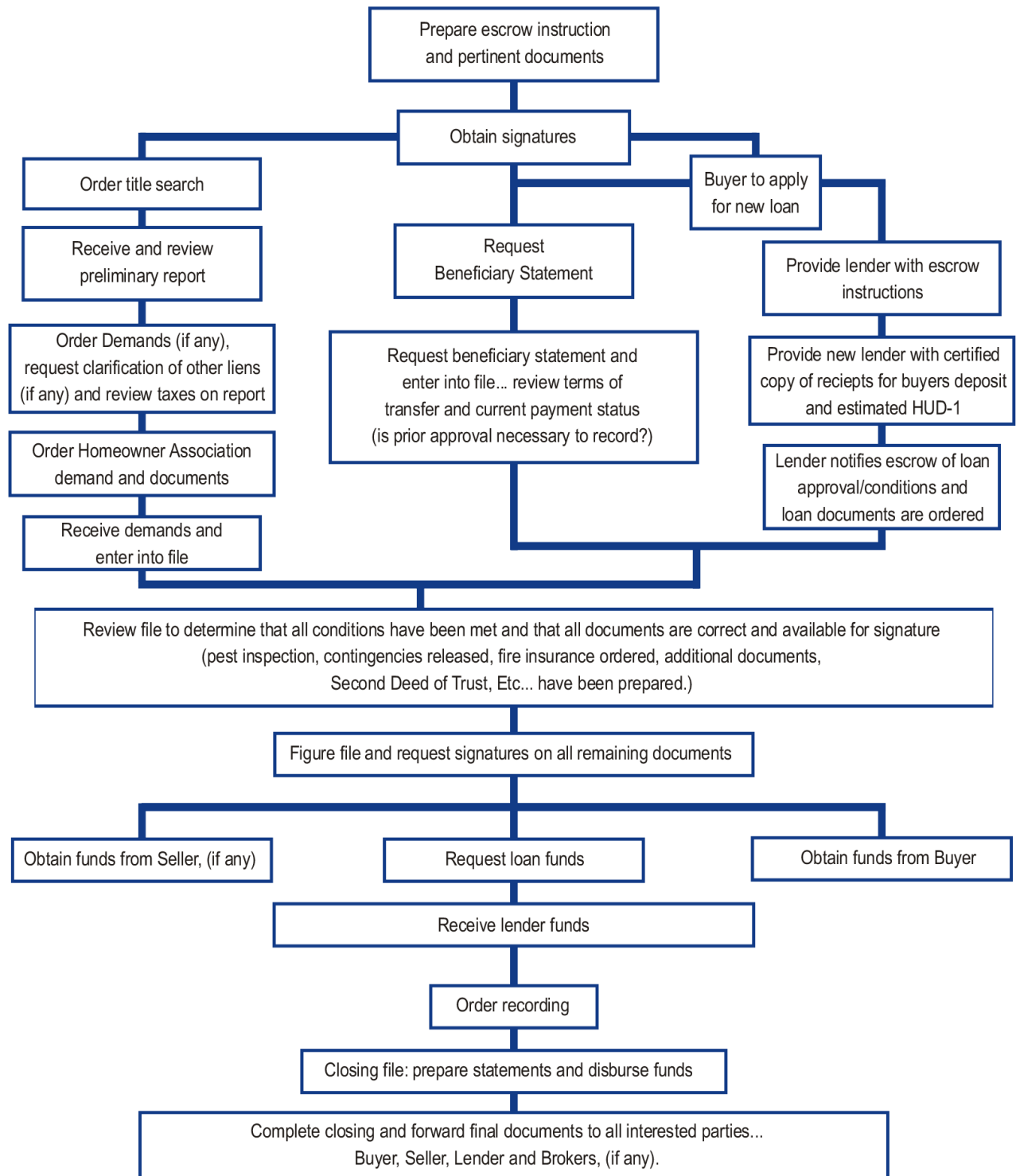
The next step is to verify all of the pertinent information with the buyer’s agent. They will find out if a home warranty will be taken on the new home, when to expect the pest inspection to be completed, and other details which will affect the escrow. The Escrow Officer will also make sure that everyone involved in the transaction has his or her phone number, fax number, and email, as well as the escrow number.

HOW IS A RESALE ESCROW CLOSED?

When an escrow file is opened, the Escrow Officer makes a list of all the items necessary to close the escrow. These may include the buyer’s deposit, loan documents, fire and other insurance policies, home warranty, pest inspection, terms of the sale, and any seller-assisted financing, title insurance policy, and request for payment for various services to be paid out of escrow funds. Since most people have rent or lease payments month- to- month, escrow often closes at the end of the month so the buyer can move into their new home and avoid paying another month’s rent on the previous residence.

The Escrow Officer cannot disburse any funds or information unless she/he is instructed to do so in writing. So when the necessary documents and money have been received into the file in accordance with provisions contained in your purchase contract and escrow instructions, the Escrow Officer will proceed with recording the necessary documents with the county recorder’s office, at which time title to the property is transferred and all funds are available to be disbursed.

LIFE OF AN ESCROW





TITLE INSURANCE

WHAT IS TITLE INSURANCE?

Title insurance, unlike other forms of insurance such as automobile or life insurance, involves a one-time premium, paid when you close a real estate transaction. When you purchase title insurance, you don't make monthly, quarterly or yearly payments as you do with car and life insurance. Unlike medical and casualty insurance premiums, which are paid to insure against an unpredictable future event, title insurance guarantees that all events in the past have been cleared. This is an important distinction. Since a title company has searched and evaluated the condition of the title to your property, title insurance guarantees that the title company has not missed any items which may affect your property.

The goal of title companies is to conduct such a thorough search and evaluation of public records that no claims ever arise. Of course, as humans, it's impossible to be right 100% of the time! Title insurance means that you can make a claim in the event that the conditions of your title are not as the title company says it is. In fact, title insurance companies set aside a percentage of their profits to pay for any claims that arise. In actuality however, the number of claims is relatively small.

When your escrow closes, the title company will issue you a policy of insurance. Keep this with your home records, as a copy of it will come in handy in the unlikely event that a problem does arise. Title companies keep records that go back decades, so they will always be ready to back up their policy.

STANDARD OWNERS INSURANCE

This is the most common type of owners' insurance available for any commercial property, Residential real property, and vacant land. The standard policy insures:

- Ownership of the property
- That there is access if the property abuts upon an open, public, dedicated street
- That there are no forgeries or failed conveyances in the chain of title
- That the insured has a marketable interest in the real property

The Standard Owners Policy insures all recorded matters affecting title to the property in order of their priority. In other words, it will show the lender of the first mortgage before the lender on the second mortgage because the first lender has priority.

A Standard Lenders Policy may also be ordered by lenders, normally on second deeds of trust by individuals and non-banking or savings and loan lenders.

The standard policy does not cover:

- Matters which a correct survey would show
 - Unrecorded matters
 - Matters which a physical inspection of the property would disclose
 - Rights of parties in possession
 - Unpatented water and mineral rights
 - Matters known, created or assumed by the insured
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TYPES OF POLICIES

There are basically two types of title insurance policies – one for property owners and one for lenders. Policies for both owners and lenders are written according to guidelines set down by the American Land Title Association (ALTA). The standard in Arizona is an ALTA policy for owners and an ALTA policy for lenders. However, some people do request the additional residential coverage provided by the ALTA RESIDENTIAL policy, which usually requires a physical inspection and covers some items not covered in the Standard ALTA owner's policy. Here is a summary of the types of policies and what they cover:

HOMEOWNER'S POLICY

This is a new and enhanced policy which is now the standard in residential policies.

The Homeowner's Policy insures:

- Ownership of the property
- That there is access if the property abuts upon an open, public, dedicated street
- That there are no forgeries or failed conveyances in the chain of title
- That the insured has a marketable interest in the real property

In addition, the Homeowners Policy offers some expanded features not available in other policies:

- Coverage for building permit violations incurred by previous owner
 - Protection against forgeries which may occur in the future to cloud title
 - Protection in the event a structure encroaches into the insured property
 - Enhanced right of access coverage, including vehicular and pedestrian access
 - Several other features including Subdivision Map Act coverage, Restrictive
 - Covenant Violations coverage, Structural Damage from Mineral Extraction coverage, Map Inconsistencies coverage and Post Policy Increase in Value to 125%.
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Despite an excess of loans and lenders, comparison shopping has been eased by the development of computer-loan origination systems and mortgage-reporting services - firms that survey major lenders in metropolitan areas every week or so and publish information sheets on who is offering what loans on what terms.

Shop for lenders offering the best deals, check with several mortgage companies and use one or more reporting services. Rely on your own efforts, lots of telephone calls and possibly some old-fashioned legwork. If there isn't a reporting service covering your area, begin the search at your own bank or savings and loan.

SOURCES OF MORTGAGE MONEY

Independent Mortgage Companies make just over half of all home mortgages, including most VA – guaranteed and FHA – insured loans.

Saving Institutions: Saving and loan associations and savings banks originate close to a quarter of home mortgages. Most are conventional loans – all not guaranteed by the VA or FHA, or insured by the FHA.

Commercial Banks are active in residential lending. Banks also are a major supplier of loans for mobile home buyers.

Mortgage Brokers act as intermediaries. A broker keeps tabs on the mortgage market through ties to local, regional and national lenders, and can refer a prospective borrower to a mortgage banker, savings institution or a commercial bank. Brokers don't lend money and can't approve loans.

Credit Unions make close to one-third of all first-mortgage loans, but you must be a member.

Public Agencies: State and local finance agencies make be low-market-rate financing available to eligible low-income and moderate-income first-time buyers through the sale of tax-exempt bonds.

Employers and Unions: Don't overlook your employer as a source of assistance. An employer may subsidize the interest or even act as a lender. Unions are another possibility. The AFL-CIO offers what it calls "Union Privilege." Unions that sign on can make first-time home loans available to eligible members for as little as three percent down.

THE LOAN PROCESS

The loan process changes in different parts of the United States. The explanation of the loan process below is a general sequence of events that take place during the processing of your loan. Different lenders have their own requirements. The description below is meant to give you a general idea of what is required to go from applying for a loan to closing the loan.

THE FIRST STEP - THE LOAN APPLICATION

As might be expected, the first step in obtaining home loan financing is to fill out the loan application (also called a “Fannie Mae 1003,” or “Uniform Residential Loan Application”) with an experienced loan officer who will be happy to assist you in filling out the loan application and answer any questions you may have. He or she will make an appointment to meet with you at your convenience. Whether you choose to meet with a loan officer or fill in an online application, you will eventually need to provide the lender with some personal and financial information. If you are unable to provide some of the required documents, you can provide them at a later date before final approval.



DO I HAVE TO MEET AT THE LOAN OFFICER’S OFFICE?

No! It is possible to complete the loan process without attending a meeting in their office. This can be done by doing one of the following:

- Filling out an online application form with your lender
- Printing and filling out the blank Fannie Mae 1003 on the lender’s site
- The loan officer will fill it out for you by telephone
- You may FAX your application to the lender
- Or you may mail your application to the lender

When the loan officer speaks with you, he/she will discuss various possible loan programs available to you that might best meet your needs, the interest rates available, and your financial and property qualifications for the loan program you’ve chosen.

AFTER I FILL OUT THE APPLICATION, WHAT HAPPENS NEXT?

Once you have chosen a loan program and interest rate, the application has been filled out and you have provided the lender with the necessary information, the lender will send out verification forms. These forms will verify your employment history and bank account information, obtain your credit report, order your preliminary title report from the title company and order your appraisal. Once this information is returned to the lender it will be sent for final approval.

WHAT DOES IT MEAN WHEN MY LOAN IS APPROVED, “WITH CONDITIONS”?

Your loan may be approved as submitted, approved with conditions, or a counter offer may be made for your consideration. If there are conditions on the loan in order for it to be approved as submitted, the loan officer will work with you to satisfy these conditions. Conditions might include an explanation letter of some sort (i.e. gap of employment), copies of investment documents, copies of divorce papers, or any number of things that may help clarify your qualifications for the loan

After the loan conditions are met (if any) and the loan is approved, the necessary documents are prepared for closing. The lender will draw up the necessary documents along with any (prior-to-funding) conditions that have yet to be met, and in most cases, send them to First Arizona Title Agency to be signed by you. Your Escrow Officer will arrange for an appointment with you when the loan papers are ready to be signed.

WHAT DOES “CLOSE ESCROW” MEAN?

The task of closing the loan is normally the responsibility of the Escrow Officer. Your Escrow Officer at First Arizona Title Agency is responsible for gathering together all of the necessary documents (Deed of Trust, promissory note, etc.) and making sure all documents are signed. Following the lender's instructions, the Escrow Officer then calculates the various pro-rations, charges and adjustments (interest on your new loan, money for impounded accounts for taxes and insurance, etc.), makes sure all of the funds are deposited (if any) and provides you with a settlement statement showing all of the costs involved in the loan. The Escrow Officer also makes sure that all of the parties involved in the loan process are paid when the loan funds. Your new loan will be recorded and your transaction will be considered “closed”.



APPRAISAL

When securing a new loan to buy your home, your buyer's lender will require an independent, licensed appraisal to determine fair market value of the property. Appraisers research similar properties sold in the past 180 days for size, age, construction and amenities. It is a challenge when properties sell very quickly or slower due to market conditions.

Appraisers set appointments and may take 30 minutes to an hour or more of your time viewing the property for appraisal. He or she measures your home, draws a representative floor plan, photographs the residence inside and out and notes property condition, specific improvements and amenities. Help the appraiser and yourself by providing a list of improvements/remodeling projects completed since your purchase with an approximate dollar amount for each. Remodeling projects rarely bring full return on investment, however a list will ensure the appraiser is aware of improvements made to the property.

Appraisers provide a report to the lender within a few days. You are notified should the lender require repairs prior to making a loan on the home. If required by contract, repairs must be made, the appraiser will return to review repairs and a re-inspection fee will be charged.



WHY DO WE NEED A HOME INSPECTION?

Purchasing a home is usually the single largest investment most people make in their lifetime. A home inspection helps protect your investment by ensuring everything is working properly and there are not any surprise repair costs. Homes do not pass or fail a home inspection. The licensed home inspector helps identify potential issues so you know what you are getting yourself into.

These are just some of the items a home inspection covers:

Structure: Are there any signs of cracked foundations, irregular settling, damaged framing, or other structural issues? Did you know that foundation repairs estimates often start at \$10k and can exceed \$100k?

Roof: Do you have damaged roofing material? Do you know how to walk on a concrete tile roof to properly inspect it without damaging other tiles? Are there signs that the roof is leaking?

Attic: Did someone forget to put the insulation in? Is the insulation properly installed and adequate? Are the water, electrical, and gas lines properly installed?

Electrical: Do all of the outlets work? Is the electrical panel properly wired? Are there any signs of overheating or melting in the electrical panel?

Plumbing: Do all of the plumbing fixtures work? Do the drain lines leak? Does the main drain line appear to be clogged with concrete?

HVAC Systems: Does the air conditioner blow as cold as it should? Does the furnace work? Is there adequate airflow at all of the ducts? Do the gas lines leak?

Built-in Appliances: Do they work properly? Do you need a gas or electric dryer?

Additional Inspection: These inspections are not typically included as part of a normal home inspection but may be needed or desired: Termite, Septic, Well, Radon, Mold, Infrared, etc.



WHAT ARE CLOSING COSTS?

Closing costs or settlement costs are an accumulation of separate charges paid to different entities for the professional services associated with the buying and selling of real estate.

SOME OF THE ITEMS ASSOCIATED WITH CLOSING COSTS ARE:

- **Title Insurance Premium**

Fees paid by an individual to ensure he has a marketable title or (in case of a lender) to ensure its lien position.

- **Real Estate Commission**

Fee paid to a real estate company for services rendered in listing, showing, selling and consummating the transfer of property.

- **Transfer and Assumption Charges**

Fees charged by a lender to allow a new purchaser to assume an existing loan.

- **Recording Fees**

Fees assessed by a county recorder's office for recording the documents of a real estate transaction.

- **Loan Fees**

Fees charged by a lender in connection with the processing of a new loan. These may include, but are not limited to, points, origination fee and credit report.

- **Escrow Fees**

Fees charged by a title and/or escrow company for services rendered in preparing documents necessary in the consummation of a real estate transaction.



Your First Arizona Title Company Escrow Officer will be happy to review the above and any other closing costs with you and explain them before you finalize your transaction and take ownership of your property.



OFFER PROCESS

Once you have found a home that you would like to purchase, you need to understand what will happen in the offer process. All offers made on a property must be in writing. A signed purchase contract is needed to present an offer to the seller.



- Your agent will prepare an estimated cost sheet that will give you an idea of how much it will cost to purchase the home.
 - You and your agent will work together on the Purchase Contract (this will include your offer to purchase the home which will be presented to the seller).
 - Your agent will speak with the seller's agent to find a time to present the offer.
 - At this time the seller will review the offer and decide if they would like to accept the offer or prepare a counter offer.
 - If the sellers decide to accept the offer, you will then start the closing process.
 - If the sellers prepare a counter offer, it is now up to you as the buyer to decide if you would like to accept, reject or counter the counter offer.
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WAYS TO HOLD TITLE IN ARIZONA

<i>Community Property</i>	<i>Community Property with Right of Survivorship</i>	<i>Joint Tenants / Tenants in Common</i>	<i>Joint Tenants with Right of Survivorship</i>
<ul style="list-style-type: none"> Requires a valid marriage between two persons. 	<ul style="list-style-type: none"> Requires a valid marriage between two persons. 	<ul style="list-style-type: none"> Parties need not be married; may be more than two tenants. 	<ul style="list-style-type: none"> Parties need not be married; may be more than two joint tenants.
<ul style="list-style-type: none"> Each spouse holds an undivided one-half interest in the estate 	<ul style="list-style-type: none"> Each spouse holds an undivided one-half interest in the estate 	<ul style="list-style-type: none"> Each tenant in common holds an undivided fractional interest in the estate. Can be disproportionate; e.g., 20% and 80%, 60% and 40%, etc. 	<ul style="list-style-type: none"> Each joint tenant holds an equal and undivided interest in the estate, unity of interest
<ul style="list-style-type: none"> One spouse cannot partition the property by selling his or her interest. 	<ul style="list-style-type: none"> One spouse cannot partition the property by selling his or her interest. 	<ul style="list-style-type: none"> Each tenant's share can be conveyed, mortgaged, devised to a third party. 	<ul style="list-style-type: none"> One joint tenant can partition the property by selling his or her joint interest
<ul style="list-style-type: none"> Requires signatures of both spouses to convey or encumber. 	<ul style="list-style-type: none"> Requires signatures of both spouses to convey or encumber. 	<ul style="list-style-type: none"> Requires signatures of all tenants to convey or encumber the whole. 	<ul style="list-style-type: none"> Requires signatures of all joint tenants to convey or encumber the whole.
<ul style="list-style-type: none"> Each spouse can devise (will) one-half of the community property. 	<ul style="list-style-type: none"> Estate passes to the surviving spouse outside of probate. 	<ul style="list-style-type: none"> Upon death, the tenant's proportionate share passes to his or her heirs by will or intestacy. 	<ul style="list-style-type: none"> Estate passes to surviving joint tenant outside of probate.
<ul style="list-style-type: none"> Upon death, the estate of the decedent must be "cleared" through probate, affidavit or adjudication. 	<ul style="list-style-type: none"> No court action required to "clear" title upon the first death. 	<ul style="list-style-type: none"> Upon death, the estate of the decedent must be "cleared" through probate, affidavit or adjudication. 	<ul style="list-style-type: none"> No court action required to "clear" title upon the death of joint tenant(s).
<ul style="list-style-type: none"> Both halves of the community property are entitled to a "stepped up" tax basis as of the date of death. 	<ul style="list-style-type: none"> Both halves of the community property are entitled to a "stepped up" tax basis as of the date of death. 	<ul style="list-style-type: none"> Each share has its own tax basis. 	<ul style="list-style-type: none"> Deceased tenant's share is entitled to a "stepped up" tax basis as of the date of death.

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



MOVING TIPS

Whether you are moving across the street or across the continent, First Arizona Title Agency wants to make your move a little easier. We hope these tips will help!

FOUR WEEKS TO GO:

- Call moving companies for a free estimate. Cost will vary depending on distance, weight, and optional services.
- Look through your house to determine items to be discarded or donated to charity. Have a garage sale!
- Inform schools of transfer. Make arrangements for enrollment/registration in new schools if necessary.
- Most homeowners policies do not provide adequate coverage for moving. Check with your agent and consider purchasing additional coverage from a moving company.
- Begin collecting boxes with covers if you plan to pack your belongings without assistance from a moving company. You can purchase do-it-yourself packing materials through moving companies or contact local grocery stores for extra boxes. Be sure to stock up on packing tape!
- Consider beginning to consume perishable and frozen food items to minimize waste.

THREE WEEKS TO GO:

- Begin Packing!
- Notify the post office of your new address and send change of address cards to friends, family, subscriptions and any billing companies.
- Make necessary travel arrangements including interim housing and car rental. Be sure to record confirmation numbers.
- Collect medical records and prescriptions from physicians. Ask for recommendations for doctors in your new area.
- Place legal, medical and insurance records in a safe and accessible place.

TWO WEEKS TO GO:

- Arrange to disconnect utilities/services in your current residence and coordinate installation of utilities/services in your new home.
 - Close/transfer bank accounts and open accounts in your new city.
 - Take pets to the vet for immunizations. Ask for advice on moving animals.
 - Draw a map of your new home and where the furniture will be arranged.
 - Return library books and any borrowed items.
 - Be sure to cancel newspaper subscriptions and/or any special services you have (i.e., landscaping service, pool service, etc.).
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ONE WEEK TO GO:

- Prepare car for trip. Check the oil, tires, brakes, etc.
- Drain water from hoses.
- Drain gas and oil from any power equipment.
- Remember to pick up items sent to the cleaners or for repairs.

DAYS BEFORE:

- Defrost and clean out refrigerator.
- Pack your luggage and separate any items you will need in the first days in your new home (i.e., a current telephone directory – you may need to refer to it for calls to residents or businesses in your former hometown.). Label these boxes “Load Last.”
- Reconfirm travel arrangements.
- Reserve ample parking space for the movers and provide clear paths inside the house.

THE BIG DAY:

- Be on hand to answer any questions.
- Go over your inventory with the driver.
- Be sure to point out all FRAGILE items to the movers.
- Check, double check, and triple check to see if anything is left behind.
- Do not leave the house until the movers are gone.

A FEW MORE THOUGHTS:

- **Moving your computer** - Make copies of all your files and software. If possible, pack your computer, monitor, and printer in their original boxes. If not, ask a moving company for boxes made especially for computers.
- **Packing supplies** - packing tape, thick markers, packing pellets, scissors, labels, tissue paper, newspaper and blankets.
- **Inventory** – Review inventory list.
- Pack photographs between sheets and blankets in boxes for added protection.
- At your destination consider hooking up the TV and VCR/DVD to occupy children until the movers have finished unloading the vehicle.





USEFUL TELEPHONE NUMBERS

WEST VALLEY

Utility Companies

Arizona Public Service (APS)	602.371.7171
Salt River Project (SRP)	602.236.8888
Southwest Gas	877.860.6020

Telephone

Century Link	800.244.1111
Order Telephone Directories	800.422.8793
AT&T Long Distance	800.222.0300
MCI	800.950.5555
Sprint	800.877.4646
Cox Communications	623.594.1000

Water

Avondale	623.333.4400
Buckeye	623.349.6100
El Mirage	623.933.1228
Glendale	623.930.2700
Goodyear	623.932.3015
Litchfield Park	623.935.9367
Peoria	623.773.7160
Phoenix	602.262.6251
Surprise	623.876.4020
Tolleson	623.936.7111
Wickenburg	928.684.2761
Youngtown	623.815.3100

Transportation

Sky Harbor International Airport	602.273.3300
Phoenix Transit/Valley Metro	602.253.5000
Road Condition Updates	511

Cable Television

Cox Communications	623.594.1000
Direct TV (New Service)	855.837.4388
Dish Network (New Service)	888.656.2461

Newspaper/Business Publications

The Arizona Republic	602.444.1000
West Valley View	623.535.8439
Arizona Business Gazette	602.271.7300
The Business Journal	602.230.8400

Post Offices

Post Offices (Valley Wide)	800.275.8777
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Child Care Resources

AZ Child Care Resource	800.308.9000
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Chambers of Commerce

Buckeye Valley Chamber	623.386.2727
Glendale Chamber	623.937.4754
Northwest Valley Chamber	623.583.0692
Peoria Chamber	623.979.3601
Southwest Valley Chamber	623.932.2260
Surprise Chamber	623.583.0692

WEST VALLEY

Automobile Information

Motor Vehicle Department	623.932.9466
Emissions Testing	602.470.4646
Auto License Plates	602.255.0072

Government Offices

Maricopa County Treasurer	602.506.8511
Maricopa County Assessor	602.506.3406
Maricopa County Recorder	602.506.3535
Avondale Zoning	623.333.1200
Buckeye Zoning	623.349.6211
El Mirage Zoning	623.933.8318
Glendale Zoning	623.930.2800
Goodyear Zoning	623.932.3005
Litchfield Park Zoning	623.935.5033
Peoria Zoning	623.773.7200
Phoenix Zoning	602.262.7131
Surprise Zoning	623.594.5752
Tolleson Zoning	623.936.7141
Wickenburg Zoning	928.684.5451
Youngtown Zoning	623.933.2073

Emergency Services

Fire/Police/Ambulance	911
Poison Control	602.253.3334
West Valley Hospital	623.882.1500
Banner Estrella Hospital	623.327.4000
Phoenix Children's Hospital	602.546.1000
Gas Leak	602.271.4277
Physician Referral Service	602.252.2844

Law Enforcement - Non-Emergency

Avondale Police Department	623.333.7000
Buckeye Police Department	623.349.6400
El Mirage Police Department	623.933.1341
Glendale Police Department	623.930.3000
Goodyear Police Department	623.932.1220
Litchfield Park Police Department	602.876.1011
Peoria Police Department	623.733.8311
Phoenix Police Department	602.262.7626
Sun City Police Department	623.974.4977
Sun City West Police Department	623.584.3500
Surprise Police Department	623.583.1085
Tolleson Police Department	623.936.7186
Wickenburg Police Department	928.684.5411
Youngtown Police Department	623.974.3665
Maricopa County Sheriff's Dept	602.256.1011
Animal Control/Licensing	602.506.7387

City Information

Avondale City Hall	623.333.1000
Town of Buckeye	623.386.4691
El Mirage City Hall	623.972.8116
City of Glendale	623.930.2000
Goodyear City Hall	623.932.3910
Litchfield Park City Hall	623.935.5033
City of Peoria	623.773.7340
Phoenix City Hall	602.262.6659
Surprise City Hall	623.583.1000
Tolleson City Hall	623.936.7111
Wickenburg Town Hall	928.684.5451



USEFUL TELEPHONE NUMBERS

EAST VALLEY

Utility Companies

Arizona Public Service (APS)	602.371.7171
Salt River Project (SRP)	602.236.8888
Southwest Gas	877.860.6020

Telephone

Century Link	800.244.1111
Order Telephone Directories	800.422.8793
AT&T Long Distance	800.222.0300
MCI	800.950.5555
Sprint	800.877.4646
Cox Communications	623.594.1000

Water

Arcadia	480.945.8363
Carefree	480.488.9100
Cave Creek	480.437.3581
Chandler	480.782.2280
Gilbert	480.503.6400
Mesa	480.644.2221
Paradise Valley	480.948.5410
Phoenix	602.262.6251
Scottsdale	480.312.2461
Tempe	480.350.8361

Transportation

Sky Harbor International Airport	602.273.3300
Phoenix Transit/Valley Metro	602.253.5000
Road Condition Updates	511

Cable Television

Cox Communications	623.594.1000
Direct TV (New Service)	855.837.4388
Dish Network (New Service)	888.656.2461

Newspaper/Business Publications

The Arizona Republic	602.444.1000
Scottsdale Tribune	480.970.2330
Paradise Valley Independent	480.483.0977
Foothills Sentinel	480.488.3436
Arizona Business Gazette	602.271.7300
The Business Journal	602.230.8400

Post Offices

Post Offices (Valley Wide)	800.275.8777
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Child Care Resources

AZ Child Care Resource	800.308.9000
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EAST VALLEY

Automobile Information

Motor Vehicle Department	623.932.9466
Emissions Testing	602.470.4646
Auto License Plates	602.255.0072

Government Offices

Maricopa County Treasurer	602.506.8511
Maricopa County Assessor	602.506.3406
Maricopa County Recorder	602.506.3535
Phoenix Zoning	602.262.7131
Scottsdale Zoning	480.312.7800

Emergency Services

Fire/Police/Ambulance	911
Poison Control	602.253.3334
Phoenix Children's Hospital	602.546.1000
Scottsdale Mem. Hospital (OSBORN)	480.282.4000
Scottsdale Mem. Hospital (NORTH)	480.323.3000
Gas Leak	602.271.4277
Physician Referral Service	602.252.2844

Law Enforcement - Non-Emergency

Phoenix Police Department	602.262.7626
Scottsdale Fire Department	480.312.8000
Scottsdale Police Department	480.312.5000
Maricopa County Sheriff's Department	602.876.1801
Rural/Metro Fire Prevention	480.945.6311
Animal Control/Licensing	602.506.7387

City Information

Carefree Town Hall	480.488.3686
Cave Creek Town Hall	480.488.1400
Chandler	480.782.2220
Fountain Hills Town Hall	480.837.2003
Gilbert	480.503.6000
Paradise Valley Town Hall	480.948.7411
Phoenix City Hall	602.262.6659
City of Scottsdale	480.312.6500
Tempe	480.967.2001



USEFUL TELEPHONE NUMBERS

PINAL COUNTY

Sherriff	800.420.8689
City of Maricopa County Assessor	520.866.6361
Maricopa City Police Dept	520.316.6800
City of Maricopa Clerk	520.316.6970
Internet	800.475.7260
Southwest Gas	800.428.7324
City of Maricopa MVD	520.568.9299
Recycling	602.268.2222
Water	520.568.4452



COMMON REAL ESTATE TERMS

- **Addendum** - Something added. A list or other material added to a document, letter, contractual agreement, escrow instructions, etc. (See also: Amendment).
 - **Adjustable Rate Mortgage (ARM)** - Mortgage loans under which the interest rate is periodically adjusted to more closely coincide with current rates. The amounts and times of adjustment are agreed to at the inception of the loan. Also called: Adjustable Rate Loans, Adjustable Rate Mortgages (ARM's), Flexible Rate Loans, and Variable Rate Loans. (See also: Indexing, Rate Index).
 - **Agency** - Any relationship in which one party (agent) acts for or represents another (principal) under the authority of the latter. Agency involving real property should be in writing, such as listings, trusts, powers of attorney, etc.
 - **Amendment** - A change, either to correct an error or to alter apart of an agreement without changing the principal idea or essence.
 - **Amortized Loan** - A loan repaid in periodic (most commonly monthly) payments of principal and interest. See also: Amortize, Interest Extra Note, Interest Included Note.
 - **Appraisal** - An opinion of value based upon a factual analysis. Legally, an estimation of value by two disinterested persons of suitable qualifications.
 - **Appreciation** - An increase in value to real property due to positive changes or the elimination of negative elements in the surrounding area. Although not within the original meaning, the word has been incorrectly used so often that it is now acceptable to describe an increase in value for any reason, including inflation.
 - **Assessed Value** - Value placed upon property for property tax purposes by the tax assessor.
 - **Balloon Payment** - The final payment (balance due) of a balloon note.
 - **CC&R'S (Covenants, Conditions, and Restrictions)** - A term used in some areas to describe the restrictive limitations which may be placed on property. In other areas, simply called restrictions.
 - **Chain of Title** - The chronological order of conveyance of a parcel of land, from the original owner (usually the government) to the present owner.
 - **Closing** - (1) In real estate sales, the final procedure in which documents are executed and/or recorded, and the sale (or loan) is completed. (2) A selling term meaning the point at which the client or customer is asked to agree to the sale or purchase and sign the contract. (3) The final call in a metes and bounds legal description which "closes" the boundaries of the property.
 - **Closing Costs** - Expenses incidental to a sale of real estate, such as loan fees, title fees, appraisal fees, etc.
 - **Closing Statement** - The statement which lists the financial settlement between buyer and seller, and also the costs each must pay. A separate statement for buyer and seller is sometimes prepared.
 - **Condominium** - A structure of two or more units, the interior space of which are individually owned; the balance of the property (both land and building) is owned in common by the owners of the individual units. The size of each unit is measured from the interior surfaces (exclusive of paint or other finishes) of the exterior walls, floors, and ceiling. The balance of the property is called the common area.
 - **Conventional Loan** - A mortgage or deed of trust not obtained under a government insured program, (such as F.H.A. or V.A.).
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- **Counter Offer** - An offer (instead of acceptance) in response to an offer. For example: A offers to buy B's house for X dollars. B, in response, offers to sell to A at a higher price. B's offer to A is a counter offer.
 - **Deed** - Any one of many conveyance instruments given to pass fee title to upon sale.
 - **Deed of Trust** - An instrument used in many states in place of a mortgage. Property is transferred to a trustee by the borrower (trustor), in favor of the lender (beneficiary), and reconveyed upon payment in full.
 - **Depreciation** - (1) Decrease in value to real property improvements caused by deterioration or obsolescence. (2) A loss in value as an accounting procedure to use as a deduction for income tax purposes. (See specific types of depreciation).
 - **Deposit** - Money given by the buyer with an offer to purchase. Shows good faith. Also called earnest money.
 - **Discount Points** - The amount paid to increase the yield. Example: A borrower receives a loan with an interest rate of seven percent but pays the lender three points in advance. The points raise the annual percentage rate of the loan. The lender may then sell the loan at less than face value and still make a profit. Each point equals one percent of the face value of the loan.
 - **Easement** - A right created by grant, reservation, agreement, prescription, or necessary implication, which one has in the land of another. It is either for the benefit of land (appurtenant), such as right to cross A to get to B, or "ingress", such as a public utility easement.
 - **Encumbrance, Incumbrance** - A claim, lien, charge, or liability attached to and binding real property. Any right to, or interest in, land which may exist in one other than the owner, but which will not prevent the transfer of fee title.
 - **Equity** - (1) The market value of real property, less the amount of existing liens. (2) Any ownership investment (stocks, real estate, etc.) as opposed to investing as a lender (bonds, mortgages, etc.).
 - **Escrow** - Delivery of a deed by a grantor to a third party for delivery to the grantee upon the happening of a contingent event. Modernly, in some states, all instruments necessary to the sale (including funds) are delivered to a third (neutral) party, with instructions as to their use.
 - **Escrow Officer** - An escrow agent. In some states, one who has, through experience and education, gained a certain degree of expertise in escrow matters.
 - **Fair Market Value** - Price that probably would be negotiated between a willing seller and willing buyer in a reasonable time. Usually arrived at by comparable sales in the area.
 - **Hazard Insurance** - Real estate insurance protecting against loss caused by fire, some natural causes, vandalism, etc., depending upon the terms of the policy.
 - **F.H.A. (Federal Housing Administration)** - A federal agency which insures first mortgages, enabling lenders to loan a very high percentage of the sale price.
 - **Impound Account** - Account held by a lender for payment of taxes, insurance, or other periodic debts against real property. The mortgagor or trustor pays a portion of, for example, the yearly taxes, with each monthly payment. The lender pays the tax bill from the accumulated funds.
 - **Legal Description** - A method of geographically identifying a parcel of land, which is acceptable in a court of law.
 - **Lien** - An encumbrance against property for money, either voluntary or involuntary. All liens are encumbrances but all encumbrances are not liens.
 - **Loan Origination Fee** - A one time set up fee charged by the lender.
 - **Origination Fee** - A fee made by a lender for making a real estate loan. Usually a percentage of the amount loaned, such as one percent.
 - **Owners Policy** - Title insurance for the owner of property, rather than a lien holder.
 - **Personal Property** - Any property which is not designated by law as real property.
 - **PITI (Principal, Interest, Taxes and Insurance)** - Used to indicate what is included in a monthly payment on real property. Principal, interest, taxes and insurance are the four major portions of a usual monthly payment.
 - **Point** - (1) One percent of the amount of the loan. (2) A commission paid for arranging a loan.
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- **Power of Attorney** - An authority by which one person (principal) enables another (attorney-in-fact) to act for him. (1) General power - Authorizes sale, mortgaging, etc. of all property of the principal. Invalid in some jurisdictions. (2) Special power - Specifies property, buyers, price and terms. How specific it must be varies in each state.
 - **Promissory Note** - A promise in writing, and executed by the maker, to pay a specified amount during a limited time, or on demand, or at sight, to a named person, or on order, or to bearer.
 - **Quitclaim Deed** - A deed intended 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 in the grantor.
 - **Recordation** - Filing instruments for public record (and notice) with a recorder, usually a county official.
 - **Special Assessment** - Lien assessed against real property by a public authority to pay costs of public improvements (sidewalks, sewers, street lights, etc.), which directly benefits the assessed property.
 - **Survey** - The measurement of the boundaries of a parcel of land, its area, and sometimes its topography.
 - **Pest Inspection** - An inspection required in certain types of sales of property, to determine if termites are present within a building.
 - **Title Insurance** - Insurance against loss resulting from defects of title to a specifically described parcel of real property. Defects may run to the fee (chain of title) or to encumbrances.
 - **Warranty Deed** - A deed used in many states to convey fee title to real property. Until the widespread use of title insurance, the warranties by the grantor were very important to the grantee. When title insurance is purchased, the warranties become less important as a practical means of recovery by the grantee for defective title.
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