

The background of the entire page is a photograph of a desert landscape. In the foreground, there are green desert shrubs and a large agave plant in the bottom left corner. The middle ground features a vast expanse of red desert soil with scattered green bushes. In the background, a prominent, rugged mountain with reddish-brown rock formations rises against a sky filled with dark, dramatic clouds. The title 'ARIZONA HOME • GUIDE' is overlaid on the top half of the image.

ARIZONA

H O M E • G U I D E

your ultimate resource for

**BUYING or
SELLING**
a home.

PRESENTED BY:

Pioneer Title Agency

CONTACTS

Help Help@ptaaz.com
 Social Media Social@ptaaz.com
 Live* Online Chat www.ptaaz.com

Live chat is available during business hours
 Monday-Friday 8am-5pm

CATCH US ON THE NET

Facebook [@PioneerTitleAgencyArizona](https://www.facebook.com/PioneerTitleAgencyArizona)
 Instagram [@PioneerTitleAgency](https://www.instagram.com/PioneerTitleAgency)
 Website www.ptaaz.com

"Our success is directly linked to our people - some of whom have been with us since day one. Beyond our real estate prowess, which is sizeable, our people and 'local first' company culture are what we are most proud of."

- Bob Newlon

OUR FEARLESS LEADERS



Keith and Cindy Newlon (Sierra Vista Main)

Cover Photograph of Sedona, Arizona by
 Desha Jackson at our Tucson River branch.

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TABLE OF

+ WIRE FRAUD IS ON THE RISE

In 2018, over **11,000** victims in the US alone were affected by real estate related wire fraud, totalling over **\$149M**.

Protect yourself from wire fraudsters looking for a quick payday. They are crafty!

- PAGE -
14

GENERAL

04 WHO IS PIONEER TITLE AGENCY

06 COMMITMENT TO COMMUNITY

08 ALL ABOUT TITLE INSURANCE

09 WHAT GOOD IS TITLE INSURANCE

10 WHAT IS ESCROW

11 THE LIFE OF AN ESCROW WITH FINANCING

12 MEET THE TRANSACTION TEAM

14 PROTECT YOURSELF FROM WIRE FRAUD

15 MEET RON - REMOTE ONLINE NOTARIZATION

16 WHO PAYS WHAT

18 COMMITMENT FOR TITLE

20 BENEFITS OF USING A REAL ESTATE AGENT

OF CONTENTS



Kengo Sun (Sonoran Village) & Hearth InVador (AZ Deathstar)

21 ARIZONA PROPERTY TAX CALENDAR

SELLING

22 NAILING THE HOME SELLING PROCESS

23 FIRST IMPRESSIONS

24 TAKE THE STAGE

25 WHAT ESCROW NEEDS FROM THE SELLER

BUYING

26 ARIZONA GOOD FUNDS LAW

27 THE BUYING PROCESS

28 THE SCOOP ON GETTING A NEW LOAN

29 WHAT TO AVOID DURING THE LOAN PROCESS

30 UNDERSTANDING APPRAISALS & GLOSSARY

31 WHAT IS FIRPTA

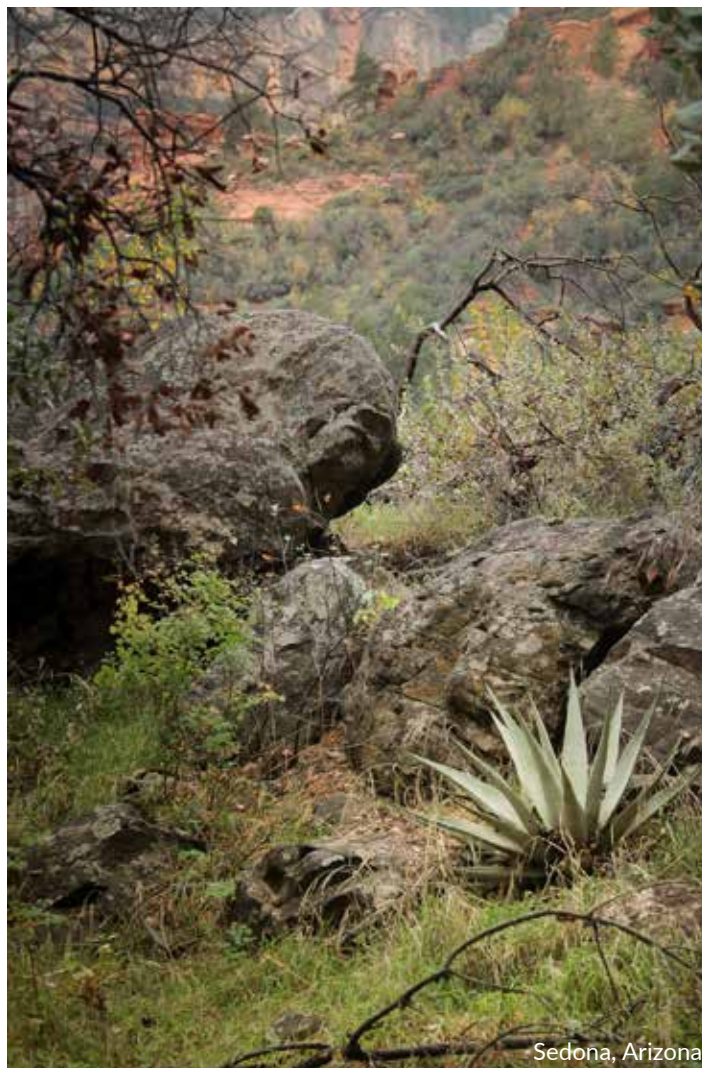
32 WAYS TO TAKE TITLE IN ARIZONA

34 THE 411 ON HOME INSPECTIONS

35 SIGNING WITH PIONEER

36 AFTER YOUR SIGNING APPOINTMENT

37 READY - SET - MOVE



Sedona, Arizona

Photograph by: Desha Jackson (Tucson River)

WHO-OOO'S

PIONEER TITLE AGENCY



started with two offices in Cochise county has grown into the position of being able to serve the entire state of Arizona with branches in nearly every county.

But back to the people...

Behind those 70+ branches are the people of Pioneer, over 600 of them that make up a unique family. Though it is true we have many actual families working together in our team, there is a spirit that permeates the company and binds us *all* together as a Pioneer family.

The heart of Pioneer Title Agency has always been and always will be its people. Bob and Betty Newlon along with their son, Keith and his wife, Cindy Newlon are the people who founded Pioneer Title Agency in 1985. The company is still family-owned and Keith Newlon, President, has guided the growth to its current 70+ branches. A company that



Photos from our 2019 Company Picnic.



Keith Newlon, President

Whether it is providing a work environment that is comfortable and conducive to productivity, or the latest technology tools, Pioneer Title is eager to provide these amenities to create a happy and healthy team. However, the support goes well beyond business. It does not start at 8 AM and end at 5 PM.

This team is family always, and when someone is facing adversity, Keith and the company are there to help those in need. Whether they or their family is affected by an illness, injury, or another form of hardship they will be supported. In turn, this level of support allows our team to provide our customers with the BEST service possible.

You may have noticed how far we have come without mentioning title, escrow, or our other services yet. It is because of Keith's efforts to foster family,

that he has built a team that is committed to Pioneer Title and the mission to provide the best service possible to our customers. He works hard and expects his team to work hard too. We are excellent at what we do and have been providing our services for over 30 years.

We are excited to welcome YOU into this Pioneer family because, as our customer, we care deeply about protecting you. As an Arizona company, we live and work in the same community as you, and Pioneer Title is always eager to support local non-profits and causes through our extensive philanthropy initiatives. By working with us, you can be sure we are giving back to the community you love, striving to always leave a positive impact, and make Arizona the best it can be.

Here at Pioneer Title Agency:

- We take an approach that is professional, but not stuffy.
- We strive to do the right thing in every situation.
- We lead by setting an example of honesty and hard work.
- When a new and challenging situation presents itself, we ask, "Can we do it?" and if it is at all possible, we deliver.
- We LOVE Arizona and work hard to strengthen our communities.
- But above all, we love our people.

It always comes back to our people, because our people are our priority.

As a family-owned company, a strong emphasis is put on family. We are committed to providing this Pioneer family with the support they need to thrive in their personal lives and careers.



Photos from our 2019 Company Picnic.

COMMITMENT to COMMUNITY

We know we have an important role to play within our communities, which is why Pioneer Title has always encouraged branches to identify specific needs within their community and get involved.

Donating to local charities, sponsoring sports teams, and using the products and services of other local businesses are a few examples of how we support our community. Some years the entire company unites to support a specific philanthropic cause.



\$50k

raised for the
AZ Trail



800

miles hiked
collectively



TAKE A HIKE

"Take a Hike" was our 2015 initiative, which celebrated Pioneer Title Agency and the Arizona National Scenic Trail's 30th anniversaries. Our team set a goal of raising \$30,000 for the Arizona Trail. Team members adopted sections of the trail to complete, and between February and June of 2015, they traversed the entire 800 mile trail! At the same time, they blew the fundraising goal out of the desert, raising approximately \$50,000.





OLD SCHOOL

During 2017 and 2018, we decided to go “Old School” and support education across Arizona. Pioneer Title encouraged team members to volunteer their time by providing 8 hours PTO and supported fundraising efforts by providing \$100 seed money to each team member.

As a result, team members read in classrooms, built gardens, graded homework, maintained facilities, and more. Some branches adopted classrooms and supported them with needed supplies and pantry

items throughout the whole school year. Teams coordinated fundraising efforts like silent auctions, shred-a-thons, golf tournaments, supply drives, and benefit concerts. The projects were creative and varied to fit the individual needs of communities across the state.

Our team volunteered over 700 hours and donated over \$43,000 plus *countless* amounts of supplies to our Arizona schools!

ALL ABOUT TITLE INSURANCE

1/3

of all transactions
reveal a title or
public record
defect.

WHAT IS A TITLE?

The title gives the holder the right to possess, occupy, use, control, enjoy, and dispose of the land. In other words, the title



Skyanne Dinnigan (High Street)

conveys the rights of ownership to the property.

WHAT IS TITLE INSURANCE?

Title insurance policies protect Buyers and lenders from financial loss against possible issues or defects in the title. A title professional searches the public record (property records, tax records, and court records) to establish legal ownership of the property being sold, reports and determines a cure for any title defect, accounts for and insures the entire transaction against fraud or defect, whether it is known or unknown. If a claim arises, title insurance may also cover the cost of defense against the claim.

An **owner's policy** protects the Buyer, and their heirs, for as long as they own the home.

A **lender's policy** protects only the lender's financial interest in the property.

WHO PAYS FOR TITLE INSURANCE?

Typically, the Seller pays for owner's title insurance as a way to prove to the Buyer that they are making a sound purchase with a clear title. The Buyer typically pays for the cost of the lender's policy for similar reasons.



Grand Canyon, Arizona
Desha Jackson (Tucson River)

HOW MUCH DOES IT COST AND HOW OFTEN DO I HAVE TO PAY FOR IT?

There is a one time premium paid at the close of escrow, and the coverage extends for as long as the Buyer and their heirs hold an interest in the property. Policy costs can vary considerably. The cost is based on the sales price of the property for an owner's policy and the loan amount for a lender's policy. Talk to your escrow officer for a more detailed estimate.

WHAT GOOD IS **TITLE INSURANCE?**

we're all about
PROTECTION...

*From Harmful UV Rays AND Property Title Losses**

TITLE INSURANCE CAN PROTECT YOU AGAINST*:

- **Defects in the title** to your property including unrecorded easements, forgeries, or other undisclosed contract issues.
- **Loss due to unknown encumbrances** on your title such as liens, judgments, or security instruments.
- **Title claims to the property** as a result of fraud, forgery, or incompetence of the party conveying the property.
- **Loss due to a violation of subdivision law or regulation** which affects your ability to obtain a building permit, correct or remove the violation, or remove any existing structures in violation.
- **Lack of legal access** to the property.
- **Loss if you are forced to remove structures** because they encroach on your neighbor's property, over an easement or building set-back line.
- **Loss if your existing improvements including lawns, shrubbery or trees are damaged** due to future exercise of a right of use for the surface of the land for minerals, water, or any other substance.
- **Loss if a taxing authority assesses supplemental real estate taxes** not previously assessed against the property prior to the policy date.
- **Loss in the event the legal description of the residence purchased is not the same** as shown on the final title policy.
- **Loss if the title to the property is unmarketable** which allows another party not to perform on a purchase contract to purchase the land, lease it, or make a mortgage loan on it.

**Some policies may be subject to policy deductibles. For all covered risks see a copy of the title policy which includes deductible amounts.*



Beau Bullard (Pav Way)

FOR MORE INFORMATION: www.PTAAZ.com

OUR *Responsibility*

Pioneer Title Agency's responsibility, as an escrow company, is to act as a neutral third party, holding all documents and monies as required by the purchase contract and guaranteeing no funds or property will change hands until all of the terms and conditions in the contract have been met. Pioneer Title Agency is employed by both the Buyer and the Seller to only act on written instructions mutually agreed upon by both parties.

CLOSE OF ESCROW

The appointment to sign lender and escrow documents is frequently called a "closing" or "closing appointment," however, there are a few more steps that must be completed before the transaction is closed.

Appointments with the escrow company for the Buyer and Seller

ESCROW IS CLOSED

in AZ, when the necessary documents are recorded with the County Recorder.

to sign their individual packages are typically scheduled prior to the "close of escrow" date on the purchase contract. Buyers and Sellers deposit any final documents and funds needed for the transaction at that time. If a new loan is involved, Pioneer Title Agency

returns the signed packages to the lender for review. Lenders may take 24 to 72 hours to review and fund, depending on the individual lender's requirements.

Following the lender's deposit of funds into escrow, Pioneer Title Agency presents the original signed documents (deed/deed of trust) to the County Recorder, usually electronically, for recordation.

Upon notification by the County Recorder that the documents have been recorded, all funds are disbursed and final closing packages are provided to all of the parties. Recordation is the "Close of Escrow."

STEPS AN ESCROW AGENT MAY PERFORM:

- **ARRANGE FOR TITLE INSURANCE** protection for the Buyer and lender
- **ORDER PAYOFF INFORMATION** on existing liens, calculate and prorate taxes, liens, interest, rents, and insurance policies
- **PAY COSTS AND LIENS** as agreed upon by the parties to the transaction
- **ARRANGE FOR RECORDING** of the conveyancing documents and any other legal instruments necessary to transfer title to the property in accordance with the purchase agreement
- **PREPARE A CLOSING STATEMENT** for the parties to the transaction, showing disposition of funds in the transaction
- **CLOSE THE TRANSACTION** after all instructions from Buyer and Seller have been satisfied

WHAT IS ESCROW?

THE LIFE OF AN ESCROW

with financing

Offer Accepted & Contract Signed



Mortgage Company

01

Loan Processing Begins

02

Buyers Income, Stability, Credit, and Assets are Verified

03

Appraisal Evaluates Property Value

04

Loan is Submitted for Approval

05

Loan Approved and Closing Instructions Sent to Title



Pioneer Title Agency

01

Escrow Opens

02

Title Examiner Completes Title Search

02a

Conducts Property Search for Owners of Record, Liens, etc.

02b

Reviews for Title Defects

02c

Conducts Search for Seller Liens, Lawsuits, Divorces, Probates, etc.

05

Commitment for Title Insurance Issued



06

All Parties Agree to Close

07

Title & Escrow Prepares Documents

08

Everyone Signs



Closing & Funding

Pioneer Title Agency

MEET THE TRANSACTION TEAM

R/E AGENT • LENDER • PIONEER TITLE AGENCY • INSPECTORS • APPRAISER • AND MORE...

REAL ESTATE AGENT (IF APPLICABLE)

There are usually separate agents representing the Buyer and Seller, guiding them through the entire sale transaction. All Real Estate Agents are licensed. You can see the benefits of using a professional Real Estate Agent on page 20.

PTA ESCROW OFFICER

The escrow officer is an unbiased third party who works with all participants to facilitate a successful closing of the real estate transaction. The escrow officer ensures all conditions and instructions are met prior to closing. At closing, they will collect the purchase money funds from the Buyer and lender as well as the settlement costs from each party. They disburse the funds in accordance with the settlement statement and record the necessary documents to transfer ownership of the property.

PTA TITLE OFFICER

The title agent performs a search of public records to trace the chain of title and ensure a clear title so a title insurance policy can be issued. They will issue a commitment for title insurance that outlines their findings and identifies any clouds or encumbrances that need to be cleared. When the transaction closes the title officer will issue the final title policies.



**PROPERTY
INSPECTOR**
(IF APPLICABLE)

The property inspector is sent out to determine whether encroachments and/or broken priority exist.

**LOAN
OFFICER**
(IF APPLICABLE)

The loan officer is a representative of a bank or other financial institution and helps the Buyer identify their borrowing options and understand the terms of their loan.

APPRAISER
(IF APPLICABLE)

An appraiser is a professional, usually selected by the lender, who will perform a market analysis and assess the current value of the property.

**HOME
INSPECTOR**
(IF APPLICABLE)

The home inspector objectively judges the condition of the home and its systems/components and searches for pests or pest damage. They will provide a detailed report to the Buyers.

**HOMEOWNER'S
INSURANCE
AGENT**
(IF APPLICABLE)

An insurance agent helps the Buyer determine the proper coverage and policy needed to protect the property.

**REAL
ESTATE
ATTORNEY**
(IF APPLICABLE)

Sometimes a real estate attorney may be consulted by the Buyer and/or Seller to provide advice on any legal aspect of the transaction such as the purchase contract or ways to take title.



Page, Arizona
Photograph by: LaSota



WIRE • TRANSFER • FRAUD

What You Need to Know to Protect Yourself

Every day, hackers try to steal money by emailing or calling with fake wire instructions. Criminals will use a similar email address, steal a logo and other information to make it look like the email came from your real estate agent or Pioneer Title Agency.

BE VIGILANT

- Call, don't email: Confirm your wiring instruction by phone using a known number before transferring funds. Don't use phone numbers or links from an email.
- Be suspicious: It's uncommon for title companies to change wiring instructions and payment info by email.

PROTECT YOUR MONEY

- Confirm everything: Ask your bank to confirm the name on the account before sending a wire.
- Verify immediately: Within four to eight hours, call Pioneer Title Agency or your real estate agent to confirm they received your money.

WHAT TO DO IF YOU'RE TARGETED

- Immediately call your bank and ask them to issue a recall notice for your wire.
- Report the crime to www.IC3.gov
- Call your regional FBI office and police.
- Detecting that you sent money to the wrong account within 24 hours is the best chance of recovering your money.

THE WIRE INSTRUCTIONS YOU RECEIVE IN YOUR OPENING PACKAGE WILL NOT CHANGE.

Always verify wiring instructions by CALLING your Pioneer Title Agency Escrow Officer.

Meet RON

As the demand for online services continues to increase, digital changes are making an impact on the real estate and title industries including the notarizing process.

Remote Online Notarization (RON) is one of the newest developments, and Pioneer Title Agency is proud to be a leader in the industry offering this service.

This is an exciting new advancement that has the potential to eliminate hiccups that could previously stop a closing in its tracks. Customers who are out of town, cannot make an appointment during business hours, or do not want to commit to a single signing time, now have another option. Pioneer Title is delighted to add RON to its toolbox of ways to provide excellent service and convenience to its customers.

RON may not be available for all transactions, so contact your escrow officer to discuss your options.

**Contact your local
Pioneer Title office
and meet RON today!**

WWW.PTAAZ.COM

What is RON?

The process of signing paperwork using audio-visual technology to appear before a notary instead of being physically present.

What are
you
doing?

I am
signing my
closing documents
while I eat this
steak.

Is it
magic?!

No, it's...
RON!





THE **SELLER** GENERALLY PAYS FOR:

- + Owner's title insurance policy premium
- + Real estate commission
- + Half of the escrow fee
- + Any loan charges required by the Buyer's lender if specified in the purchase contract
- + Payoff plus any fees, charges, and/or penalties and interest on all loans made by the Seller, including statement fees, reconveyance fees, and/or prepayment fees
- + Any encumbrance of record against the Seller
- + Recording charges to clear all documents of record against the Seller
- + Termite inspection and repair work as specified by the purchase contract
- + Home warranty if specified in the purchase contract
- + Prorated property taxes and/or delinquent taxes to date of close
- + Unpaid HOA dues or assessments of record (if applicable)
- + HOA transfer fee (if applicable)
- + HOA Disclosure Statement (if applicable)

NEGOTIATED TERMS:

There are many opportunities for negotiation in a home sale beyond the price of the property. Some things that are typically negotiated are closing cost credits, closing date, inspection repairs, and home warranties. All terms will be documented in the Purchase Agreement. Decide what is important to you, and ask your real estate agent if there is something you want to negotiate.

PAYS AT?

THE **BUYER** GENERALLY PAYS FOR:

- + Lender's title insurance policy premium
- + Half of the escrow fee
- + All loan fees except those required by the lender for the Seller to pay
- + Recording charges for all documents in the Buyer's name
- + Interest on new loan from the date of loan funding to 30 days prior to the first payment due date
- + Hazard insurance premium for the first year in advance and impounds as required by the new lender
- + Property tax impounds as required by the new lender
- + HOA fees, initiation, monthly/annual dues (if applicable)
- + Preservation fees, recreation center fees (if applicable)

Note: FHA, VA, and other specialty loans may have specific fee stipulations.



COMMITMENT FOR TITLE



Amanda Laganosky (Chandler)

The Commitment for Title Insurance reports the findings of an initial title search. It will contain the terms, conditions, and exclusions covered in the policy.

COMMITMENT:

SCHEDULE A reflects information provided to the Title Department as a result of the purchase contract and a preliminary search of the public records. Information such as the

legal description of the property, sales price, loan amount, lender, name, and marital status of Buyer and Seller is reflected.

SCHEDULE B is broken down into two sections. Requirements and Exceptions. **Requirements** are items that Pioneer Title Agency needs to eliminate from the title in order to provide a clear, unencumbered title to the Buyer. A few examples of items that must be cleared are:

- Payment of property taxes
- Assessments owed of record
- Any encumbrances (or liens) on the property

Often encumbrances show up because another individual has a name similar to one of the parties in the escrow. Pioneer Title Agency may ask for a Statement of Identification in order to determine whether items that show up are related to our parties and whether they can be removed.

Exceptions are items which run with the land. They are called "exceptions" because the Buyer will receive clear title except the Buyer's rights to use the property will be subject to the exceptions described in this section. Exceptions include Covenants, Conditions and Restrictions (CC&Rs), easements,

homeowner's association rules, mineral rights as reserved in patents, leasehold interests, and other items which will remain of record following transfer of the property.

NOTE:

Read Schedule B carefully, because it defines your use of the property. There may be restrictions that will cause you to reconsider your purchase (i.e. discovering the HOA has CC&R's and upon their review you find out farm animals are not sanctioned, so your family goat is not allowed.) If anything in this section concerns you, ask for clarification.

NOTE:

Be certain the information reflected in Schedule A is correct, because it will be reflected in all of your documents, including any lender documents.





GENERAL POLICY COVERAGE:

Title insurance provides assurance you can access and use your land. Many of the protections title insurance provides have been listed in detail on page 6, however, they are worth briefly mentioning again. In summary, this coverage will minimize risk and protect you against:

- The possibility that someone else owns or has claim to your property
- Defects caused by fraud, forgery, or incompetence
- Defective recording of any document
- Unmarketability of title
- Lack of legal access to and from the property

REVIEWING THE COMMITMENT FOR TITLE

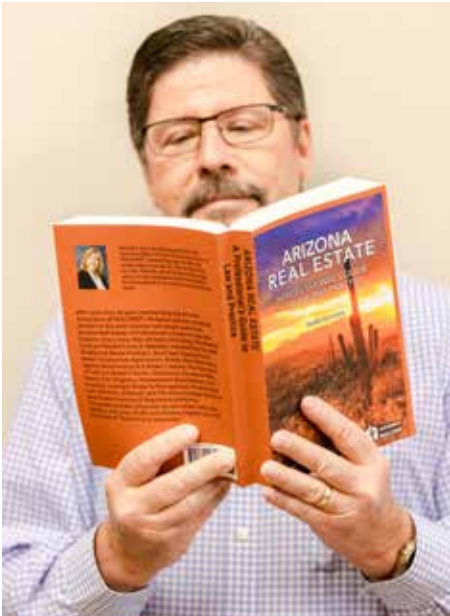


ITEMS AND ISSUES NOT COVERED:

Some rights are not protected by your title insurance policy. Examples may include:

- Land trusts
- Life estates
- Air rights above the property
- Mineral, water right, and timber reservations
- Matters that a physical inspection would disclose
- Restrictive covenants that limit the use of the property to a single use
- Matters that an accurate survey would show: Easements, Rights-of-Way, etc.
- Set-Back requirements that designate where improvements must be located
- Rights of holders of liens such as judgments, tax liens, street improvement liens, etc.

BENEFITS OF USING A Real Estate Agent



Tom Davis (Phoenix Peak)

FINDING THE RIGHT LENDER

Real Estate Agents assist in determining what a Buyer can afford as well as available financing options.

FINDING 'THE ONE'

With hundreds of homes on the market at any given time, Real Estate Agents assist in finding the home which best meets a Buyer's needs, from size and style to features and location as well as accessibility to desired amenities.

EXPERT PROPERTY ADVICE

Real Estate Agents can provide information to better inform a Buyer regarding which property to buy, from real estate values to taxes, municipal services to utility costs.

KEEPING THINGS IN PERSPECTIVE

Real Estate Agents can be objective about a property and point out disadvantages, as they have no emotional ties.

DETERMINING FAIR MARKET VALUE

Real Estate Agents will determine "fair" market value establishing a fair sales price.

STAGING AND FIRST IMPRESSION MASTERS

Real Estate Agents can offer suggestions for staging a home to show off its best qualities.

MARKETING MARVELS

Real Estate Agents also act as marketers to make a property more visible to Buyers. Frequently, this includes displaying a property on a



Photograph by:
Desha Jackson (Tucson River)

Multiple Listing Service, holding open houses for other agents, deciding if/how to advertise, creating listings online, and displaying flyers.

NEGOTIATING BULLDOGS

Real Estate Agents are negotiators and can expertly navigate the terms of offers and contracts, protecting your interests along the way.



Reproduced with permission from the Arizona Association of REALTORS®

Ramsey Canyon, Arizona
Photograph by: Amber McQuerrey (Sierra Vista Main)

ARIZONA

PROPERTY TAX

• C A L E N D A R •

The County Treasurer WILL NOT be held responsible for payments made on the wrong property, and will not accept payments in advance of their due date.

NOTIFICATION OF VALUE:

Assessment notices are sent to property owners on or before January 31st of each year. The notice includes assessed value, full cash value, classification, and assessment ratio. These items may be protested through the County Assessor within 45 days of receipt.

UPDATING THE ASSESSOR'S RECORDS:

Ownership information transfers may take six months to process. If property is purchased after November 1 of the previous year, new owners may not receive a tax statement. New owners should contact the Treasurer's office if a statement is not received by October 15th. Even if a tax statement is not received, the new owner is still responsible for paying the taxes on time.

TIPS TO AVOID HEADACHES:

- Check the property description on your tax statement
- Provide your parcel number* when making payments or inquiries at the County Treasurer's or Assessor's office

*Your parcel number can be found on your final settlement statement or your title commitment.

**The Treasurer must place interest on all delinquent accounts.

ANNUAL TAX STATEMENT:

Annual tax statements are issued in the fall of the current year and billed for the calendar year. They may be paid in two installments or all at once.

FIRST HALF DUE OCTOBER 1st

1st half for January 1st
through June 30th
is due October 1st
and DELINQUENT**
NOVEMBER 1st

SECOND HALF DUE MARCH 1st

2nd half for July 1st
through December 31st
is due March 1st and
DELINQUENT**
MAY 1st

helping you *wait...*



Valerie Brigham (Willow Creek)

HOME SELLER

- Choose a Real Estate Agent to Represent You
- Prepare Your Home
- List Your Property
- Your Agent Begins Marketing (i.e. Open Houses, Internet, etc.)
- Receive and Review Buyer's Offer(s)
- Negotiate Terms and/or Accept Offer
- Open Escrow with Pioneer Title Agency

PIONEER TITLE AGENCY *ESCROW OPENED*

- Accepted Contract Received, Escrow Opened, Title and Preliminary Report Ordered
 - Conduct Search on Property: owners of records, liens, etc.
 - Conduct Search on Sellers: liens, divorces, etc.
 - Review for Clouds on Title
- Buyer Deposits Earnest Money in Escrow
- Buyer Continues Loan Process, Escrow and Title Fees Sent to Lender
- Initial Title and Escrow Instructions Sent to Seller and Buyer for Completion
- Payoffs, Appraisal, and Inspections Ordered and Completed
- Loan Processing is

Completed and Buyer's Approval is Received

- Home Warranty is Ordered by the Agent or Buyer
- Closing Documents are Reviewed Before Closing Appointment

PIONEER TITLE AGENCY *CLOSE OF ESCROW*

- Loan Documents are Sent to Title and Signed
- Title and Escrow Documentation is Signed
- Down Payment and Closing Costs are Submitted to Escrow
- Lender Submits Funds to Escrow for Disbursement
- Deed is Recorded and Escrow is Closed

the HOME. SELLING. PROCESS.

1ST Impressions



Shelli Engler (Vineyard)

MAKE A GREAT FIRST IMPRESSION:

Put some extra effort into the areas potential Buyers will see first, like the exterior, front door, and entryway. Pay attention to the details in these areas to create a WOWing first impression.

MINOR REPAIRS CAN MAKE ALL THE DIFFERENCE:

Minor damages can distract Buyers from seeing the good qualities of your property. Take the time to do as many little repairs as you can, like fixing a

leaky faucet or loose doornob.

CLUTTER CAN HOLD YOU BACK:

Now is a great time to start packing and purging. Pack up personalized belongings as well as items that aren't essential and take them out of the house. Consider donating unwanted items.

THE BRIGHTER THE BETTER:

Open all curtains and turn on all lights before a showing. Consider a higher wattage bulb if you need additional light in a room.

MAKE YOUR HOME SPARKLE:

Clean down to the details in order to show off your home in its best condition. Keep windows spotless and polish your bathroom and kitchen fixtures to make them shiny, giving them a brand new look.

BREATHE DEEP:

Take out the trash before every showing, and be diligent about erasing potential odors. Don't cook pungent smelling foods the day of a showing... no bacon!

MAKE YOURSELF SCARCE:

Go to the park, see a movie, eat out, but don't stay home. Being at your home during a showing can be awkward for all parties involved.

KEEP YOUR PETS SECURE AND OUT OF THE WAY:

Not everyone loves animals and some people have allergies. Take your pets out of the house with you, if possible. Also put away their belongings, like dog bowls and litter boxes, to deemphasize pets live in the home.

TAKE THE STAGE

NAR STAGING STATISTICS :

28% of sellers' agents said they staged all sellers' homes prior to listing them for sale. 13% noted they only staged homes that are difficult to sell.

The most common rooms staged were the living room at 93%, kitchen at 84%, master bedroom at 78%, and the dining room at 72%.

The median dollar value spent on home staging was \$400.

When staging a home, 22% of sellers' agents reported an increase of 1-5% of the dollar value offered by buyers, in comparison to similar homes.

53% of sellers' agents stated there was a decrease in the time on the market when a home was staged.

NAR 2019 Profile for Home Staging



Show Low, Arizona

Photograph by: Sandi Braswell (Show Low)

Will you be moving before your home sells? Consider leaving behind or renting some furniture to stage your home.

Staging the whole house is not necessary, but consider adding furniture pieces and a few decorations to key rooms, like the living room, master bedroom, and dining room. If you have any quirky areas in your home, staging can help define the space for Buyers. Turn an awkward corner that may confuse a Buyer into a reading nook or mini office space!

A nicely staged home is likely to sell faster than an empty, hollow sounding one. It may seem counterintuitive, but empty rooms often look small, so using properly proportioned furniture will provide scale and allow Buyers to appreciate the square footage.



Lauren Slusser (MEPRO) and Amanda Laganosky (Chandler)

WHAT ESCROW NEEDS FROM THE

seller

SELLER'S REQUIRED INFORMATION:

This form requests information such as lien information, property information, vesting, insurance, address after close of escrow, qualification for discounts, etc.

STATEMENT OF INFORMATION:

You may be asked to complete a Statement of Information. This form will request information from you (and your spouse, if married) to distinguish you from other people with similar names that may come up in the title search process. Information requested will include full name, birth date, social security number, place of birth, and citizenship information.



Skyanne Dinnigan (High Street) and Tom Davis (Phoenix Peak)

EXISTING LIEN HOLDERS:

You will need to provide the names and contact information for all lien holders, if any exist.

IDENTIFICATION:

Don't forget to bring a valid photo ID with you to the closing appointment.

DO I HAVE TO BE THERE?

If you or any one of the Buyers will be unavailable to sign at one of our many offices, notify your real estate agent and escrow officer immediately. There are a few options that may be available to you such as Remote Online Notarization, Mobile Notary, or Power of Attorney.

WIRING INFORMATION:

Pioneer Title Agency can wire any proceeds directly to your bank account. Contact your Escrow Officer to provide the proper wiring instructions.

ADDITIONAL OWNERSHIP INFORMATION (IF APPLICABLE)

If title to the property is held in anything other than an individual or couple's names (i.e. a trust, LLC, or corporation) you may be required to bring additional documentation. Ask your escrow officer for details.



Monument Valley, Arizona

Photograph by: LaSota

ARIZONA

GOOD FUNDS LAW

Arizona law requires that escrow agents not disburse money from an escrow account until funds related to the transaction have been deposited and are available.

PIONEER TITLE'S GUIDELINES CONCERNING THE AVAILABILITY OF FUNDS

All available dates are based on funds deposited in our bank. The following information outlines the availability of most common types of deposits. In order to avoid delays of two to seven days or more, please use wire transfers, cashier's checks, certified checks, official checks, or teller's checks whenever possible.

Type of Deposit	Same Day*	Next Day* (1st Bus. Day)	2nd Day*	5th Day*
Bank Wire or Electronic Transfer	x			
Cashier's, Certified Checks, Official Checks or Teller's Checks	x			
Lenders' Checks – if lender is an affiliate of the state or federally regulated depository institution where the check is drawn	x			
U.S. Treasury Checks, Postal Money Orders		x		
All Other Money Orders (Non-U.S. Postal)				x
Federal Reserve, Federal Credit Union & Federal Home Loan Bank Checks		x		
State, County & Municipal Government Checks		x		
Personal, Corporate, Credit Union, Money Market & Travelers Checks			x**	
Third Party Checks: It is our company policy not to accept third party checks. Exceptions must be approved by Escrow Administration.				
Drafts: No disbursement until funds received and collected.				
ACH Payments are NOT accepted.				

*Business Day: Funds are potentially available on the Business Day indicated above, following the day the funds are deposited. A business day is defined as a calendar day other than Saturday or Sunday, and excluding most major holidays. If January 1, July 4, November 11, or December 25 falls on a Sunday, the next Monday is excluded from the definition of a business day. Individual banks may require additional "hold" periods longer than shown above. **Note:** Funds deposited late in the day may be considered deposited on the next business day.

**Large deposits (greater than \$5,000): Any amount exceeding \$5,000 may be held up to (7) seven business days.

THE BUYING PROCESS

HOMEBUYER

- Compare Lenders, Determine your Budget, & Get Pre-Qualified
- Choose a Real Estate Agent
- Tour Properties, Choose a Home, Write and Present your Offer
- Terms are Negotiated and/or Offer is Accepted

LOAN

- Chosen Lender Verifies Buyer's Income, Credit, and Assets
- Contingency Period
 - Real Estate Transfer Disclosure

- Physical/Pest Inspection Completed
- Appraisal Ordered and Completed
- Provide Proof of Homeowner's Insurance Coverage
- Loan is approved

PIONEER TITLE AGENCY - ESCROW OPENED

- Accepted Contract Received, Escrow Opened, Title Search and Preliminary Report Ordered
 - Conduct Search on Property: owners of records, liens, etc.

- Conduct Search on Sellers: liens, divorces, etc.
- Buyer Deposits Earnest Money in Escrow
- Escrow and Title Fees are Sent to the Lender
- Initial Title and Escrow Instructions Sent to Buyer and Seller for Completion
- Payoffs and Other Requirements are Completed to Clear Title
- Home Warranty is Ordered
- Closing Documents are Reviewed Before Closing Appointment

PIONEER TITLE AGENCY - CLOSE OF ESCROW

- Loan Documents are sent to Pioneer Title Agency and Signed
- Title and Escrow Documentation is Signed
- Down Payment and Closing Costs are Submitted to Escrow
- Lender Submits Funds to Escrow for Disbursement
- Deed is Recorded and Escrow is Closed

UNDERSTANDING THE HOME WARRANTY

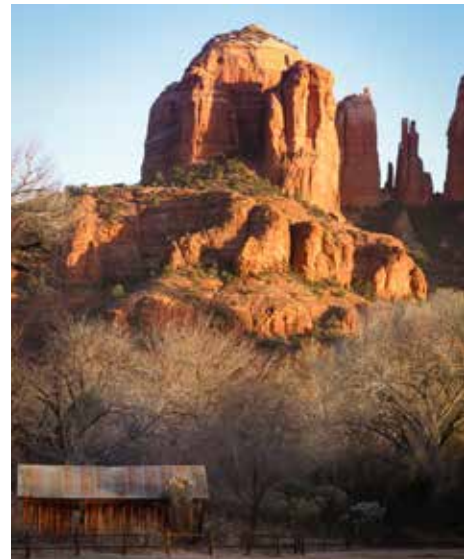
a home warranty can be purchased by a Buyer or Seller to cover many mechanical, electrical, and plumbing systems as well as some appliances. Many Sellers choose to purchase a home warranty plan to:

- Cover repairs that may arise while the house is on the market

- Provide reassurance for Buyer's
- Avoid disputes with the Buyer for repair and/or replacement of covered items

Most home warranties are paid at the close of escrow for the upcoming year. Review the policy closely to be sure you are receiving the desired protections.

Sedona, Arizona
Photograph by: Desha Jackson (Tucson River)



WE'VE GOT **THE SCOOP** ON GETTING A **NEW LOAN**

WHEN AND WHERE TO APPLY FOR A LOAN

Ideally, you want to get pre-qualified before you start looking at properties. Then you can narrow your search into your price range and avoid the disappointment that may come from viewing properties outside your budget.

It is important to choose a lender you can trust. A local lender who you can meet in person and who knows the local intricacies is best. Get recommendations from friends, family, and even your Real Estate Agent. You can apply for loans through banks, credit unions, mortgage brokers, and mortgage companies. It's a good idea to shop around for the best rates and use the loan estimates from each lender to compare rates.

LENDER VERIFICATION

The lender will send out verification requests based on the information provided in your application and may request additional information from you.

They will verify information such as your credit, employment, and bank accounts. Be prepared to provide the requested information quickly to avoid delays in your purchase. They will also order an appraisal (which the Buyer typically pays for) to verify the property is accurately valued.

HAZARD (OR FIRE) INSURANCE

This coverage is required by your lender to minimize their risk and



Treat Center on Whiskey Row
Prescott, Arizona



Laurel Cook's Daughter, Morgan (Compass)

protect their investment. You will need to contact your insurance agent as soon as possible during the loan process to set up the insurance. Your lender will need proof of coverage as well as your agent's information before they can release any funds toward your purchase.

WHAT HAPPENS AFTER LOAN APPROVAL?

A closing date will be set with Pioneer Title Agency. Your lender will provide the Closing Disclosure at least three days prior to your closing. This document shows a breakdown of all the transaction funds and will show you how much money you will need to bring to closing. Check this document carefully!



San Xavier Mission in Tucson, Arizona
Photograph by: Desha Jackson (Tucson River)

WHAT TO **AVOID** DURING THE **LOAN** **PROCESS**

DO NOT CHANGE JOBS.

*DO NOT MAKE ANY LARGE
PURCHASES.*

*DO NOT PAY OFF EXISTING
ACCOUNTS UNLESS THE
LENDER REQUESTS IT.*

*AVOID SWITCHING BANKS OR
MOVING YOUR MONEY TO
ANOTHER INSTITUTION.*

WHAT YOU MAY NEED FOR THE LOAN APPLICATION

Be prepared to provide all or some of the documents below to your loan officer:

Residential Address/es (Last 2 Years)

Social Security Number

Driver's License or Other Valid ID

Names & Address of Employers (Last 2 Years)

2 Most Recent Pay Stubs Showing
Year-to-Date Earnings

Federal Tax Returns and W2's (Last 2 Years)

Last 2 Months Bank Statements (all Accounts)

Names, Addresses, Account Numbers,
and Payment Amounts for all Loans

Names, Addresses, Account Numbers, and
Payment Amounts for all Credit Cards

Addresses and Values for all Real Estate Owned
Personal Property: Provide your Best Estimate of
the Value of all Your Personal Property (i.e. Autos,
Boats, Furniture, Jewelry, Television, etc.)

VA Loans: Certificate of Eligibility or DD214s

Divorce Decree if Applicable

Funds to Pay Upfront for Appraisal

UNDERSTANDING APPRAISALS

Lenders require an appraisal to ensure that the property is valued accurately to protect their investment. A **licensed or certified appraiser** will assess the size and condition of the property along with additional upgrades, features, etc... and then **compare them to similar houses** (aka "comparables") in the area to determine what the property is worth. Sometimes the appraisal report is used to **renegotiate the sales price**. The **Buyer can expect to pay for the appraisal** either before or at closing depending on the **lender's requirements**.



Kengo Sun (Sonoran Village)



Mini Glossary of Lending Terms

APPRAISAL FEE:

A one-time fee to pay an independent appraiser to determine the value of the property.

CREDIT REPORT FEE:

A one-time fee covering the cost of the credit report.

DOCUMENT PREPARATION FEE:

There may be a separate fee covering the preparation of the final legal papers.

HOMEOWNERS FEE:

Some associations may require an up front deposit or dues, as well as a fee to transfer their records from Seller to Buyer (transfer fee). These amounts vary for each association.

LOAN DISCOUNT:

A one-time fee to adjust the yield on the loan to what market conditions demand. Some lenders refer to these as points.

LOAN ORIGATION FEE:

A one-time set up fee charged by the lender for their administrative costs.

MISCELLANEOUS TITLE CHARGES:

The title company may charge fees for items such as title policies, document preparation, recording fees, and an escrow fee. Check with your escrow officer for details.

PMI PREMIUM:

Depending on your down payment, you may have to pay an up front fee for private mortgage insurance (PMI).

PREPAID INTEREST:

This is a per diem charge that will vary depending on the time your loan closes. Interest begins accruing the day your loan closes up to your first payment.

TAXES AND HAZARD INSURANCE:

Depending on the month your property closes, you may be required to reimburse the Seller for property taxes. You will have to pay a year's hazard insurance premium up front, any may be required by the lender to put a certain amount for taxes and insurance in a reserve account. This account is held by the lender.

WHAT IS F.I.R.P.T.A.

F.I.R.P.T.A. is an acronym for Foreign Investment Real Property Tax Act. It was established in 1980 for the purpose of withholding the estimated amount of taxes which may be due on the gain of the disposition of a U.S. Real Property Interest from foreign persons. A U.S. real property interest includes sales of interests in parcels of real property as well as sales of shares in certain U.S. corporations which are considered U.S. real property holding corporations. Persons purchasing U.S. real property interests (transferee) from foreign persons are required to withhold a percentage of the amount realized.

Q. What is the purpose of the withholding?

A. Real estate withholding is a prepayment of anticipated tax due on the gain of the sale of a U.S. real property interest. It is not an additional tax. Any difference between the amount paid and the amount owed is refunded to the Seller when a tax return is filed. For the current withholding percentage please visit the IRS.GOV website.

Q. Who is responsible for finding out if the transferor is a foreign person?



Nicole Williams (Power Road)

A. It is the Transferee's/Buyer's responsibility to determine if the Transferor/Seller is a foreign person and subject to withholding.

Q. Are there exceptions from F.I.R.P.T.A. withholding?

A. Yes. Exceptions are explained on the IRS.GOV website.

Q. Who is responsible for withholding the required percentage of the amount realized?

A. Withholding is the responsibility of the Transferee/Buyer.

Q. How and where is the F.I.R.P.T.A. withholding paid?

A. The Buyer must complete IRS Form 8288 and Form 8288-A and remit them, along with the payment, to the IRS at the address shown on Form 8288.

Q. What is the Escrow Officer's role with regards to F.I.R.P.T.A.?

A. The IRS Rule requires the Transferee/Buyer to determine if withholding applies and, if so, to remit the withholding to the IRS. If the Buyer has determined F.I.R.P.T.A. withholding applies, the Buyer and Seller may mutually instruct the Escrow Officer to deduct the percentage, gather the applicable forms, and remit them to the IRS on their behalf.

WAYS TO TAKE



Photograph by: Desha Jackson (Tucson River)

The manner in which you choose to take title may have significant legal and tax planning consequences. You should contact your attorney and/or tax consultant on which manner best suits your needs.

	Community Property	Joint Tenancy with Right of Survivorship
Marriage Requirements	Requires a valid marriage between two persons.	Parties need not be married; may be more than two joint tenants.
Spouse Interest	Each spouse holds an undivided one-half interest in the estate.	Each joint tenant holds an equal and undivided interest in the estate.
Partitioning	One spouse cannot partition the property by selling his or her interest.	One joint tenant can partition the property by selling his or her joint interest.
Signatures	Requires signatures of both spouses to convey or encumber.	Requires signatures of all joint tenants to convey or encumber the whole.
Inheritance	Each spouse can devise (will) one-half of the community property.	Estate passes to the surviving joint tenants outside of probate.
Upon Death	Upon death the estate of the decedent must be “cleared” through probate, affidavit, or adjudication.	No court action required to “clear” title upon the death of joint tenant(s).
Community Property On Death	Both halves of the community property are entitled to a “stepped up” tax basis as of the date of death.	Deceased tenant’s share is entitled to a “stepped up” tax basis as of the date of death.

TITLE IN

arizona



Photograph by:
Desha Jackson (Tucson River)

Community Property with Right of Survivorship	Tenancy in Common
Requires a valid marriage between two persons.	Parties need not be married; may be more than two tenants in common.
Each spouse holds an undivided one-half interest in the estate.	Each tenant in common holds an undivided and fractional interest in the estate. Can be disproportionate, i.e. 20% & 80%; 60% & 40%; 20%, 20%, 20%, & 40%; etc.
One spouse cannot partition the property by selling his or her interest.	Each tenant's share can be conveyed, encumbered or devised to a third party.
Requires signatures of both spouses to convey or encumber.	Requires signatures of all tenants to convey or encumber the whole.
Estate passes to the surviving spouse outside of probate.	Upon death the tenant's proportionate share passes to heirs by will or intestacy.
No court action required to "clear" title upon the first death.	Upon death the estate of the decedent must be "cleared" through probate, affidavit, or adjudication.
Both halves of the community property are entitled to a "stepped up" tax.	Each share has its own tax basis.

THE 411 ON HOME INSPECTIONS

The Sellers are required to disclose the known condition of the house, but it is important to have a professional inspect the home. When it comes to inspecting the home, you want an inspector who will be thorough and trustworthy. Ask for recommendations from friends and family and/or search out reviews online. Look for proper licensing, and you can even ask a potential inspector for references.

Schedule the inspection as quickly as possible. Expect to hire the inspector directly, and pay at the time of service.

THE INSPECTOR CAN EVALUATE THE FOLLOWING:

- Roof
- Foundation
- Drainage
- Plumbing
- Electrical
- Fireplaces/Chimneys
- Furnace

COMMON DEFECTS FOUND DURING HOME INSPECTIONS

Don't expect the report to be flawless. Inspectors generally find some routine and minor defects that the Buyer will commonly assume, however, sometimes inspections will reveal major structural defects and safety violations.

- **Roofing defects** – age, wear, and improper installation
- **Ceiling Stains** – point toward active or past issues with leaking roofs, plumbing, or appliances
- **Water Intrusions** – particularly in basements – improper drainage around the house
- **Electrical Safety Hazards** – old, ungrounded outlets, non GFI (ground fault interrupter) outlets, improperly wired panels, outdated wiring
- **Rotten Wood** – commonly on trim, roof eaves, and decks
- **Building Code Violations** – unpermitted structures/additions, safety issues, DIY gone wrong
- **Unsafe Fireplace and Chimney Conditions** – insufficient distance between fireplace and combustible materials, lack of chimney cleaning and maintenance
- **Minor Plumbing Defects** – loose toilets, leaking faucets, improper drainage
- **Failed Seals around Windows**

- Other visible features, fixtures, and components.

Inspections are not intrusive, so only visible aspects of the property can be evaluated. Issues that may exist within inaccessible areas, such as walls, may remain unknown.

PEST INSPECTION

The inspector will perform an examination for wood destroying pest infestations, and this portion of the report is usually broken down into two sections:

- **Section 1** lists conditions that are actively damaging the property. Usually repairs will have to be completed and remediated before the lender will approve your loan.
- **Section 2** lists conditions that will likely cause damage to your home in the future.

The inspector will create a report detailing all of their recommendations complete with pictures, and may suggest you contact a specialist such as a structural engineer to further assess situations outside the inspector's scope.

If significant defects are found during the inspection, you may be able to negotiate with the Seller to determine who will pay for the repairs, or if the contract is contingent upon a satisfactory inspection you may cancel the sale without penalty.

Signing WITH PIONEER

IDENTIFICATION: Bring an unexpired, government issued photo ID to your closing in order for your signature to be notarized.

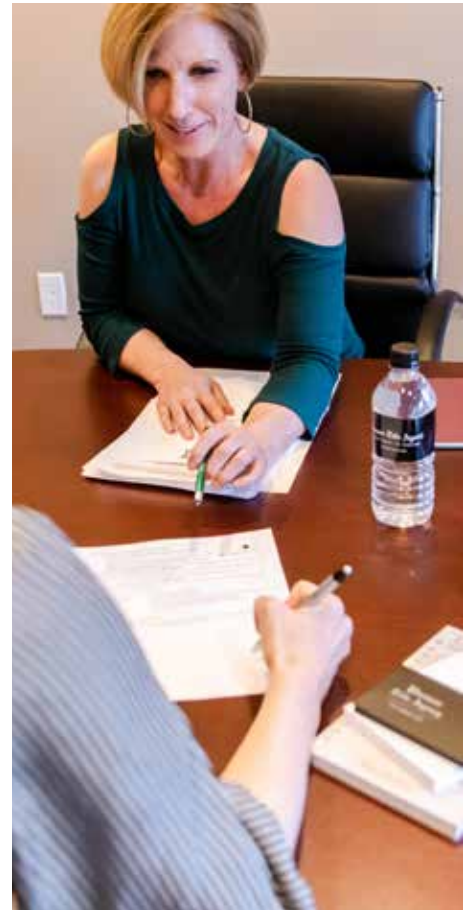
FUNDS: Your escrow officer will contact you or your real estate agent in advance of your closing to inform you of the funds you will need to bring to your signing appointment. Bring a cashier's check in the proper amount payable to Pioneer Title Agency. If you prefer to send funds via wire transfer, you may contact your escrow officer ahead of time to make arrangements. Learn how to protect yourself from wire fraud on page 13. Wire instructions in our opening package will not change.

TAKING TITLE: Review your options of ways to take title in Arizona (page 30-31) and decide

on your preferred method.

MOBILE NOTARY: If you are unable to make it into one of our many office locations, Pioneer Title Agency may still be able to assist you with a mobile notary service. Contact a local branch to inquire further about this service.

DO I HAVE TO BE THERE?: If you or any one of the Buyers will be unavailable to sign the lender/escrow packages, notify your real estate agent immediately. Your real estate agent will notify your loan officer and Pioneer Title Agency. Many lenders will accept a signature by power of attorney if the title company prepares the document. The lender must approve a Power of Attorney in advance of your closing appointment.



Jodi Thalhiemer (Paradise Valley)



Prescott, Arizona

Photograph by: Paul Jordan (Compass and Lake Pleasant)



Mt. Baldy, Arizona

Photograph by: Sandi Braswell (Show Low)

AFTER YOUR *signing* APPOINTMENT

Once all of your documents are signed...

If there is a loan involved, the signed documents will be sent to your lender for review. Once your lender approves, they will fund the loan and contact Pioneer Title Agency. Your escrow officer will handle the rest of the transaction details. The deed will be recorded, and the proper funds will be disbursed to the Seller and other appropriate payees. Once escrow is closed, you will receive the keys to your new home from your real estate agent!

AFTER THE CLOSING: Keep all documents in a safe place and keep an eye on your mail for important documents to come.

LOAN PAYMENTS: Payments on your loan are generally made with coupon books, monthly statements, or online bill pay. Contact your lender with any questions regarding your loan

payments, taxes, or impounds.

HOME WARRANTY REPAIRS:

If covered items break, call your home warranty company directly, **BEFORE** scheduling repairs.

RECORDED DEED: The recorded deed will be mailed directly to you 7-10 days after close of escrow.

TITLE INSURANCE POLICY: Pioneer Title Agency will mail your policy to you within 30 days.

PROPERTY TAXES: Paying your property taxes is your responsibility, and depending on the month you purchase your home, you may or may not receive a statement. Refer to page 18 for important tax dates. If you have a new loan, check with your lender to see if your taxes are included with your monthly loan payment.



Tucson, Arizona

Photograph by: Desha Jackson (Tucson River)

READY. SET. MOVE.

OLD HOME:

- ❑ **Pack up your belongings.** Make sure to put detailed labels on each box (you will thank yourself when you get to the unpacking phase). If you are using a moving company, make a detailed inventory of the boxes they will be moving. This will help you verify they are all delivered safely to your new house.
- ❑ **Transport valuables with you.**
- ❑ **Cancel your old utilities** and collect any deposit refunds.
- ❑ **Empty/Defrost Refrigerator.**
- ❑ **Set up key transfer** with your Real Estate agent. Don't forget about the garage door openers.
- ❑ **Change your address** and transfer records (if applicable) with the following places/services:
 - ❑ U.S. Postal Service
 - ❑ Bank Accounts
 - ❑ Credit Card Companies
 - ❑ Investment Accounts
 - ❑ Cell Phone Company
 - ❑ Department of Motor Vehicles
 - ❑ Insurance Companies
 - ❑ Other Bills
 - ❑ Memberships
 - ❑ Publications
 - ❑ Voter Registration
 - ❑ Human Resources/Payroll at your work
 - ❑ Doctors, Dentists, & Veterinarians
 - ❑ Schools
 - ❑ Friends & Family

NEW HOME:

- ❑ **Change your locks** on all outside doors to ensure you and your family are the only people with keys.
- ❑ **Set-up utilities & services including:**
 - ❑ Water, Trash, & Sewer
 - ❑ Electric
 - ❑ Gas
 - ❑ Cable, Satellite, & Internet
- ❑ **Familiarize yourself with the location** of your circuit breaker and water shut-off valve.
- ❑ **Plan for emergencies** by installing or replacing batteries in the fire alarms and carbon monoxide detectors, and purchase new fire extinguishers.
- ❑ **Complete minor (or major) repairs** and projects such as painting or anything that needs to be tackled from the home inspection report.
- ❑ **Clean your new house.** Do a deep cleaning to start off FRESH! It's much easier to clean before you unpack.
- ❑ **Unpack.** Decorate and make the space your own. Consider donating items that do not fit in your new house. Recycle boxes and moving materials.
- ❑ **Explore your new neighborhood** and meet your neighbors.
- ❑ **SETTLE IN AND ENJOY YOUR NEW HOME!!!**



Bethany Bates (Power Road) and Ashley Peterson (Power Road)

Glossary

Abandonment of Homestead: An instrument to terminate a homestead interest.

Acceleration Clause: A clause in a note, mortgage or deed of trust which give the lender the right to demand payment in full upon a happening of a certain event(s), such as a default.

Acknowledgment: A formal declaration made before a notary, stating the instrument was duly executed by the designated person.

Adverse Possession: A method of acquiring real property from the owner because of continuous, hostile and visible use of the property for a prescribed length of time.

Affidavit: A sworn statement by an individual.

Affidavit of Value: A sworn statement required by the state to be attached to all conveyances, unless it has been specifically exempted. It includes the legal description, tax parcel number and the value of the property.

Agreement for Sale: An instrument that conveys the equitable title to real property and states the manner of payment required for payment in full.

Amortize: A gradual decrease of a debt based on structured payments over a designated number of years.

Assessment: A levy or tax imposed on land to raise revenue or to pay for improvements which benefit the land.

Attachment: A legal procedure where property is taken into custody pending the outcome of a lawsuit.

Attorney in Fact: An agent authorized to act for another by virtue of a power of attorney.

Balloon Payment: A final payment on a note which is greater than the preceding installments.

Base File: A title file that includes all previous title search information on a particular property.

Beneficiary: One who benefits from a trust, or the mortgagee under a deed of trust.

Bill of Sale: An instrument that transfers personal property.

Bulk Sale: The sale of a business.

Chain of Title: A chronological list of the recorded instruments affecting title to real property.

Chattel: Personal property.

Cloud on the Title: An irregularity in the chain of title that could affect the interest of the owner.

Community Property: All property acquired by either husband or wife during the marriage except what is acquired by gift, devise or descent.

Contiguous: Parcels of property that are adjoining.

Decree of Distribution: A court order after the probate of a deceased person's estate, which when recorded, transfers the title to their heirs.

Equity: The monetary interest the owner has in the real property.

Equitable Title/Ownership: Ownership by one who does not have legal title, such as a vendee under a land contract.

Escheat: Process that reverts property to the state when a deceased owner has no apparent heirs, or when a party does not make claim to monies held in escrow.

Estate: The degree, quantity, nature and extent of the interest a person has in real property.

Estoppel: A rule of law which precludes a person from alleging or denying certain facts resulting from their previous conduct or admissions.

Exchange: Transfer of one property for another.

Fiduciary: A trustee.

Fixtures: Personal property that becomes real property when attached to real property.

Foreclosure: A proceeding in or out of court, to extinguish all rights, title and interest of the owner of property in order to sell the property to satisfy a lien against it.

Forfeiture: The process used by the seller or vendor under a land agreement to recover the property from the buyer or vendee in the event of default.

Garnishment: A statutory proceeding wherein a court gives directions to a third party regarding the payment of money.

OF REAL ESTATE TERMS



Heirs: The persons designated in a will, or by operation of law, to succeed to the estate of a deceased person.

Hiatus: A gap unintentionally left when describing two adjacent properties.

Incompetent: A person who is incapable of binding himself to an enforceable obligation.

Indemnity: A letter or statement wherein one party agrees to hold harmless another party from loss or damage.

Ingress and Egress: The liberty of entrance and exit from property.

Intestate: A person who dies without leaving a will.

Judgment: A decree entered by the court after final determination of the rights of the parties in legal action.

Lease: A contract where the owner grants to another the possession or use of their property.

Letters of Testamentary: A court order empowering an individual to deal with a deceased person's estate.

Lien: A charge upon real property as security for the payment of a debt.

Life Estate: The interest in property that exists only for the life of an individual.

Metes and Bounds Description: A legal description based on footage and direction prepared through a survey of the property.

Monuments: Objects or markers used to fix or establish a property boundary.

Novation: Substitution of a new contract, debt or obligation for an existing one, between the same or different parties.

Order Confirming Sale: A court order given during a probate or bankruptcy proceeding which authorizes the sale of a part of the estate property.

Patent: An instrument used by the state or federal government to transfer title to property.

Personal Representative: A court appointed individual who is authorized to deal with the matters of an estate, which was formerly referred

to as an administrator or executor.

Power of Attorney: An authority or instrument by which one person (principal) enables another (attorney in fact) to act for him.

Probate: A court proceeding in which descendant's estate is administered.

Quiet Title: A court action that clarifies the title to real property.

Reconveyance: Transfer of title to the previous owner, or a release of the lien created by a Deed of Trust.

Reservation: A reservation created by a Grantor in a deed, which establishes a new right or privilege for the benefit of the Grantor in the property.

Resolution: A formal declaration of the will of the group, such as the Board of Directors of a corporation.

Restriction: A limitation upon the owner's use or right to deal with their land.

Severalty: An estate held by a person in his own right, without being joined by another person.

Special Warranty Deed: A deed that conveys ownership, but only warrants the title to the property for the time period the grantor has had title.

Subordination: An agreement in which the existing lien will take an inferior position to a new or junior lien.

Take Off: An abstract, copy of a summary of matters found in the public records which affect title or rights of person to deal with the property.

Testate: A person who dies leaving a will.

Trust: Property that is held by one party for the benefit of another.

Usury: An interest rate that is greater than the amount which can be legally charged.

Waiver: A voluntary surrender of a right or privilege, such as the right to file a lien.



Pioneer Title Agency

WWW.PTAAZ.COM

Saguaro Lake, Arizona
Photograph by: Zachary Dillard