

MY SERVICE COMMITMENT TO YOU



I will provide my professional services on a full-time basis.

I will communicate responsibly and honestly.

I will explain pertinent real estate documents in advance of any transactions.

I will preview properties and know what is available.

I will utilize the MLS to find available properties for you.

I will perform a comprehensive search of properties within your price range.

I will only show you properties that match your requirements.

I will assist you in pre-qualifying and assist in arranging financing.

I will review and counsel you on the offer/counter offer process.

I will protect your interests with a binding contract.

I will present your offer and negotiate the best possible terms.

I will provide an estimate of your closing costs.

I will explain and arrange for a Home Warranty Policy, if so desired.

I will coordinate necessary inspections such as termite, contractors, roof, etc.

I will save you time and help you meet your move-in deadline.

I will oversee all paperwork throughout the transaction, the escrow and after the closing.

Realtor _____ Date _____

STEP-BY-STEP HOME BUYING PROCESS



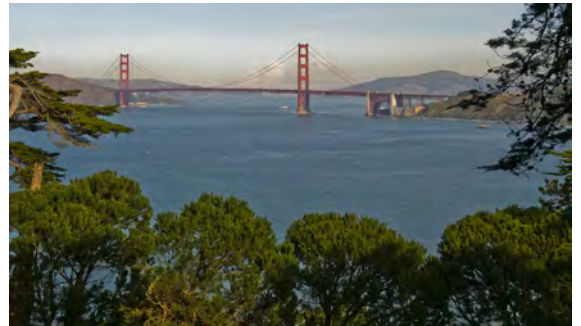
1. Select a Realtor and establish a relationship
I am a full-time, professional Realtor with extensive market knowledge. We will work closely together to find the right home for you.
2. Evaluate your needs and resources with your realtor
Once we establish your needs, I will provide guidance to financial institutions where you can obtain information in order to get the best financing available. We will meet to discuss your needs and analyze your resources.
3. Identify properties in which you are interested
I will show you homes based on the criteria that we establish. The more precise and direct you are with me, the more successful our search will be.
4. Determine the seller's motivation
Once we have found the home you wish to purchase, I will do all the necessary research to help you structure an effective offer.
5. Write an offer to purchase
I will draft the Purchase Agreement for you, advising you in protective contingencies, customary practices, and local regulations. At this time you will need to provide an "earnest money" deposit, usually from 1-3 percent of the purchase price. (This deposit is not placed in escrow until your offer has been accepted by the Seller.)

STEP-BY-STEP HOME BUYING PROCESS



6. Present the offer
I will present your offer to the Seller and the Seller's Agent. The Seller has three options: they can accept your offer, reject your offer, or make a counter offer. My personal knowledge of your needs and qualifications will enable me to represent you in the best way possible.
7. Evaluate the Seller's response
I will review the Seller's response with you. My negotiating skills and knowledge will benefit you in reaching a final agreement.
8. Open the escrow
When the Purchase Agreement is accepted and signed by all parties, I will open escrow for you. At this time your earnest money will be deposited. The escrow or title company will receive, hold, and disburse all funds associated with your transaction.
9. Contingency periods
This is the time allowed in your Purchase Agreement to obtain financing, perform inspections, and satisfy any other contingencies to which your purchase is subject. Typical contingencies include:
 - Approval of the Seller's Transfer Disclosure Statement
 - Approval of the Preliminary Title Report
 - Loan approval, including an appraisal of the property
 - Physical inspections of the property
 - Pest inspection

STEP-BY-STEP HOME BUYING PROCESS



10. Obtaining Homeowner's Insurance
I will coordinate between your insurance agent and the Title Officer to make sure a policy is in effect at close of escrow.
11. Down Payment Funds
You will need a cashier's check or money transfer several days prior to the closing date of escrow
12. Close of Escrow
When all of the conditions of the Purchase Agreement have been met, you will sign your loan documents and closing papers. You will deposit the balance of the purchase price. The Deed will be recorded at the County Recorder's office, and you will take ownership of your home.

A WORD ABOUT FULL DISCLOSURE



Legal decisions, legislation, and common sense dictate that a Seller has a responsibility to reveal to you the true condition of the property. Selling a property without disclosure, or forcing the Buyer to assume all responsibility for determining the property condition, is not acceptable in the present marketplace. A Seller must disclose the known defects of the property to the Buyer. This information should be made available to the Buyer as soon as possible

Charm or Irritant?

Having lived in this property, the Seller has become accustomed to the peculiar conditions that may have developed in the house. But for the Buyer, these peculiarities may be more than a mere inconvenience, and may in fact be an irritant the Buyer cannot tolerate. It is important for the Seller to review the condition of the property with the Realtor and make special note of any problems on the Disclosure Statement. Civil code section 1102 requires that the Seller provide the Buyer with a completed Real Estate Transfer Disclosure Statement.

All Systems Go

A basis assumption in every sale is that the house and the systems in the house are functional—for example, the roof will hold out the rain and sun, the hot water heater will provide hot water, and the heater will provide heat. If it is known that any of the systems do not function properly, such facts should be included in the purchase agreement and acknowledged by the Buyer.

"As Is"

An "as is" purchase contract is perfectly acceptable only as long as the Buyer understands exactly what the "as is" condition entails. Thus it can be said in the Purchase Agreement that the Buyer accepts the roof, plumbing, and electrical system in their present condition and acknowledges that they have defects. This acknowledgement provides a defense for the Seller if it is later claimed the problems were not disclosed.

Environmental Hazards

The Seller must disclose any knowledge of environmental hazards such as asbestos or pollutants in the home or on the property. The buyer will be provided with a Real Estate Transfer Disclosure Statement, in which the Seller declares their knowledge on this subject.

Personal vs. Real Property

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

THE INSPECTION PROCESS



When you make an offer on a home, your Purchase Contract will likely contain provisions allowing you various inspections of the property. The purpose of these inspections is to educate you as to the physical condition of the property you are purchasing; they provide valuable information to you as a Buyer. Your Purchase Contract may provide for withdrawal from the contract if these reports are unsatisfactory to you or allow you to negotiate newly discovered defects. But, inspections should not be considered an open door to renegotiate the purchase price on previously disclosed effects.

Structural Pest Control Inspection

Often referred to as a "Termite Report," the Structural Pest Control Inspection is conducted by a licensed inspector. In addition to actual termite damage, the Pest Report will indicate any type of wood-destroying organisms that may be present, including fungi (sometimes called dry rot), which generally results from excessive moisture.

Section 1 Conditions

Most Pest Reports classify conditions as Section 1 or Section 2 items. Section 1 conditions are those that are "active," or currently causing damage to the property.

Section 2 Conditions

Section 2 items are those that are not currently causing damage, but are likely to, if left unattended. A typical Section 2 item is a plumbing leak where the moisture has not yet caused decay.

Who Pays?

The Buyer usually pays for this inspection. The work to be completed is negotiated between the Buyer and Seller. If we are provided a pest inspection report prior to writing our offer, it is often assumed by the Seller that we took this information into account when arriving at our offering price. I will advise you in these matters.

Property Inspection

This is called a general home inspection, and is generally conducted by a licensed general contractor who specializes in pre-sale inspections. The general inspection will often call for additional inspections by specific trades people such as roof or furnace inspectors. By law, licensed home inspectors do not give bids for repairs that may be required.

Who Pays?

The Buyer usually pays for this inspection.

Home Warranty

Home Protection Plans are available for purchase by a Buyer or Seller. Such plans may provide additional protection of certain systems and appliances in your home. I will provide you with brochures detailing different companies and options.

TEN QUESTIONS ABOUT PEST INSPECTIONS



1. Under what conditions is a pest control inspection report required?

Although the State of California regulates structural pest control firms, it does not require an Inspection Report prior to the sale of property. However, financial institutions usually require the report to ensure that the building is structurally sound. This requirement protects their investments and provides the Buyer with an inexpensive safeguard against the cost of pest control repair and treatment.

2. What are the rights of the Buyer with regard to Pest Inspection Reports and pest control treatment?

When a pest control company is hired, it is accountable to both the Buyer and the Seller, regardless of who pays for the inspection. It is required to furnish the person who orders the inspection with a copy of the report within five days. Under section 1099 of the Civil Code, the Seller must deliver a copy of the report to the Buyer.

3. What information must be included on the Inspection Report?

The Structural Pest Control Board requires that all pest control companies use a standardized inspection report form. The Inspection Report identifies wood-destroying organisms or conditions likely to cause pest infestation and the areas where the problem exists. Recommendations are also made for corrective treatment.

4. What areas are considered to be inaccessible on the Inspection Report?

Those areas that cannot be inspected without opening the structure or removing the objects blocking the opening are considered inaccessible. Attics without adequate crawl space, slab foundations without openings to bathroom plumbing, floors covered by carpeting, wall interiors, and locked storage areas are the most common inaccessible areas. The pest control inspector must list all inaccessible areas.

TEN QUESTIONS ABOUT PEST INSPECTIONS



5. Do all recommendations listed on an Inspection Report have to be completed prior to the sale of the home?

Some financial institutions require that both the inspection and repair work be completed prior to the closing of escrow. If it is not required, the Buyer should be aware what has been done and work that has yet to be completed before purchasing the home. Pest control companies are required to complete a Notice of Work Completed and not completed when any work is done on a structure.

6. If two Inspection Reports are filed on the same structure within a reasonably close period, should they be nearly identical?

There are three parts to an inspection report: findings, recommendations, and estimates. Each may differ from company to company. Findings should be similar, no matter which company performs the inspection, though minor differences are not uncommon. Any major differences, such as failing to spot active infestations, should be reported to both companies.

7. How long is an Inspection Report considered valid, and are companies required to certify their inspection work?

Under the Structural Pest Control Act, all licensees are responsible for any inspection for two years from the date of such work. However, they are not responsible for conditions that develop after the inspection.

8. How can a Buyer tell if a house has been inspected before or if any work has been completed?

Every time a pest control company makes an inspection for wood-destroying organisms, it must post a tag at the entrance of the attic or in the garage. The tag contains the firm's name and the date of the inspection. A similar tag must be posted next to the inspection tag when the company completes a Notice of Work Completed or Not Completed, indicating any work completed with respect to wood-destroying pests or organisms.

TEN QUESTIONS ABOUT PEST INSPECTIONS



9. What criteria should a consumer use in selecting the services of a particular pest control company?

The approach should be similar to buying other goods. Consult the yellow pages, shop around, compare prices and services, and get more than one estimate for an inspection. Ask friends or neighbors who have recently used structural pest control services for references. Realtors may also recommend companies.

10. What recourse does a consumer have if dissatisfied with the services of the pest control company?

After reading the information in this brochure, contact the company with whom you are dissatisfied and explain your problem. If the company does not resolve the problem to your satisfaction, you can contact the Structural Pest Control Board for additional information or assistance by telephoning 919.920.6323 in Northern California.

WHO PAYS FOR WHAT?



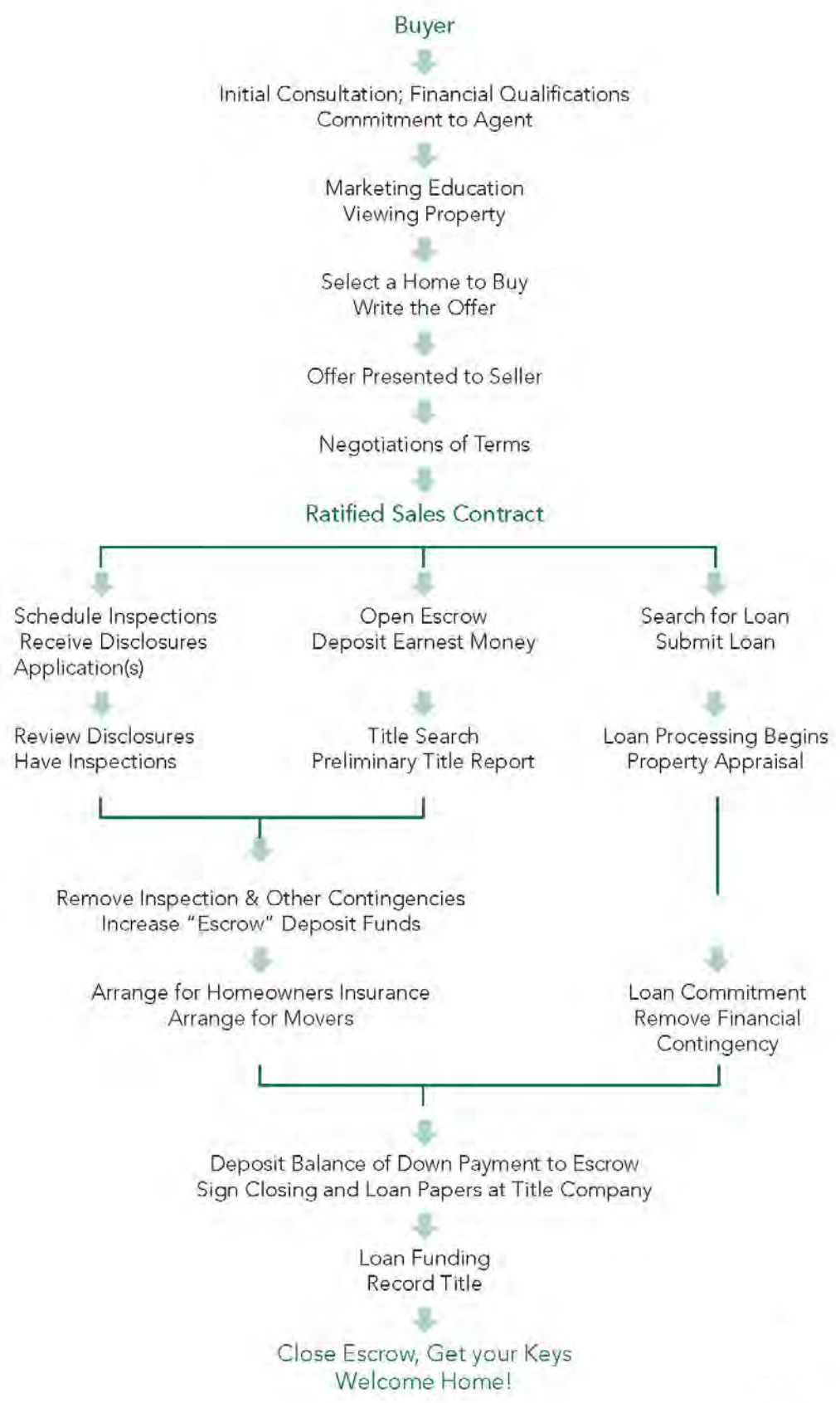
The Seller Generally Pays for:

- Real estate commission
- Document prep fee for Deed
- Transfer tax
- Notary fees
- Homeowner's transfer fee
- Interest accrued to Lender being paid off, statement fees, reconveyance fees and any payment penalties
- Any judgments or tax liens
- Tax pro-ration for any unpaid property taxes
- Any unpaid Homeowner's dues
- Any bonds or assessments
- Any and all delinquent property taxes

The Buyer Generally Pays for:

- Title insurance premiums
- Escrow fee
- Document preparation
- Recording charges for all documents in Buyer's name
- Any loan fees required by Buyer's lender
- Termite inspection
- Tax pro-ration (from date of acquisition)
- All new loan charges
- Interest on new loan from date of funding to thirty days prior to first payment date
- Assumption/change of records fees for takeover of existing loan
- Inspection fees (roofing, property inspection, geological, etc)
- Fire insurance premium for first year

TIME AND ACTION FLOW



THE ESCROW PROCESS



When opening an escrow, the buyer and seller of a piece of property establish terms and conditions for the transfer of ownership of that property. These terms and conditions are given to a neutral third party known as the escrow holder. The escrow holder in turn has the responsibility of seeing that the terms of the escrow are carried out. The escrow is an independent, neutral account and the vehicle by which the interest of all parties to the transaction are protected.

How Does the Escrow Process Work?

The escrow office takes instruction based on the terms of your Purchase Agreement and the lender's requirements. The escrow officer can hold inspection reports and bills for work performed as required by the purchase agreement. Other elements of the escrow include hazard and title insurance, and the grant deed from the seller to you. Escrow cannot be completed until these items have been satisfied and all parties have signed escrow documents.

What Does the Escrow Holder Do?

The escrow holder is a neutral third party that maintains the escrow and impartially oversees the escrow process, insuring that all conditions of the sale are properly met.

The escrow holder's duties include:

- Serving as the neutral agent and the liaison between all parties involved
- Preparing the escrow instructions
- Requesting a Preliminary Title Search to determine the status of title to the property
- Requesting a Beneficiary's Statement if debt or obligations are to be taken over by the Buyer
- Complying with the lender's requirements as specified in its instructions to escrow
- Receiving and handling purchase funds from the Buyer
- Preparing or securing the deed and other documents related to the escrow
- Prorating taxes, interest, insurance and rents
- Securing releases of all contingencies or other conditions imposed on the escrow
- Recording the deed and any other documents
- Requesting the title insurance policy
- Closing the escrow pursuant to instructions supplied by the Seller, Buyer, and lender if any
- Disbursing funds as authorized by the instructions, including charges for title insurance, recording fees, real estate commissions and loan payoffs
- Preparing final statements for all parties that account for the disposition of all funds held in the escrow account.

THE ESCROW PROCESS



How Do I Open An Escrow?

I, as your real estate agent, will open escrow. As soon as you execute the Purchase Agreement, I will place your initial (earnest money) deposit into an escrow at your choice of escrow company. Written evidence of the deposit is generally included in your copy of the sales contract. The funds will then be deposited in a separate escrow account and processed through your local bank. You will receive a receipt for the funds from the title company.

What Information Will I Have to Provide?

You may be asked to complete a Statement of Identity as part of the paperwork. Because many people have the same name, the Statement of Identity is used to identify the specific person involved in the transaction through such information as date of birth, social security number, etc. This information is held in strict confidence.

How Long Is An Escrow?

The length of an escrow is determined by the terms of the Purchase Agreement and can range from a few days to several months. The average length of an escrow is usually 30 to 45 days.

When Do I Sign Escrow Instructions and Where?

A few days before closing, your escrow officer or I will contact you to make the appointment for you to sign your escrow instructions, grant deed, and final papers. At this time, your escrow officer will also tell you the amount of money you will need to provide at closing.

Your Appointment

This is a list of items you will need in preparation for your appointment to sign escrow papers:

- Identification – All Parties – There are several acceptable forms of identifications. One of the following forms must be presented at the escrow signing in order for the signature to be notarized: a current drivers license, passport, or State of California Department of Motor Vehicles ID card.
- Cashiers Check – Buyers – You need a cashiers check or a certified check issued by a California financial institution made payable to the title company in the amount given to you by your escrow officer. A personal check will delay the closing since your title company is required by law to have “good funds” before disbursing funds from the escrow. You may prefer to wire funds from your financial institution to the title company bank.
- Lenders Requirements – Buyers – Check with your lender to make sure you have satisfied all your lenders requirements before coming to the title company to sign papers.

THE ESCROW PROCESS



- Fire and Hazard Insurance – Buyers – You must have fire and hazard insurance in place before the lender will send money to the title company to fund your loan. Whenever you buy a single family home, you must have insurance. Once you have spoken to your insurance agent, call your title company with the insurance agent's name and phone number so they can make sure the policy complies with your lender's requirements.

After Your Appointment

After all parties have signed all the necessary papers, your escrow officer will return the buyer's loan documents to the lender for a final review. This review usually occurs within a few days of executions of the documents. Once the review is completed, the lender will call your escrow officer so that the necessary final paperwork can be completed to record the documents and close the escrow.

Escrow Closing

The escrow closing is the legal transfer of title to the property from the seller to the buyer. Usually the Grant Deed and the Deed of Trust are recorded within one day of the title company's receipt of loan funds. This completes the transaction and signifies the close of escrow. Once all the conditions of the escrow have been satisfied, your escrow officer will inform you of the date escrow will close and take care of all the technical and financial details.

When Will I Get The Deed?

The deed to your new home will be mailed directly to you by the County Recorder's Office several weeks after the close of escrow. Be sure to keep it in a safe place.

TITLE INSURANCE



What is Title Insurance?

Title Insurance is a contract of indemnity, which guarantees that the title to a property is as reported and, if not as reported and the owner is damaged, the title policy covers the insured for losses up to the amount of the policy.

Title Insurance assures owners that they are acquiring marketable title. Title Insurance is designed to eliminate risk or loss caused by defects in title from the past. Title insurance provides coverage only for title problems, which were already in existence at the time the policy, was issued.

Title Search

Your title company works to eliminate risks by performing a search of the public records or through its own plant. The search consists of public records, laws and court decisions pertaining to the property to determine the current recorded ownership, any recorded liens or encumbrances or any other matters of record that could affect the title to the property. When a title search is complete, your title company will issue a preliminary report detailing the current status of title.

A preliminary report contains vital information which can affect the close of escrow: ownership of the subject property, how the current owners hold title, matters of record that specifically affect the subject property or the owners of the property, a legal description of the property and an informational plat map.

What Does a Title Policy Not Cover?

Not all risks can be determined by a title search, since certain things such as forgeries, identities of persons, incompetency, failure to comply with the law, or incapacity cannot be disclosed by an examination of the public records. Matters that a physical examination or a survey of the property might disclose are not covered. However, more extended coverage is available and should be considered.

TITLE INSURANCE



The California Land Title Associations (CLTA) is the standard policy of title insurance in California and is used to cover either an owner's or lender's interest.

What Does a CLTA Policy Cover?

- Ownership of the property
- All record matters affecting title are shown in the policy in order of their priority
- That there is access if the property abuts upon an open public, dedicated street
- That there are no forgeries or failed conveyances in the chain of title
- That the insured has a marketable interest in the real property
- With regard to lender's coverage, it covers:
 1. The priority of the insured mortgage
 2. The invalidity or unenforceability of the lien of the insured assignment
 3. The Invalidity or unenforceability of the lien of the insured mortgage on the title

COMMON FORMS OF OWNERSHIP

	Tenancy In Common	Joint Tenancy	Community Property
Parties	Any number of persons (can be husband and wife)	Any number of persons (can be husband and wife)	Only husband and wife
Division	Ownership can be divided into any number of interests	Ownership cannot be divided	Ownership interests are equal
Title	Each owner has a separate legal title to their undivided interests	There is only one title to the whole property	Title is in the community
Possession	Equal right of possession	Equal right of possession	Equal right of possession
Conveyance	Each co-owner's interests may be conveyed separately by its owner	Conveyance by one co-owner without the others breaks the joint tenancy	Both co-owners must join in conveyance of real property. Separate interest cannot be conveyed
Purchaser's Status	Purchaser becomes a tenant in common with the other co-owners	Purchaser becomes a tenant in common with the other co-owners	Purchaser can only acquire whole title of community; cannot acquire a part of it
Death	On co-owner's death, their interest passes by will to their devisees or heirs. No survivorship right	On co-owner's death, their interest ends and cannot be willed. Survivor owns the succession property by survivorship	On co-owner's death, half goes to the survivor in severalty. Up to half goes by will or to others (ask attorney specifics)
Successor's Status	Devisees or heirs become tenants in common	Last survivor owns the property in severalty	If passing by will, tenancy in common between devisees and survivor results
Creditors	Co-owners interest may be sold on execution sale to satisfy his creditor. Creditor becomes a tenant in common	Co-owner's interest may be sold on execution sale to satisfy his creditor. Joint tenancy is broken, creditor becomes a tenant in common	Co-owner's interest cannot be seized and sold separately. The whole property may be sold to satisfy debts of either husband or wife, depending on the debt

TAX CALENDAR

Computing Delinquent Penalties

April 10 to June 30
One or both installments
+ \$10.00 Cost

July 1 and later
One or both installments delinquent
ADD 10% Penalty
ADD \$10.00 Cost
ADD \$15.00 Redemption Charge
ADD 1 1/2% per month

Dec 10 to April 10
First Installment delinquent
ADD 10%

Important Dates

January	
February	Feb 1 - Second Installment due
March	Mar 1 - Assessments date Mar 1 - Taxes on unsecured roll due
April	Apr 10 - Second Installment delinquent Apr 15 - Last day to file Homeowners, Veterans, & Senior Citizen 10% exemptions
May	
June	June 8 - Publication date for Delinquent taxes
July	July 1 - Beginning of fiscal year to July 1 of following year July 1 - Properties with delinquent taxes sold to State July First Monday - Assessment Appeals Board July 30 - Last day to advise owners of new values
August	August (late) - Sale number Assigned for delinquent taxes
September	Sept (mid) - Tax rates set
October	Oct (last week) - Tax bills mailed
November	Nov 1 - First Installment due
December	Dec 10 - First Installment delinquent