

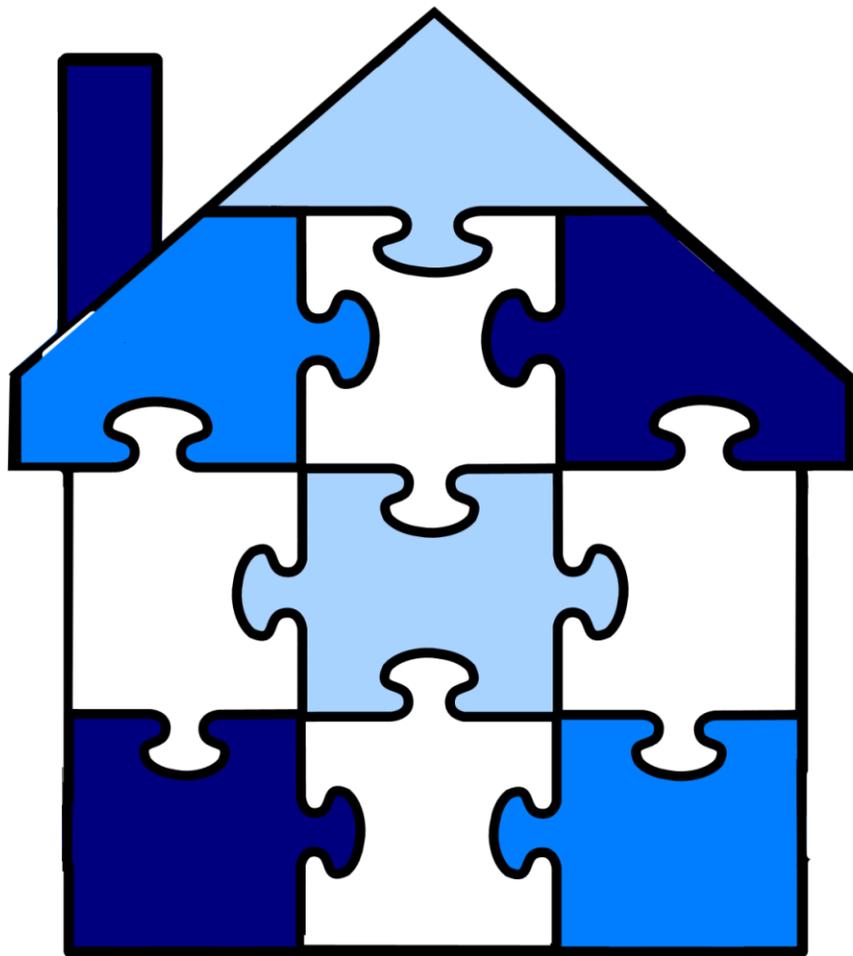
Buying Your Home



With Team PSRA Properties - Equity Colorado Real Estate



Put the Home Buying Pieces together



A Complete Guide to the home-buying process

Keep this book with you throughout the home-buying process. It is also very helpful if you keep it for future reference.

Welcome! You are about to embark on the exciting journey of finding your ideal home. Whether it is your first home or your tenth home, a retirement home, or an investment property, I will make your home-buying experience fun and exciting. I can help you find the ideal home with the least amount of hassle; and I am devoted to using my expertise and the full resources of my office to achieve results!

Purchasing a home is a very important decision and a big undertaking in your life time. In fact, most people only choose a few homes in their lifetime. I am going to make sure that you are well equipped and armed with up-to-date information for your big decision. I am even prepared to guide you through every phase of the home-buying process. This packet gives you helpful information during and after your transaction. Use its reference pages, note pages, and explanations, as an invaluable guide on your home-buying journey.

Please keep this packet with you during your home-buying process. There are pages that contain important phone numbers, dates, and areas for notes to help you stay organized.

So let's take an exciting journey together! I look forward to meeting your real estate needs every step of the way!



About Equity Real Estate

Often, we judge the caliber of people by the company they keep- this is why I would like to tell you a little bit about Equity Real Estate.

Equity Real Estate® was founded in Salt Lake City, Utah in 1995 with the specific premise that buyers and sellers deserve the best service for their real estate needs. For more than 10 years, that founding premise has been a major factor in the continued growth of Equity® across North America.

Equity® Real Estate agents have intimate knowledge of each community's character, mood, and growth potential. Due to the fact that the majority of Equity® Associates live in the communities and neighborhoods they serve, they are eager and capable of tackling unique challenges that families encounter when selecting new homes.

At Equity Real Estate®, we are Real Estate Consultants. We are not agents. We are not salespeople. What this means is that we build fiduciary relationships with our clients. A fiduciary is someone who represents your best interests.

We are a profit sharing company where associates are in partnership relationships with the owners; this means that everyone at Equity® Real Estate wants your home to sell because everyone benefits.

The Equity culture is based upon a belief system that is summed up by the definition of the word, "Equity".

Equity: The state, the quality, or ideal of being just and fair.

THE ADVANTAGES OF A BUYER AGENCY AGREEMENT

Your Interests Are Professionally Represented

Enlisting the services of a professional Buyer's Agent is similar to using an accountant to help you with your taxes, a doctor to help you with your health care, or a mechanic to with you with your car. If you had the time to devote to learning everything about accounting, medicine, and automotive mechanics, you could do these services yourself. But who has the time? This is why you allow other professionals to help you in their specific areas of expertise.

We will take care of the hassles of everyday real estate transactions for you. We let you concentrate on your full-time job, while we do our job. We will guide you through the home-buying process and exclusively represent your interests as we help you find a home, present your contract offer, negotiate, and close on your home!

You Get A Personal Specialist Who Knows Your Needs

Just as your accountant, doctor, and mechanic understand your specific needs, your Buyer's Agent gets to know your real estate needs and concerns. This type of relationship is built through open communication at all times. Your Buyer's Agent will save you a lot of time by providing you all the details about any home before you see it. In addition, your Buyer's Agent will listen to your feedback and concerns about each home.

You Will Quickly and Conveniently Get A Great Home

The advantage to signing a Buyer's Agency Agreement with me is that you will have a professional agent working to find and secure the ideal home for you. It is nearly impossible to find a home that meets your needs, get a contract negotiated, and close the transaction without an experienced agent. You won't need to spend endless evenings and weekends driving around looking for homes or trying to search computer networks by yourself. When you tour homes with your professional Buyer's Agent, you will already know that the homes meet your criteria and are within your price range.

What Is The Buyer's Agency Agreement?

Entering into a Buyer's Agency Agreement has countless advantages. When you sign the agreement, you are simply agreeing to "hire" a personal representative who, by law, must represent

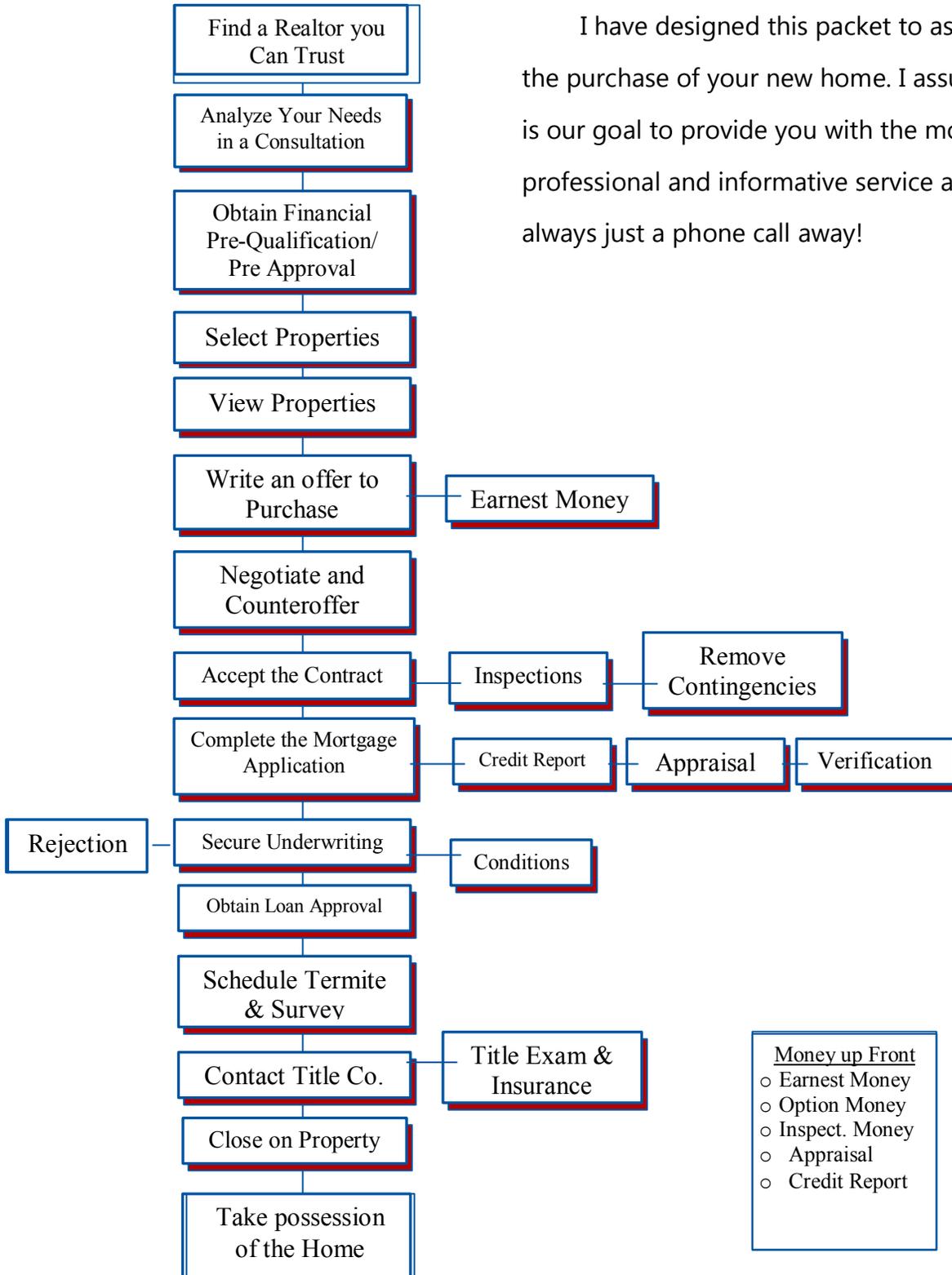
your best interests to the best of his/her ability. All of this personal service is available at absolutely NO COST TO YOU! The Seller's Agent is responsible for paying your Buyer's Agent fee. With me, you get a professional agent devoted to protecting your needs and to helping you make one of the most important investment decisions of your life – and you don't even have to pay the fee!

Reasons to buy a home

1. Quality of Life
2. Tax Deductibility of Mortgage Interest
3. Tax Deductibility of Property Taxes
4. Appreciation Potential
5. Deferred Gain and Capital Gain Treatment
6. Once in a Lifetime Exclusion
7. Principal Accumulation
8. Pride in Your Home
9. No Landlord
10. Leverage- Where else can you buy this size of an investment with 5-10% down
11. The Real Cost of Renting
 - a. At \$700 per month, with 6% rental increase per year, you will pay \$110,719 over a 10 year period.

The home-buying process

I have designed this packet to assist you with the purchase of your new home. I assure you that it is our goal to provide you with the most professional and informative service available. I am always just a phone call away!



The road map to your home! - Narrowing the Search

"If you don't know where you're going... you'll probably end up somewhere else." Taken from a book title, this quote conveys a very simple message – To achieve an objective – create a plan!

If you plan to buy a home soon, you will need to know "where you are going". For a most enjoyable home-buying experience, first build a road map to your new home, a list of priorities that will lead you to your objective – a new home!

The first priority is time frame. Write down the date by which you would like to move in to your new home: _____ (Keep in mind that it may take 30-90 days (or more) to locate the right home, secure financing, and complete the home-buying process).

The next priority is to develop a detailed description of the home you hope to find. The following page contains a Home Search Criteria form to help you distinguish between "Need to Have" features and "Nice to have" features. Be Specific. Include architectural style, number of bedrooms and baths, location, lot size, and other special requirements. Number your preferences in order of greatest importance to you.

This form, along with the information you share during our initial consultation, will enable me to narrow the home search. I will take this information and enter your requirements into the Multiple Listing Service (MLS) system. I will use my personal market knowledge to come up with a list of those homes that best meet your needs and wants.

During the home search, I will...

- Discuss the benefits and drawbacks of each home in relation to your specific needs.
- Keep you informed on a regular basis.
- Check the MLS database and with other brokers regularly for new listings.
- Prepare a list of all homes that best meet your needs and wants.
- Keep you up to date on changing financial conditions that may affect the housing marketing.
- Be available to answer your questions or offer assistance regarding your home purchase.
- Discuss market trends and values relative to properties that may be of interest to you.

Home Search criteria

GENERAL INFORMATION: Team PSRA Properties / Equity Colorado Real Estate

Agent Contact: Name: _____ Number: _____

Name: _____

Current Address: _____

City/ State/ Zip: _____

Home Phone: _____ Business Phone: _____

Email: _____

TIME LINE INFORMATION:

Deadline for Locating a Home: _____

Required Move in Date: _____

NEEDS ANALYSIS

Family Size: _____ Adults: _____ Children: _____

Need-to-Have Features: _____

Area Preferred: _____

Price Range: From: _____ To: _____

Approximate Square Footage: _____

Prefer: Home Condominium Town Home Duplex/ Triplex

Approximate Age of the Home: _____

Style: _____

Bedrooms: _____ Bathrooms: _____ Garage: _____

IMPORTANT FEATURES:

- | | | |
|--|---|--|
| <input type="checkbox"/> Den | <input type="checkbox"/> Swimming Pool | <input type="checkbox"/> Public Transportation |
| <input type="checkbox"/> Family Room | <input type="checkbox"/> Fireplace | <input type="checkbox"/> Utility Room |
| <input type="checkbox"/> Formal Dining Room | <input type="checkbox"/> Porch | <input type="checkbox"/> Breakfast Area |
| <input type="checkbox"/> Combination Dining Room | <input type="checkbox"/> Patio | <input type="checkbox"/> Other:
_____ |
| <input type="checkbox"/> Wooded Lot | <input type="checkbox"/> Workshop | |
| <input type="checkbox"/> Air Conditioning | <input type="checkbox"/> Drapes/ Blinds | |
| | <input type="checkbox"/> Carpet | |

SCHOOL REQUIREMENTS:

Elementary School:

Middle School:

High School:

The Neighborhood

There are many factors to consider when selecting a neighborhood that is right for you. Below are just a few of the many factors -- You may think of others that are important to you. Please write them on your Home Search Criteria form so they do not get forgotten.

Neighborhoods have characteristic personalities designed to best suit single people, growing families, two-career couples, or retirees. Investigate to determine if the neighborhood matches your lifestyle and personality.

SCOUT OUT THE NEIGHBORHOOD!

It is important that you scout the neighborhood in person. You live in more than your house.

- Talk to the people who live there.
- Drive through the entire area at different times of day, during the week and on the weekends.
- Look carefully at how well other homes in the area are being maintained; are they painted, are the yards well cared for; are parked cars in good condition, etc.

NEIGHBORHOOD FACTORS TO CONSIDER:

- Look for things like access to major thoroughfares, highways, and shopping.
- Listen for noise created by commerce, roads, railways, public areas, schools, etc.
- Smell the air for adjacent commerce or agriculture.
- Check with local civic, police, fire, and school officials to find information about the area.
- Research things like soil and water.
- Look at traffic patterns around the area during different times of the day and drive from the area to work.
- Is the neighborhood near parks, churches, recreation centers, shopping, theatres, restaurants, public transportation, schools, etc.?
- Does the neighborhood belong to a Homeowner's Association?

BEHIND THE SCENES

What Happens Next?

Now that you have decided to buy your home, what happens between now and the time you legally own the home? A Title Company may handle the following items. NOTE: in different parts of the country attorneys, lenders, escrow companies and other persons who are independent of, title companies perform some or all of these functions.

- Earnest Money – An agreement to convey starts the process once it is received at the Title Company. Once you submit the loan application, it is usually subject to a credit check, an appraisal, and sometimes, a survey of the property.
- Tax Check – What taxes are owed on the property? The Title Company contacts the various assessor-collectors.
- Title Search – Copies of documents are gathered from various public records: deeds, deeds of trust, various assessments and matters of probate, heirship, divorce, and bankruptcy are addressed.
- Examination – Verification of the legal owner and debts owed.
- Document Preparation – Appropriate forms are prepared for conveyance and settlement.
- Settlement – An Escrow Officer oversees the closing of the transaction: seller signs

the deed, you sign a new mortgage, the old loan is paid off and the new loan is established. Seller, Realtors, attorneys, surveyors, Title Company, and other service providers for the parties are paid. Title insurance policies will then be issued to you and your lender.

TITLE INSURANCE - THERE ARE TWO TYPES OF

TITLE INSURANCE:

- Coverage that protects the lender for the amount of the mortgage,
- Coverage that protects your equity in the property.

Both you and your lender will want the security offered by title insurance. Why?

Title agents search public records to determine who has owned any piece of property, but these records may not reflect irregularities that are almost impossible to find. Here are some examples: an unauthorized seller forges the deed to the property; an unknown, but rightful heir to the property shows up after the sale to claim ownership; conflicts arise over a will from a deceased owner; or a land survey showing the boundaries of your property is incorrect.

For a one-time charge at closing, title insurance will safeguard you against problems including those even an exhaustive search will not reveal.

Contract Checklist

INSPECTORS:

<input type="checkbox"/>	
<input type="checkbox"/>	Order Mechanical Inspection
<input type="checkbox"/>	Notify Landlord
<input type="checkbox"/>	Order Insurance Policy
<input type="checkbox"/>	Transfer Utilities
<input type="checkbox"/>	Order Telephone Service
<input type="checkbox"/>	Make Final Walk-Through
<input type="checkbox"/>	Schedule appointment with movers
<input type="checkbox"/>	Make Extra Keys/ Change Locks
<input type="checkbox"/>	Order Cable TV Service
<input type="checkbox"/>	Order New Checks
<input type="checkbox"/>	Change Driver's License/ Credit Cards

Service providers

The following is a list of recommended Service Providers. These are vendors we have worked with in the past and that have been recommended to us by satisfied customers. These are only recommendations. These recommendations are made on an informational basis only and are offered as a convenience to you. We accept no responsibility.

HOME WARRANTY PROTECTION COMPANIES:

INSURANCE COMPANIES:

MORTGAGE COMPANIES:

New Home checklist

Heating System

- Check filters every month.
- Have annual system maintenance service done one month before the heating season.

Electrical System

- To prevent power outages, limit the number of appliances plugged into one circuit.

Air Conditioning

- Check filters every month.
- Have annual system maintenance service done one month before air-conditioning season begins.
- Keep the condensing unit free of debris.

Microwave

- Do not use pans or dishes that are metal or have metallic trim
- Only use mild soap and/ or baking soda to clean the interior. Abrasive cleaners or scouring pads can leave damage.

Refrigerator

- Clean the interior shelves, door and gaskets every three months.
- Once a year, clean the coils on the back or underneath.

Range/ Oven

- To avoid damaging the burners, do not use extra-large/ heavy cooking pots and pans.
- If you have a self-cleaning oven, do not use any other method to clean it.

Dishwasher

- Mineral deposits on the heating elements can be cleaned with vinegar.
- Be sure dishes do not block or damage the spray arm.

Garbage Disposal

- To clean the disposal, push a fully tray of ice cubes through it while running cold water.
- Always remember to run water during use and for at least 2 minutes after you finish. This prevents stoppage.

Washer/ Dryer

- Clean the lint screen after each load of clothes has been dried and the unit is empty.

Trash Compactor

- Replace the deodorant supply regularly to prevent odors.

