



HOME BUYER GUIDE

Understanding the Home Buying process in Arizona



INTRODUCTION

Dear Home Buyer,

Thank you for giving me the opportunity to help guide you through your home buying process.

You are about to make one of the most important decisions of your life, and my goal is to be there for you every step of the way, making this experience as pleasant, understandable, and hassle-free as possible for all involved.

The information in this handbook will educate and assist you with the following:

- ▶ The buying process
- ▶ The purchase contract
- ▶ The loan process
- ▶ Explaining the escrow and title process
- ▶ Physical inspection process
- ▶ Home warranties

I look forward to working with you during your entire home buying process and welcome any questions you may have after reading this information.

Please feel free to contact me at any time with any questions or concerns.

Sincerely,

QUICK REFERENCE

Your Escrow Number _____

Your New Address _____



Escrow Contacts

Escrow Officer _____

Assistant _____

Address _____

Email _____

Email _____

Phone _____

Fax _____

NAVIGATION



Finding your way through this guide:

- 2. Contents/Quick Reference**
- 4. Working with Your Realtor®**
- 5. Rent vs. Own**
- 6. The Home Buying Process**
- 7. Overview of the Loan Process**
- 9. AZ Property Buyer Advisory**
- 19. Sample Purchase & Sale Agreement**
- 29. The Escrow Process**
 - What is Escrow?
 - Your Escrow Closing Appointment

32. Title Insurance

- What is Title Insurance?
- What are the Risks?
- Two Kinds of Policies
- Title Commitment

36. Closing Costs

40. What do I Pay For?

41. Inspections

42. Home Warranties

43. Property Tax Information

44. Useful Phone Numbers

47. Notes

DON'T MAKE A MOVE WITHOUT A REALTOR®

"Finding a home without a REALTOR® is like finding a needle in a haystack."

As members of the National Association of REALTORS®, Real Estate Agents are bound by a strict Code of Ethics. Here's why working with a REALTOR® works for you in terms of your interests, convenience, budget and your peace of mind throughout the entire buying process.

REALTORS® have the most information in one place about what is "on the market," including homes listed by other REALTORS®. You won't waste time looking at homes that don't fit your needs.

REALTORS® help you determine what you can afford and what financing options may be open to you.

REALTORS® help you find the home best suited to your needs – size, style, features, location and accessibility to amenities that are important to you.

REALTORS® can supply information on real estate values, taxes, utility costs, municipal services and facilities.

REALTORS® have no emotional ties to a home, can be objective about it and can point out its disadvantages.

REALTORS® will handle all the negotiations, offers and counter offers with the seller until an agreement is reached, and they will help you through the escrow process.

WORKING WITH YOUR REALTOR®

REALTORS® make it their business to provide every service connected with your home search, from expert advice in the early stages through careful monitoring of your closing escrow. The more closely you work with one REALTOR®, the better your needs are known and more effectively you can be served, saving your time and possible grief.

It's a good idea to let your REALTOR® help you look for financing before you start your home search. Sellers will favor an offer from a buyer who has a loan status report (LSR), which includes the lender pre-qualification section completed by a lender with the AAR residential resale real estate purchase contract, above a buyer who has only provided the buyer's loan information portion of the LSR. In addition, knowing where you stand concerning how much money a lender will lend you (based on your income and credit rating) puts you in a good bargaining position. Be open with your lender about financial information—you are their client and they will keep information confidential.

Whenever you are out looking for a house always ask your REALTOR® to accompany you, whether you are looking at a resale home listed in the Multiple Listing Service (MLS), a "new" home, a "spec" home, or a "For Sale By Owner." Remember, your REALTOR® works for you and will handle the negotiations, protect your interest, and get the best deal possible for you.

When you have a comfortable fit with your REALTOR®, you may want to secure that relationship with a written agreement. You can accomplish this by completion of an AAR buyer-broker exclusive employment agreement. In this agreement you authorize your broker to accept compensation from the seller or the seller's broker even though your broker represents you.



RENTING VS. OWNING

Why pay rent when you could be building equity in your own home?



Have you ever given much thought to how much money you pay in rent—especially over an extended period of time? It's probably a lot more than you realize. If you are planning on settling in an area for an extended period of time, buying a house really makes good financial sense. Think of it this way: the amount you've been spending on rent each month could be applied to a mortgage, not only building equity in your own property, but, in many cases, reducing the Federal and State income taxes you pay every year. And think about that rent money? Once you've written that check...it's gone. No equity, no interest, no return on your investment.

With the low interest rates available, you may be surprised at what you can afford. Give your real estate agent or lender a call for a free consultation...no strings attached.

MONTHLY PAYMENT	AFTER 1 YEAR	AFTER 3 YEARS	AFTER 5 YEARS	AFTER 10 YEARS	AFTER 15 YEARS	YOUR RETURN
\$400	\$4,800	\$14,400	\$24,000	\$48,000	\$72,000	\$0
\$500	\$6,000	\$18,000	\$30,000	\$60,000	\$90,000	\$0
\$600	\$7,200	\$21,600	\$36,000	\$72,000	\$108,000	\$0
\$700	\$8,400	\$25,200	\$42,000	\$84,000	\$126,000	\$0
\$800	\$9,600	\$28,800	\$48,000	\$96,000	\$144,000	\$0
\$900	\$10,800	\$32,400	\$54,000	\$108,000	\$162,000	\$0
\$1,000	\$12,000	\$36,000	\$60,000	\$120,000	\$180,000	\$0
\$1,100	\$13,200	\$39,600	\$66,000	\$132,000	\$198,000	\$0
\$1,200	\$14,400	\$43,200	\$72,000	\$144,000	\$216,000	\$0
\$1,300	\$15,600	\$46,800	\$78,000	\$156,000	\$234,000	\$0
\$1,400	\$16,800	\$50,400	\$84,000	\$168,000	\$252,000	\$0
\$1,500	\$18,000	\$54,000	\$90,000	\$180,000	\$270,000	\$0
\$1,750	\$21,000	\$63,000	\$105,000	\$210,000	\$315,000	\$0
\$2,000	\$24,000	\$72,000	\$120,000	\$240,000	\$360,000	\$0
\$2,500	\$30,000	\$90,000	\$150,000	\$300,000	\$450,000	\$0

THE HOME BUYING PROCESS



**SELECT A
LICENSED,
QUALIFIED REAL
ESTATE AGENT**

**PREQUALIFICATION
BY A LENDING
INSTITUTION**

**MAKE AN OFFER TO
PURCHASE THE
PROPERTY**

SELECT A PROPERTY
Resale
New construction

PRESENT OFFER TO SELLER
Possible counter offer from Seller
Possible rejection from Seller

**CONTRACT ACCEPTED
BY SELLER**
Earnest money deposit
Property inspection
Possible contingency
after inspection

UNDERWRITING
Approval of mortgage
application
Possible rejection of
mortgage application

MORTGAGE APPLICATION
Credit report
Property appraisal by lender
Verification of employment
and financial background

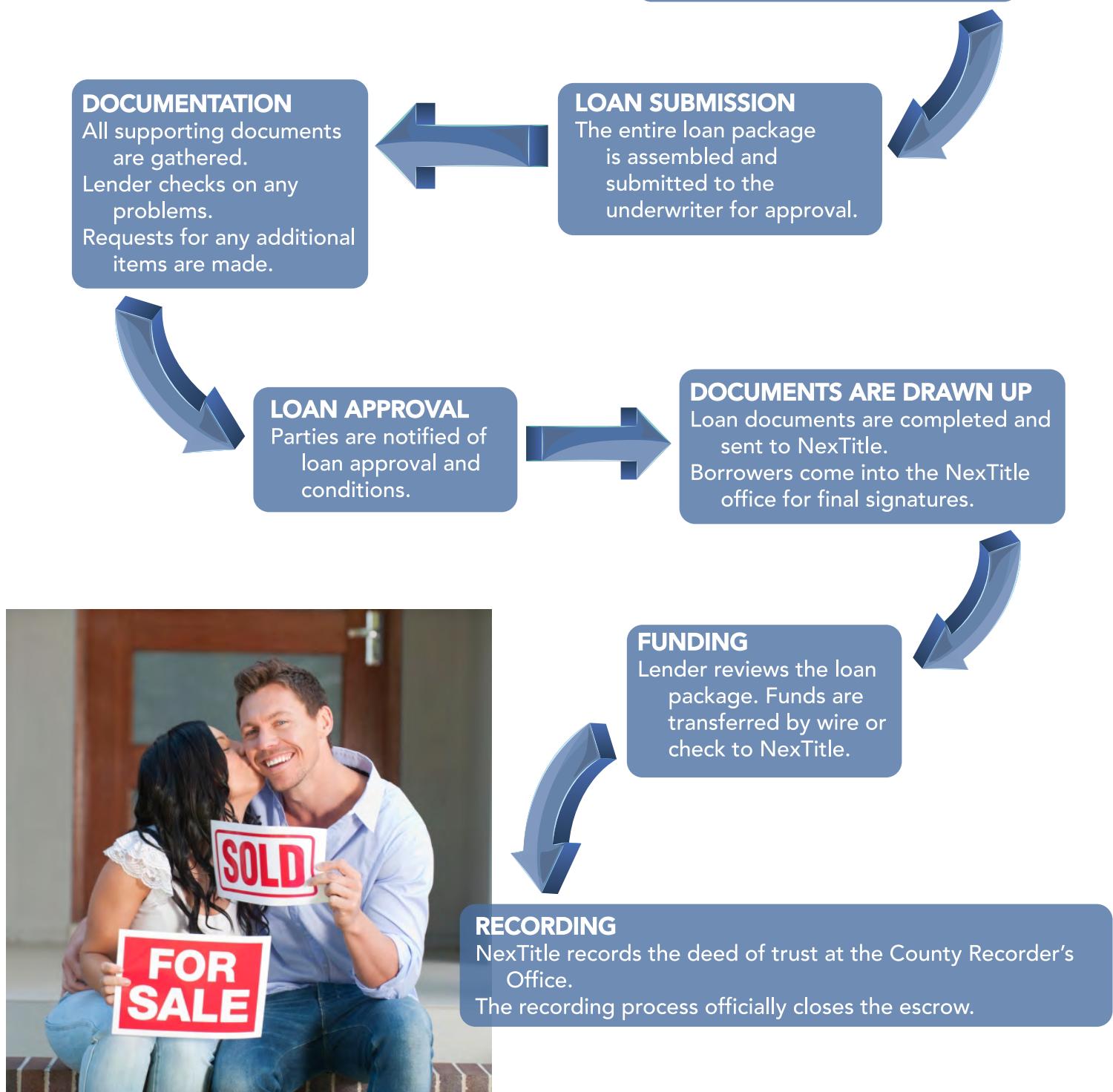
TITLE COMPANY
Conducts title search
on the property
Prepares and reviews
documents for close
of escrow

**WALK-
THROUGH**

CLOSE OF ESCROW
Signing of mortgage papers
Recording of documents

**The keys are finally yours...
CONGRATULATIONS!**

OVERVIEW OF THE LOAN PROCESS:



TYPES OF LOANS

ADJUSTABLE RATE MORTGAGE: An adjustable rate mortgage has an interest rate that is adjusted at certain intervals based on a specific index during the life of the loan.

BALLOON PAYMENT LOAN: A fixed-rate loan that is amortized over 30 years but becomes due and payable at the end of a certain term. It can usually be extended or rolled-over into another type of loan.



BUY-DOWN LOAN: Buy-down loans are fixed-rate loans in which the interest rate and the payment are reduced for a specific period of time. This is accomplished by paying the interest up front to subsidize the lower payment.

COMMUNITY HOMEBUYER'S PROGRAM: A fixed-rate loan designed for first-time buyers with a low down payment (usually 3 to 5%), no cash reserve requirement, and easier qualifying ratios. This loan is subject to the borrower meeting income limits and attending a four-hour training course on home ownership.

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

FHA LOANS: FHA loans are insured by the Federal Housing Administration under H.U.D. They offer the buyer a low down payment and are easier to qualify for than conventional loans. Appraisal and property condition rules will be applied and the loan amounts are limited.

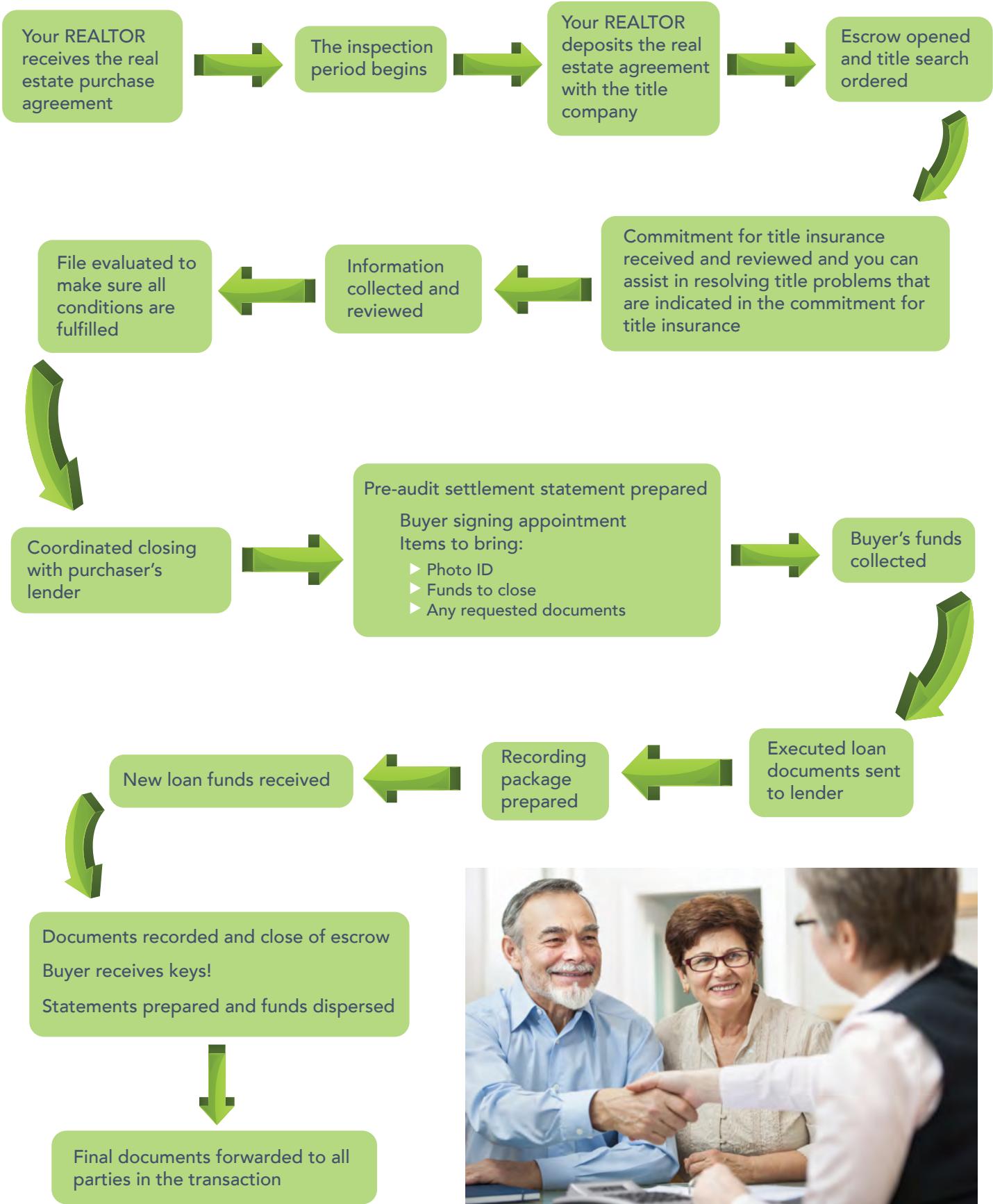
FIXED RATE LOAN: A fixed-rate loan has one interest rate that remains constant throughout the entire term of the loan.

GRADUATED PAYMENT MORTGAGE: A fixed-rate loan that has payments that start lower than a standard fixed-rate loan, and then increases by a predetermined amount each year for a set number of years.

NON-QUALIFYING LOAN (ASSUMABLE): Non-qualifying loans are preexisting loans which can be assumed by a buyer from the seller of a property. The buyer is not required to go through the qualifying process. Instead, he pays the seller for their equity in the property and then starts making payments.

VA LOAN: The VA loan offers long-term financing to eligible veterans. They are guaranteed by the Veterans Administration and supply home financing when private financing is not available. To qualify, a veteran must have served 180 days of active service.

THE ESCROW PROCESS



WHAT IS "ESCROW"?

Escrow is a neutral third party that acts on behalf of the buyer and seller. Escrow compiles and processes all the elements of a real estate transaction. We prepare documents, make sure the title is clear of any unacceptable defects or claims, exchange funds, process payoffs, and record documents. This includes responding to lender requirements, obtaining approvals of reports and documents as required in the contract, and prorating insurance, taxes and rents.

During the process, we keep all parties informed of the transaction's progress. We also facilitate the signing of all documents by the related parties. The purchase is officially closed when the new deed is recorded with the county. Ownership is then considered transferred from the seller to the buyer.

Escrow strives to make the process as smooth and easy as possible. Our job is to communicate clearly and effectively with all parties involved. By eliminating the guesswork from the transaction, we make the entire process pleasant and error free.

YOUR ESCROW CLOSING APPOINTMENT

Your escrow officer will call you to make an appointment for the purpose of signing your lender's package as well as your deed, affidavit, and all other required documents. You should allow a minimum of 60 minutes for this appointment. If you would like, ask your REALTOR® and/or your loan officer to be present in case you have any questions.

Bring the following items to your appointment:

► IDENTIFICATION

There are several acceptable forms of identification, which may be used during the escrow process.

- ▶ A current state-issued driver's license
- ▶ A state-issued identification card
- ▶ U.S. Passport

Please note: If the Lender requires, you may be asked to present your Social Security Card. It is necessary to bring valid identification in order for your signatures to be notarized. If you are not a U.S. citizen, it is preferable to have an Alien Resident Card and a state-issued identification card. Please check with NexTitle to confirm their specific requirements.

► CERTIFIED FUNDS TO CLOSE

Please plan ahead so that the necessary funds will be available at the time of your closing appointment. Your escrow officer will prepare a pre-audit prior to your signing, which will indicate the amount of funds required to close. The law requires us to have **CERTIFIED FUNDS**, which consist of a **CASHIER'S CHECK** or **BANK WIRE TRANSFER**.

► INSURANCE

It is important that you purchase your insurance before the loan is approved, and make sure that the policy complies with your lender's requirements. Your lender will need to see proof that you have purchased homeowner's insurance for the property. Bring the name, company, address and phone number of your insurance agent with you.

► LENDER'S REQUIREMENTS

Please make sure that you have satisfied your lender's requirements before coming to the NexTitle office to sign your mortgage and escrow documents.



TITLE INSURANCE



▶ WHAT IS TITLE INSURANCE?

A Title Insurance Policy provides peace of mind by protecting the purchaser of real estate from loss associated with undiscovered defects in the title of the property. Title insurance is a one-time premium paid to a title company, which guarantees ownership of a particular piece of property and ensures that no one else has a claim to that property.

▶ WHY DO YOU NEED TITLE INSURANCE?

When you purchase a home, you need to be sure that there are no problems with its title, and that the seller really owns the property. Problems with the title can limit your use and enjoyment of the property, and could also result in a significant financial loss.

▶ THE TITLE SEARCH

After your sales contract has been accepted, a title professional will search the public records and identify any complications with the home's title. This search typically involves a review of land records going back many years. More than one-third of all title searches reveal a title problem that can easily be dealt with by title professionals before going to closing. For instance, a previous owner may have had minor construction done on the property, but never fully paid the contractor. Or the previous owner may have failed to pay local or state taxes (see following page for some other common title problems). Title professionals seek to resolve problems like these before you go to closing.

WHAT ARE THE RISKS?

Occasionally title problems can arise that can potentially cause the loss of your property or mortgage investment. Title troubles that are not disclosed even after the most careful search of public records are known as hidden risks. They are the most dangerous kind of title troubles and can render your title worthless. Even after careful examination by your attorney, hidden risks can surface, causing your title to be fatally defective.

Here is a list of title troubles that occur frequently. They may not be discovered initially, but months or years later they can result in an expensive lawsuit or, in a worst case scenario, the loss of your property:

- ▶ Deeds by persons of unsound mind
- ▶ Marital rights of spouse purportedly, but not legally, divorced
- ▶ Deeds to or from defunct corporations
- ▶ Undisclosed divorce of spouse who conveys as consort's heir
- ▶ Defective acknowledgements
- ▶ Deeds from a bigamous couple
- ▶ Duress in execution of instruments
- ▶ Deeds by minors
- ▶ Erroneous reports furnished by tax officials
- ▶ Deeds in lieu of foreclosure given under duress
- ▶ False personation of the true owner of land
- ▶ Deeds by persons supposedly single, but married
- ▶ Forged documents, i.e., deeds, releases, etc.
- ▶ Administration of estate of persons absent but not deceased
- ▶ Misrepresentation of wills
- ▶ Inadequate descriptions on conveyances
- ▶ Mistakes in recording legal documents
- ▶ Claims of creditors against property sold by heirs or devisees
- ▶ Surviving children omitted from a will
- ▶ Federal condemnation without filing of notice
- ▶ Errors in indexing
- ▶ Deed of community property recited to be separate property
- ▶ Capacity of foreign fiduciaries
- ▶ Falsification of records
- ▶ Birth or adoption of children after date of will
- ▶ Undisclosed or missing heirs
- ▶ Deeds delivered after death of grantor/grantee
- ▶ Instruments executed under fabricated or expired Power of Attorney

TITLE INSURANCE - TWO KINDS OF POLICIES

► THE OWNER'S POLICY

Owner's Title Insurance, called an Owner's Policy, is usually issued in the amount of the real estate purchase. It is purchased for a one-time fee at closing and lasts for as long as you or your heirs have an interest in the property. Only an Owner's Policy fully protects the buyer should a covered title problem arise. Possible hidden title problems can include:

- ▶ Errors or omissions in deeds
- ▶ Mistakes in examining records
- ▶ Forgery
- ▶ Undisclosed heirs

An Owner's Policy provides assurance that your title company will stand behind you—monetarily and with legal defense—if a covered title problem arises after you buy your home. The bottom line is that your title company will be there to help pay valid claims and cover the costs of defending an attack on your title for as long as you or your heirs own the property. Receiving an Owner's Policy isn't always an automatic part of the closing process. In different parts of the country, either the buyer or the seller may be responsible for providing owner's coverage, or it may not be required. Be sure you request an Owner's Policy and ask how it is paid for in the area in which you live.

► THE LOAN POLICY

There are two types of title insurance: Owner's Title Insurance, as mentioned above, and Lender's Title Insurance, also called a loan policy. Most lenders require a loan policy when they

issue you a loan. The loan policy is usually based on the dollar amount of your loan. It protects only the lender's interests in the property, should a problem with the title arise. It does not protect the buyer. The policy amount decreases each year and eventually disappears as the loan is paid off.



TITLE COMMITMENT

This brief explanation will help you understand the contents of the title commitment you receive from NexTitle:



► SCHEDULE A

This is the information submitted to our title department by your escrow officer. It contains the basic information given to us by the buyer or REALTOR®, including the legal description of the property, sales price, loan amount, lender, name and marital status of buyer and seller.

► SCHEDULE B

The schedule B "exceptions" refer to certain items which are tied to the subject property. These exceptions may include Covenants, Conditions and Restrictions (CC&Rs), easements, homeowners association bylaws, leases and other items which will remain on record and transfer with the property. The buyer will receive a clear title to the property, but the buyer's rights will be subject to conditions/exceptions in the CC&Rs, recorded easements, etc. The buyer will be asked to sign a receipt for the Schedule B documents stating that he or she has read and accepts the contents.

► REQUIREMENTS

These are items that NexTitle will need to delete and/or record in order to provide a clear title to the property. Items that need to be addressed include:

- ▶ Current property tax status
- ▶ Any assessments that are owed, such as those for a homeowners association
- ▶ Any encumbrances (or liens) on the property

Sometimes items will show up against a property because another person has a name that is similar to the buyer. This is one of the reasons why we require an identity statement. This statement helps us determine if items are inaccurate and can be deleted.

Contact your REALTOR® or your escrow officer if you have any questions about the commitment or how to read it.

CLOSING COSTS



Your escrow officer will review and explain your settlement statement at closing. The following list will help you understand some of the costs associated with closing and show you some of the cost-saving policies NexTitle offers. Questions about loan fees and charges should be directed to your loan officer.

► SOME TYPICAL CLOSING COSTS

TITLE INSURANCE PREMIUM

Fee paid by an individual to insure that the buyer has a marketable title and that the lender is in first lien position.

REAL ESTATE COMMISSION

Fee paid to the real estate broker for services rendered in listing, showing, selling, and finalizing the transfer of property.

TRANSFER/ASSUMPTION CHARGES

Fee charged by the lender to allow a new purchaser to assume an existing loan. Recording fees are assessed by the County Recorder's Office to record documents of a real estate transaction.

LOAN FEES

Fees charged by a lender to process a new loan. These may include points, origination fee, credit report, appraisal, etc.

ESCROW FEES

Fees charged by an escrow agent for services rendered in preparing and recording documents and collecting/disbursing the funds necessary to consummate a real estate transaction.

ADDITIONAL SETTLEMENT CHARGES

Taxes, insurance, impounds and interest prorations, home warranty, termite inspection fee, homeowners association transfer, etc.

► EXPLANATION OF CLOSING COSTS

APPRAISAL FEE

This charge pays for a statement of property value for the lender, and it may vary significantly from transaction to transaction. The appraisal needs to be performed by an independent appraiser. In the event that you fail to repay the loan according to the provisions of your mortgage contract, the lender needs to be able to determine whether the value of the property is sufficient to secure the loan. The appraiser will inspect the house and the neighborhood, and consider sales prices of comparable houses and other factors in determining the value. The appraisal report contains photos and other important information. It provides the factual data upon which the appraiser bases the appraisal value. The appraisal does not give any rights to the purchaser nor will it necessarily detect disclosure defects in the property or title to the property. While most reasonable lenders are willing to furnish you a copy of the appraisal upon request, they are not required to do so unless state law requires it. Therefore, it is important that you reach an understanding with your lender if you wish to see the appraisal report, preferably at the time that you pay the appraisal fee. The appraisal fee may be paid by either the buyer or the seller, as agreed in the sales contract. In some cases, this charge is included in the mortgage insurance application fee. Please contact your lender for a copy.

CITY/COUNTY PROPERTY TAX

The lender may require you to make a regular monthly payment to the reserve account to cover property taxes.

CREDIT REPORT FEE

This fee covers the cost of the credit report, which shows how you have handled other credit transactions. The lender uses this report in conjunction with information you submitted with the application regarding your income, outstanding bills, and employment, to decide whether you are an acceptable credit risk and to help determine how much money they are willing to lend you. If, by chance, you encounter credit-reporting errors or problems, remember that you have protection under the Fair Credit Reporting Act.

HAZARD INSURANCE

This type of insurance protects you and the lender against loss due to fire, severe storms, earthquakes and other natural hazards. Coverage may be included in a Homeowner's Policy, which insures against additional risks that may include personal liability and theft.

A Hazard Insurance or Homeowner's Policy may not protect you against loss caused by flooding. If your mortgage is federally insured and your property is within a "special flood hazard area" identified by FEMA, you may be required by federal law to carry flood insurance

on your home. Such insurance may be purchased in participating communities under the National Flood Insurance Act.

HAZARD INSURANCE PREMIUM

The lender determines the amount of money that must be placed in the reserve in order to pay the first insurance premium, when due. The lender often requires payment of the first year's premium at settlement.

INTEREST

At the time of settlement, lenders usually require that borrowers pay the interest that accrues on the mortgage from the date of the settlement to the beginning of the period covered by the first monthly payment. For example, suppose your settlement takes place on June 16, and your first regular monthly payment will be due on August 1, with interest charges for the month of July. On the settlement date, the lender will collect interest for the period from June 16 to July 1.



ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE

At the time of settlement, you may be required to prepay certain items such as accrued interest, mortgage insurance and hazard insurance premiums.

LENDER INSPECTION FEES

This charge covers inspections, often of newly constructed housing, made by personnel of the lending institution or an outside inspector.

LOAN DISCOUNT

Often referred to as "points," a loan discount is a one-time charge used to adjust the yield on the loan to what market conditions demand. It is used to offset the constraints placed on the yield by state or federal regulations. Each "point" is equal to one percent of the mortgage amount. For example, if a lender charges four points on a \$60,000 loan, this amounts to a fee of \$2,400.

MORTGAGE INSURANCE APPLICATION FEE

This fee covers the cost of processing the application for private mortgage insurance, which may be required on certain loans. It may also cover both the appraisal and application fee.

MORTGAGE INSURANCE PREMIUM

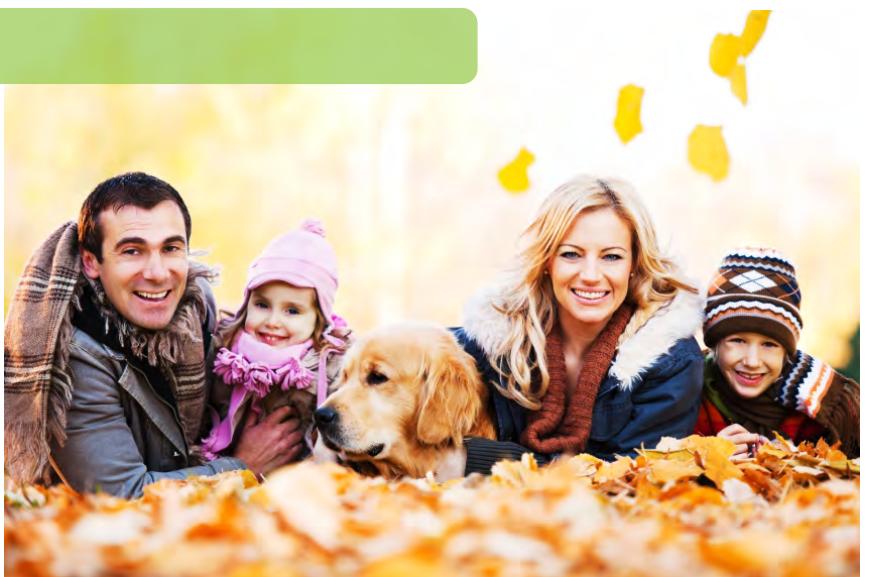
Mortgage insurance protects the lender from loss due to payment default by the borrower. The lender may require you to pay your first premium or a lump sum premium covering the life of the loan in advance on the day of settlement. The premium may cover a specific number of months, a year in advance, or the total amount. With this insurance protection, the lender is willing to make a larger loan, thus reducing your down payment requirements. This type of insurance should not be confused with mortgage life, term or disability insurance designed to pay off a mortgage in the event of physical disability or death of the borrower.

RESERVES DEPOSITED WITH LENDERS

Reserves (sometimes called "escrow" or "impound" accounts) are funds that the lender holds in an account to assure future payment for reoccurring items such as real estate taxes and hazard insurance. A portion of your regular monthly payments will be added to the reserve account for this purpose. At the time of settlement, you will most likely be required to pay a set-up fee to establish a reserve account. RESPA places limitations on the amount that a lender can require a borrower to maintain in the account.

WHAT DO I PAY FOR ?

Your contract, along with any applicable government regulations, ultimately determines who will pay which closing costs. Your Realtor® and/or loan officer will guide you through this process and will be happy to answer any questions you might have.



The BUYER generally will pay:

- ▶ Lender's title policy premium, if it's a new loan
- ▶ Escrow fee, one half (seller pays all on VA)
- ▶ Document preparation, if applicable
- ▶ Notary fees, if applicable
- ▶ Recording charges for all documents in buyers' names
- ▶ Homeowners association transfer fee, per contract
- ▶ Two months homeowners association fee
- ▶ All new loan charges (except those that the lender requires the seller to pay)
- ▶ Interest on new loan from date of funding to 30 days prior to first payment date
- ▶ Assumption/change of records fees for takeover of existing loan
- ▶ Beneficiary statement fee for assumption of existing loan
- ▶ Home warranty premium per contract
- ▶ Hazard insurance premium for first year
- ▶ All prepaid items, such as interest, or funds for an escrow account
- ▶ Courier fees if applicable
- ▶ Professional home inspection

The SELLER generally will pay:

- ▶ Owner's title insurance premium
- ▶ Realtor's commission
- ▶ Escrow fee, one half (seller pays all on VA)
- ▶ Any loan fees required by buyer's lender, i.e., FHA, VA
- ▶ All loans in seller's name (unless buyer assumes existing loan)
- ▶ Interest accrued on loan being paid off, statement fees, reconveyance fees, prepayment penalties
- ▶ Home warranty premium per contract
- ▶ Homeowners association transfer fee, per contract
- ▶ Homeowners association disclosure fee
- ▶ Any unpaid homeowners association dues
- ▶ Any judgements, tax liens, etc., against seller
- ▶ Recording charges to clear all documents of record against seller
- ▶ Property taxes: prorated to the date the title is transferred plus any delinquent taxes
- ▶ Any bonds or assessments per contract
- ▶ Courier fee if applicable
- ▶ Septic fees per contract
- ▶ Any repairs per contract

INSPECTIONS

The AAR contract provides a multi-tiered inspection period. Numerous items may be inspected, such as the property itself, the title report, the CC&Rs, and the seller property disclosure. If for any reason and within the allowed inspection period/periods, the buyer does not approve an inspected item, the buyer may follow the remedies stipulated in the contract. The buyer's inspection process could include any or all of the following inspections as well as those mentioned above.

PHYSICAL INSPECTION

- ▶ This inspection encompasses roof, plumbing, electrical, heating and any other accessible area of the structure.
- ▶ The home inspection company will provide a written report, with recommendations for repair or further inspection by a specialist. Please note that home inspection charges range from \$150 to \$300, depending on the size of the home.



OTHER INSPECTIONS

- ▶ Chimney Inspection
- ▶ Contractors Home Inspection
- ▶ Energy Audit
- ▶ Hazardous Materials
- ▶ Heating and Air Conditioning
- ▶ Seismic
- ▶ Structural Engineering
- ▶ Structural Pest Control
- ▶ Water Conservation
- ▶ Well and Septic
- ▶ Zoning and Building Permit Compliance

HOME WARRANTIES

As a homeowner, or a potential homeowner, it is important to understand the advantages of home warranty protection. The home warranty policy covers the repair and/or replacement of major mechanical and major appliances, such as plumbing and heating and air conditioning units. Be aware that there are a variety of plans available, and you should select the plan that meets your needs and your budget.

BENEFITS OF HOME WARRANTY COVERAGE TO THE SELLER

Offering a home warranty plan is a great marketing feature when selling your home. A warranty plan may protect you from legal disputes arising from malfunctioning plumbing, appliances, etc., after the sale of your home.

BENEFITS OF HOME WARRANTY COVERAGE TO THE BUYER

A home warranty plan assists in deferring costs that may arise from malfunctioning plumbing, appliances, etc.

Please note that optional coverage is available for swimming pools, washers/dryers, spas and well pumps.



IMPORTANT PROPERTY TAX INFORMATION

ANNUAL TAX STATEMENT

- ▶ Annual statements are billed for the calendar year, although they are not issued until the fall of the current year (September or October).
- ▶ Taxes can be paid in two halves:
 - ▶ The first installment is due September 1st and is considered delinquent November 1st
 - ▶ The second installment is due March 1st of the following year and is considered delinquent May 1st.
- ▶ Be sure that you check the property description on the tax statements to avoid paying on the wrong property. To insure proper posting of payments and information to your address, you should always include your parcel number when making any payments or inquiries at the Assessors or Treasures office. This number can be found on paperwork supplied to you by NexTitle and is usually in the following format: 123-45-678. Sometimes this number is followed by a capital letter.
- ▶ The law does not recognize failure to receive a tax statement as reason for waiving interest. The Treasurer must assess interest on all delinquent payments.

NEW OWNERSHIP

Transfer of ownership information may take six months or more to process; therefore, new owners may not receive a tax bill for property purchased after November 1st of the previous year. If a tax statement has not been received by October 15th, the new owner MUST contact the Treasurer for the statement so that that payment can be made before the first half becomes delinquent. Again, November 1st. The phone number is 602-506-8511.

VALUE NOTIFICATION

On or before January 31st of each year, an Assessment Notice is sent from the Assessor to each property owner, at the last known address. The notice includes information for the new tax year, such as property full cash value, assessed value, classification and assessment ratio.

During a 45-day period after receipt of Assessment Notice, valuations can be protested through the County Assessor. For information call the assessors office at 602-506-3406.

USEFUL PHONE NUMBERS

YOUR REAL ESTATE CONTACTS

REALTOR®: _____
Insurance Company: _____ Policy No.: _____
Home Warranty Company: _____ Policy No.: _____
Title Insurance Company -- NexTitle: _____

EMERGENCY - 911 & HOSPITALS

BANNER BAYWOOD-EAST MESA	480.321.2000
BANNER BOSWELL-SUN CITY	623.977.7211
BANNER DEL E. WEBB-SUN CITY WEST	623.214.4000
BANNER ESTRELLA	623.327.4000
BANNER GATEWAY-GILBERT	480.543.2000
BANNER HEART HOSPITAL-MESA	480.854.5000
CHANDLER REGIONAL	480.728.3000
BANNER THUNDERBIRD-GLENDALE	602.865.5555
BANNER DESERT-WEST MESA	480.512.3000
PARADISE VALLEY	602.867.1881
BANNER GOOD SAMARITAN	602.239.2000
JOHN C. LINCOLN-NORTH MOUNTAIN	602.943.2381
JOHN C. LINCOLN-DEER VALLEY	623.879.6100
MERCY GILBERT	480.728.8000
PHOENIX CHILDREN'S	602.546.1000
ST. JOSEPH'S	602.406.3000
SCOTTSDALE HEALTHCARE – SHEA	480.860.3000
SCOTTSDALE HEALTHCARE – OSBORN	480.481.4000
TEMPE ST. LUKE'S	480.784.5500
ARROWHEAD	623.561.1000

UTILITIES

SRP	602.236.8888
APS	602.371.7171
COX COMMUNICATIONS	602.277.1000
SOUTHWEST GAS	602.861.1999
QWEST (Residential)	800.244.1111

UTILITIES: WATER SERVICES

Apache Junction	480.982.6030
Avondale	623.932.5610
Black Canyon	623.374.9408
Carefree	480.488.9100
Cave Creek	480.488.3331
Chandler	480.782.2280
El Mirage	623.933.1228
Fountain Hills	480.837.9522
Gilbert	480.503.6800
Glendale	623.930.3190
Goodyear	623.932.3015
Guadalupe	480.350.8361
Litchfield Park	623.935.9367
Mesa	480.644.2221
Paradise Valley	480.947.5044
Peoria	623.773.7433
Phoenix	602.261.8000
Queen Creek	480.987.3240
Scottsdale	480.312.2461
Sun City	623.876.4020
Surprise	623.876.4020
Tempe	480.350.8361
Tolleson	623.936.8500
Youngtown	623.876.4020

MISCELLANEOUS

City Bus Transportation	602-253-5000
Motor Vehicle Dept.	602-255-0072
Animal Shelter	602-506-7387
Silent Witness	602-261-8600
Arizona Republic	602-444-8000
Post Office	800-275-8777

CITY GOVERNMENT

Apache Junction	480-982-8002
Avondale	623-932-2400
Black Canyon	623-374-5512
Buckeye	623-386-4691
Carefree	480-488-3686
Cave Creek	480-488-1400
Chandler	480-782-2220
El Mirage	623-972-8116
Fountain Hills	480-837-2003
Gilbert	480-503-6000
Glendale	623-930-2000
Goodyear	623-932-3910
Guadalupe	480-730-3080

Litchfield Park	623-935-5033
Maricopa County	602-506-3011
Mesa	480-644-2011
Paradise Valley	480-948-7411
Peoria	623-773-7000
Phoenix	602-262-6011
Queen Creek	480-987-9887
Scottsdale	480-312-6500
Sun City	623-977-5000
Surprise	623-583-1000
Tempe	480-967-2001
Tolleson	623-936-7111
Youngtown	623-933-8286

CHAMBERS OF COMMERCE

Apache Junction	480-982-3141
Avondale	623-932-2260
Black Canyon	623-374-9797
Buckeye	623-386-2727
Carefree	480-488-3381
Cave Creek	480-488-3381
Chandler	480-963-4571
El Mirage	623-583-0692
Fountain Hills	480-837-1654
Gilbert	480-892-0056
Glendale	623-937-4754
Goodyear	623-932-2260
Guadalupe	480-730-3080

Litchfield Park	623-932-2260
Mesa	480-969-1307
Paradise Valley	480-948-7411
Peoria	623-979-3601
Phoenix	602-254-5521
Queen Creek	480-720-4040
Scottsdale	480-945-8481
Sun City	623-583-0692
Surprise	623-583-0692
Tempe	480-967-7891
Tolleson	623-932-2260
Youngtown	623-583-0692

NOTES