

Buyer's Guide



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tiloteam.com



TILO TEAM

Brandy Tilo
Realtor MRP, SRS, ABR, PSA

I'd like to introduce myself and take this opportunity to give you a little bit of information about what I can offer you.

Ethic

We are excited to work with you. Our number one goal is to provide outstanding customer service. If at any time you have any questions, do not understand something or are unhappy with the service we are providing, please let us know.

Expertise

Specialized training and expertise in the following areas:

MRP - Military Relocation Professional
SRS - Seller Representative Specialist
ABR - Accredited Buyer's Representative
PSA - Pricing Strategies: Mastering the CMA

Awards and Titles

RealtyPath Realtor of the Year 2015
VP Women's Council of Realtors, Salt Lake Chapter
2013 Salt Lake Board of Realtors Rookie of the Year

Range of Work

Homes, Town Homes, Moving up, Downsizing, High-End, First-Time Home Buyers, Conventional, FHA, VA, Single Family Homes, Interstate Relocation, International Relocation, Investors, Simultaneous Sales/Purchase, Land, New Construction

Services

Seller Representation
Buyer Representation
CMA - Current Market Analysis
Property Tax Data *
Property Searches *
Consultations *

I am happy to provide the items with (*) as a complimentary service to your client at any time.

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TILO TEAM

Testimonials

Brandy is an awesome agent and has made my and my partners experience of buying our first home easy and mainly stress free. She was very educated on the houses we saw and gave honest opinions in each one we saw. She took time out of her vacation to talk to us and to send us emails of houses to get a taste of what we wanted. If we said we didn't like something such as a split entry we didn't get showed one. She was quick to respond about all that we needed to do within a very reasonable time. She went above and beyond helping us search for the house we now call home. I was expecting to look at multiple houses all over the salt lake valley but brandy tuned into our wants and showed us our house the first time we went out looking! No being dragged all over wasting gas and time. She is awesome and personal with clients and I will most definitely call her again when it comes to selling and buying another place to call home. — Braxton Dutson

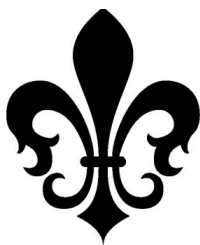
I was new to the area and Brandy made it her personal mission to find the perfect house for us. We, no kidding looked at 50+ houses in two months. Every step of the way Brandy was there always looking out for our best interests. If you want a true professional then there is no need to look any further. —Joe Brewer

Brandy Tilo is very impressive to work with. We searched for our home for over a year and she stood by our side helping us first time home buyers along the way. I would refer her to any one. She is quite the best!
— Chris Cannon

As first-time home buyers, my wife and I were extremely intimidated and uncertain about the prospect of finding and purchasing our first home. Brandy walked us through every step of the process with an attention to detail and thoroughness that instantly earned our trust and reassured us that we were working with a true professional. Brandy helped us find a perfect home in the area and the price range we were looking for and we can honestly say that Brandy's expertise, experience, and rapport made our first home buying experience a positive memory that we will always remember as a milestone in our family. Brandy's advice regarding home inspection, her recommendation of a title company, and her negotiating skills made all the difference in closing on a favorable contract and we would recommend her to anyone who is considering purchasing a home! —J Fitismanu

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TILO TEAM

Annie Brewer
Realtor MRP, PSA

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Testimonials

Annie was amazing. I am so glad that we made the choice to have her as our realtor. She went above and beyond anything we could imagine. She was on top of everything and usually had it all figured out before we even asked and if not she got back to us immediately. She was the best realtor we have ever worked with. I would recommend her to anyone looking to buy or sell. Thanks again, Annie. - Jamie Phelps Dettling

Annie is great! Always available to answer any questions you have and has great advice when you need it. Makes the process of selling easy and worry free! - Cindy Doan Elkerbout

Annie's awesome! You will not regret having her handle your home sale. - Ken Down

Having a Realtor that cares enough to get to know you & your family so she can deliver the best options for you made working with Annie & the Tilo Group such a remarkable one! We are so excited for our next Chapter and they made it possible! - The Purser's

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Vocabulary

Vocabulary Words

[Adjustable Rate Mortgage \(ARM\)](#)

Also known as a variable-rate loan, an ARM is one in which the interest rate changes over time, relative to an index like the Treasury index.

[Amortization](#)

The process of reducing the principal debt through a schedule of fixed payments at regular intervals of time, with an interest rate specified in a loan document.

[Appraisal](#)

An appraisal is a licensed appraiser's opinion of a home's market value based on comparable recent sales of homes in the neighborhood or area. Appraisals are required by the lender as part of the loan process and are ordered on behalf of a buyer's lender to protect the interests of the lender. The lender's underwriter will compare the appraisal price to the final purchase price of the home to ensure the buyer is not borrowing more than the property is worth.

In the event the home appraises lower than the agreed sales price, the buyer may be able to renegotiate a lower price with the seller. If the seller is unwilling to lower the price, the buyer's lender may ask that the buyer put more money toward the down payment in order to make up the difference. If neither of those options work, and there is an appraisal contingency written into the contract, the buyer may choose to cancel the purchase.

[As-is](#)

This is important to know as a seller, given that it grants you the right to say that you will not have to make any repairs or correct any problems with your property upon sale.

[Assessed Value](#)

The value placed on a home by municipal assessors for the purposes of determining property taxes.

Vocabulary Words

[Backup Offer](#)

When a home has a status of "Backup Offer," it means the seller has accepted an offer from a buyer but is still accepting offers from other buyers. Sellers accept backup offers if they think the current offer may fail.

[Buyer's Agent](#)

A buyer's agent is a licensed real estate agent who represents the buyer in a transaction. The buyer's agent has authority to act on behalf of the buyer in negotiating a Purchase and Sale Agreement with the seller's agent.

Sometimes buyer's agents are referred to as selling agents. Do not confuse selling agent with seller's agent. In the real estate community, the buyer's agent is referred to as the "selling agent" and the seller's agent is referred to as the "listing agent."

[Buyer Broker Agreement](#)

A Buyer Broker Agreement is an agreement signed by a prospective buyer authorizing a licensed brokerage firm, and more specifically, Realtor® from that brokerage, to represent the buyer when buying a home. The Buyer Broker Agreement is a commitment between the Realtor® and the buyer to work together and to assure the Realtor® will be compensated if a sale occurs. The terms of the agreement is negotiable.

Before signing a Buyer Broker Agreement, the buyer should be sure they want to work with the Realtor®. Some Buyer Broker Agreements require the buyer to pay compensation to the buyer's agent even if that agent does not find the home purchased.

[Buyer's Market](#)

This type of market favors the buyer, often with a high supply of homes and lower prices.

Vocabulary Words

[Certificate of Occupancy \(COO\)](#)

A Certificate of Occupancy is a document issued by a local government that certifies a home is ready to be occupied and complies with local building codes. The certificate is issued following an inspection by a licensed inspector on behalf of the local government. Certificates of Occupancy are required for any newly constructed building or conversion from a commercial to a residential building. Check your local building code to find out what's required to receive a certificate of occupancy.

[Closing](#)

When the loan funds are delivered to the Escrow Company

[Closing Costs](#)

Expenses over and above the price of the property in a real estate transaction. Costs may include loan origination fees, discount points, appraisal fees, title searches, title insurance, surveys, taxes, deed-recording fees and credit report charges.

[Closing Disclosure \(CD\)](#)

A Closing Disclosure is a final statement of loan terms and closing costs that the lender must provide to the borrower no less than three business days before closing. The statement lists the loan terms, projected monthly payments, cash necessary to close the sale, and a detailed accounting of the closing costs. The three-day review period allows the borrower time to review the Closing Disclosure and compare it with the loan estimate, which the borrower should have received when he or she applied for the loan.

[Clouded Title](#)

If you find out that you have a cloud on your title, it means there may be another claim to ownership under the history of the deed that pertains to your home or property. This often happens when someone who bought the property in the past failed to record the deed properly. Title insurance is designed to ensure that the latest buyer doesn't suffer a financial loss if there is a clouded title that prevents them from being recorded as the true owner.

Vocabulary Words

Comparables

Comparables are homes of similar size, condition, age, and style that recently sold in a certain neighborhood or area. Evaluating comparable homes and their prices can help determine a fair market value for a home.

Comparables are examined by buyers, sellers, and real estate agents in a comparative market analysis (CMA) to establish a price range for a home based on current market activity. Comparables are also used by appraisers to determine the fair market value of a home during an appraisal.

A quality comparable is most similar to the home in question in terms of:

- Homes sold within 1 mile of the subject property
- Square Footage (within 20% above and below the subject property)
- Style of Home (rambler/2-story/condo)
- Homes sold within the last 180 days
- Number of bedrooms and baths
- Condition of home
- Lot size

Comparative Market Analysis (CMA)

A comparative market analysis (CMA) is an evaluation of a home's value based on similar, recently sold homes in the same neighborhood. A comparative market analysis is not the same as an appraisal, which is performed by a licensed appraiser. A CMA is prepared by a real estate agent.

Contingency

A clause in the purchase contract that describes certain conditions that must be met and agreed upon by both buyer and seller before the contract is binding.

Counter-Offer

An offer, made in response to a previous offer, that rejects all or part of it while enabling negotiations to continue towards a mutually-acceptable sales contract.

Conventional Mortgage

One that is not insured or guaranteed by the federal government.

Vocabulary Words

[Curb Appeal](#)

Essentially, how your home looks from the outside — everything from your front door to your front lawn — would be considered your “curb appeal.”

[Days on Market](#)

If your home has been on the market for 30 days, typically the listing would say “30 days on market.” Sometimes, it’s referred to as “DOM” on a listing.

[Debt-to-Income Ratio](#)

Your debt-to-income ratio (DTI) is the percentage of your gross monthly income (what you earn before taxes) that goes towards paying off debts. Debts can include car payments, credit card bills, child support payments, and student loans. When figuring out how much money you can afford to borrow, your lender will factor in the total percentage of your income that you pay toward debt every month. This number is your DTI, and it affects your credit rating.

[Down Payment](#)

A down payment is the amount of money a buyer pays at closing to fund a home purchase, usually expressed as a percentage of the total home price. The required down payment amount varies depending on the type of loan, ranging from as little as 3% for an FHA Loan to more than 20% for some Conventional Loans. Smaller down payments, less than 20%, usually requires mortgage insurance.

[Due Diligence](#)

In the world of real estate transactions, due diligence is a fancy term for “do your homework.” Before buying a property, you should fully investigate it for potential problems that could cost major money to fix after you've moved in. Due diligence in residential real estate means making sure you’re getting the asset you’re paying for.

[Down Payment](#)

The money paid by the buyer to the lender at the time of the closing. The amount is the difference between the sales price and the mortgage loan. Requirements vary by loan type. Smaller down payments, less than 20%, usually requires mortgage insurance.

Vocabulary Words

[Earnest Money Deposit](#)

A deposit given by the buyer to bind a purchase offer and which is held in escrow. If the property sale is closed, the deposit is applied to the purchase price. If the buyer does not fulfill all contract obligations, the deposit may be forfeited. When working with the Tilo Team, Earnest Money will be deposited and held with a third party title company until closing.

[Easements](#)

Legal right of access to use of a property by individuals or groups for specific purposes. Easements may affect property values and are sometimes part of the deed.

[Equity](#)

Equity is the amount of a property's value, calculated by subtracting the amount the seller owes on the property's mortgage loan from the final sale's price of the property. In other words, equity is the amount of money a seller would make after paying off the bank.

If you purchase a \$750,000 home for \$600,000 and get a mortgage for that amount, you will have \$150,000 equity when you move into the home. Assuming the market maintains steady upward growth, you will continue to gain equity. Let's assume you live in the home 5 years and the market continues to grow and your home is now worth \$1.1 million. You now have equity of \$500,000. On the contrary, if the market goes south, your equity will decrease. In other words, if the market tanks, your home could be worth \$500,000 and now you have negative equity of \$100,000.

[Escrow](#)

Funds held by a neutral third party (the escrow agent) until certain conditions of a contract are met and the funds can be paid out. Escrow accounts are also used by loan services to pay property taxes and homeowner's insurance.

[Fair Market Value](#)

This is an estimate of how much a specific home will sell for in today's market, taking into account what similar properties in the area have sold for recently.

Vocabulary Words

Fiduciary

When a real estate agent or broker is **acting** in an agency capacity for a buyer or seller client in a transaction, they are required to be loyal, trustworthy and have certain legally mandated duties that are called fiduciary duties. The position of the agent or broker is a fiduciary capacity, **acting** in the best interests of the client.

Fixed-Rate Mortgage

A type of mortgage loan in which the interest rate does not change during the entire term of the loan.

For Sale By Owner (FSBO)

For Sale By Owner or (FSBO) is a home sold by a home owner without the services of a Realtor®. When selling the FSBO route, sellers avoid paying the listing agent commission, and may refuse to pay buyers agents as well. While sellers may save a commission, they may have difficulty getting their home in front of buyers as there is no incentive for buyer's agents to show the property. In addition, FSBO's don't have access to the MLS, brokerage websites and other sites fed by the MLS and as a result will miss out on thousands of buyers and Realtors® who would see it otherwise.

Funding

When the loan funds are transferred to the Seller.

Home Inspection

An inspection is a thorough investigation of a home by a licensed inspector. While appraisals are mandatory, the home inspection is not. And, although inspections are highly recommended, the decision whether or not to have one done is completely that of the buyer.

Ask any Realtor® she'll tell you a thorough inspection is necessary to discover any material defects or necessary repairs before buying the home. The inspector may also recommend an additional inspection of the sewage system, pool, water well, radon, meth testing, lead based paint or other part of the house by a specialist.

Vocabulary Words

It is the buyer's responsibility to ask questions during the walk-through with the inspector, read the inspection report thoroughly, paying close attention to the results, and discuss any issues they have with the inspector and their Realtor® so as to make necessary repair's request, negotiate the sales price or back out of the sale before their deadline.

Typical Home Inspections Cover:

- Plumbing
- Electrical
- Foundation (walls, doors, windows, ceilings, floors)
- HVAC, Water heater
- Appliances (refrigerator, dishwasher, disposal, etc.)
- Roof
- Fireplace
- Garage Doors

[Home Owner's Association Fees](#)

An HOA Fees is a monthly or annual fee paid by owners of certain types of residential properties in order to assist with maintaining and improving properties in the association. HOA fees are almost always levied on condominiums and town homes, but they may also apply in some neighborhoods of single-family homes.

For condominium owners, HOA fees typically cover the costs of maintaining the building's common areas, such as lobbies, patios, landscaping, swimming pools and elevators. The association may also levy special assessments from time to time if its reserve funds are not sufficient to cover a major repair, such as a new elevator or new roof. HOA fees can also apply to single family houses in certain neighborhoods, particularly if there are common amenities such as tennis courts, a community pool or clubhouse or neighborhood parks to maintain. Some HOA fees may cover other items like insurance, maintenance, internet, water, trash, etc. Check the CC&Rs for an exact list of coverage.

Vocabulary Words

[Home Owner's Insurance](#)

Homeowners insurance is a combination of property insurance, which protects homeowners from future damages to a home, and liability insurance, which protects homeowners from claims by third parties for accidents that happen in the home. The form of the policy will vary depending on the type of property being insured (i.e. condominium, mobile home, single-family residence, etc.) and the amount of coverage the owner desires. Lenders require that buyers obtain homeowners insurance so insurance premiums will automatically be included in monthly mortgage payments and the transaction closing costs.

[Home Warranty](#)

A home warranty is an annual service contract that covers the repair or replacement of important appliances and systems components that break down over time.

[Inclusions](#)

These are usually items used to "sweeten" the deal. Common inclusions are refrigerators and sheds.

[Inspection Period](#)

The time after a home buyer and seller agree on a contract is usually called the Inspection Period. It's during this time where a buyer will usually bring in a home inspector and/or other contractors to evaluate the home's condition.

[Interest Rate](#)

The interest rate is the amount charged by a lender in exchange for loaning money to a buyer. It is expressed as a yearly percentage of the total loan amount and is paid as part of the monthly mortgage loan payments. Interest rates change daily, but once a borrower locks a rate for a fixed-rate mortgage, she will make payments based on this rate for the entire life of the loan.

Vocabulary Words

[Lien](#)

A lien is a legal claim against the property of another, usually to secure an unpaid debt. Liens commonly arise when a homeowner pledges his or her home as collateral to borrow money. Utility companies, contractors, local governments, and other creditors can also sometimes file a lien to collect unpaid amounts. Buyers should review title reports closely with this in mind. If the report contains any liens, the buyer should consult their Escrow Officer or title company to investigate. All liens should be cleared before the buyer can legally own the home.

[List Date](#)

The date you officially list your property on the market.

[List Price](#)

The price you list your property for sale.

[Limited Agency](#)

Also called Dual Agency, occurs when the same real estate agent represents both the seller and buyer. In most cases, it's not a good idea for one agent to represent both parties in a real estate transaction. The listing agent's job is to sell a home at the highest possible price, while the buyer's agent aims to negotiate the lowest price for the buyer. In this case, the Realtor and her client's interests aren't aligned.

Limited Agency can make some clients feel uncomfortable and should be educated prior to entering a limited agency relationship.

[Market Value](#)

The amount a willing buyer would pay a willing seller for a home. An appraised value is an estimate of the current fair market value. The "assessed" value, which is a determination by the local authority, and the "appraised" value, which is a determination based on comparables in the market, are different from the market value, as this value applies to what the property would actually cost under "normal market conditions." Some may consider it the 'fair value'.

Vocabulary Words

[Mortgage Insurance \(PMI\)](#)

Purchased by the buyer to protect the mortgage lender in the event of default (typically for loans with less than 20% down). PMI is required for borrowers of conventional loans with a down payment of less than 20%. FHA loans and VA loans are essentially public mortgage insurance, as borrowers pay higher insurance premiums in exchange for a lower down payment. These funds allow the FHA to insure lenders against losses if borrowers default on FHA-approved loans. Available through a government agency like the Federal Housing Administration (FHA) or through private mortgage insurers (PMI).

Mortgage insurance costs are included as part of the monthly loan payment. FHA-insured loans have two mortgage insurance components: an upfront premium and a monthly payment. The upfront premium is paid at closing, whereas the monthly payment is paid until the borrowers reach a certain loan-to-value ratio on their mortgage loan, based on the final sale price of the home.

[Multiple Listing Service \(MLS\)](#)

The Multiple Listing Service, or MLS, is a local service that compiles available real estate for sale submitted by its Realtor® members, along with detailed information that brokers and agents can access online. Each MLS has its own rules and systems for providing listing information. The Wasatch Front Regional MLS is affiliated with the National Association of Realtors® (NAR).

[National Association of Realtors®](#)

The National Association of Realtors® (NAR) is an organization made up of more than one million Realtors®, brokers, appraisers, and other real estate professionals who are involved in the residential and commercial real estate industries. A real estate agent can only be called a Realtor® if he or she belongs to the National Association of Realtors®.

Vocabulary Words

[Offer to Purchase](#)

A detailed written document with a proposal to purchase a property that may be amended several times in the process of negotiations. When signed by all parties named on the document, the purchase offer becomes a legally binding contract. This is called the Real Estate Purchase Contract (REPC), also sometimes called the Sales Contract.

[Possession Date](#)

The date, as specified by the sales agreement, that the buyer can move into the property. Generally, it occurs within a couple days of the Closing Date.

[Pre-Approval](#)

A pre-approval is given when the lender checks the buyer's credit report and verifies employment history, income, and down payment amount. A full review of the pre-approval application can take 12–24 hours. Once a property is chosen, it must also meet the underwriting guidelines of the lender.

A pre-approval letter must accompany written offers as seller's expect to see that the buyer is in a position to purchase the home.

Pre-approval is different from pre-qualification. Pre-qualification is an informal process where an estimate is given as to how much a buyer can afford.

[Pre-Approval Letter](#)

A letter from a mortgage lender indicating that a buyer qualifies for a mortgage of a specific amount. It also shows a home seller that you're a serious buyer.

[Pre-Qualification](#)

This usually refers to the loan officer's written opinion of the ability of a borrower to qualify for a home loan, after the loan officer has made inquiries about debt, income and savings. The information provided to the loan officer may have been presented verbally or in the form of documentation, and the loan officer may or may not have reviewed a credit report on the borrower.

Vocabulary Words

Principal

The amount of money borrowed from a lender to buy a home, or the amount of the loan that has not yet been repaid. Does not include the interest paid to borrow.

Purchase Offer

A detailed, written document which makes an offer to purchase a property, and which may be amended several times in the process of negotiations. When signed by all parties involved in the sale, the purchase offer becomes a legally-binding sales agreement.

Realtor®

A Realtor® is a real estate agent who is a member of the National Association of Realtor®. Realtors® must uphold the organization's professional standard of ethics and conduct themselves in a manner in line with the organization's standards.

Recording

When ownership has been transferred out of the Seller's name and into the Buyer's and is recorded with the county. This is when the keys can be given to the new owner.

Right of First Refusal

This term gives a buyer the first chance to purchase a property if any other offer is made. It's not common in residential sales. Right of First Refusal may not be a good option for home sellers since it could prevent them from accepting a great offer with a short expiration period.

Seller's Agent

This is the Realtor who is representing the buyer of the property you want to sell.

Seller's Market

A seller's market happens when there are more buyers than homes for sale, resulting in multiple-offer situations and higher home prices. In contrast, a buyer's market happens when the supply of homes significantly exceeds demand, resulting in a reduction of home prices, making them more attractive to buyers.

Vocabulary Words

[Seller Property Condition Disclosures \(SPCD\)](#)

The Seller Property Condition Disclosure is a document completed by the seller of a home, listing any known issues with the property and any remodel projects completed during the time they owned the home. The seller is required to provide the SPCD within the Seller Property Condition Disclosure Deadline specified in the Real Estate Purchase Contract. It is the buyer's responsibility to review the information and address any issues within the Due Diligence Deadline. While the information provided in this document is helpful, it is by no means a substitution for a home inspection by a licensed inspector.

In most cases, a Realtor® can ask to see the SPCD on a home prior to making an offer. However, when buying bank-owned homes buyers won't receive these documents since the bank isn't required to provide details about the condition of the home. Every transaction is different, and the Real Estate Purchase Contract dictates the specifics.

Examples of Seller Disclosure issues include:

- Structural, settling, electrical, or plumbing issues
- Lead paint, radon, asbestos, or toxic mold
- Pests or wood-destroying insects
- Flood or wildfire danger
- Toxins in the local soil or water

[Settlement](#)

A meeting where all documents are signed by all parties. Utah allows Buyers and Sellers to use their own title companies, so in most cases, the Buyer's and Seller's will sign individually at their respective title offices.

[Severalty](#)

If you're the sole owner of the property, you have what's called "severalty."

Vocabulary Words

[Staging](#)

This applies to repainting your home in neutral colors, placing your furniture and accessories in appealing ways to feature the home without clutter, allowing prospective buyers to see the features that matter the most.

[Survey](#)

You could ask for the county to do this, as it typically involves measurement of lot lines, dimensions and positioning, just to determine how much property you actually have, even outside the actual structure. Encroachments and easements are also determined, such as pathways and additions outside the lot lines.

[Title](#)

Title is the right to, or ownership of, a specific property. A Title or Deed is sometimes used as proof of ownership of land. Clear title refers to a title that has no legal defects.

Buyers get a Preliminary Title Report (PR) from their Escrow Officer within a few days of an accepted offer. The PR identifies all parties with a legal claim to the property, what items need to be cleared from title before the new buyer can take possession, and if there are any recorded easements or encroachments on the property. Once the transaction closes, the buyers will receive a final title policy recording their names as the new legal owners, along with the amount of title insurance and will be made part the county's public records.

[Title Insurance](#)

Title Insurance guarantees the accuracy of the title search and protects both the lender and buyer against title defects, liens, competing claims of ownership and other legal problems with the title should they arise after closing.

[Truth-In-Lending Act \(TILA\)](#)

Federal law that requires disclosure of a truth-in-lending statement for consumer loans. The statement includes a summary of the total cost of credit.

Vocabulary Words

[Title Search](#)

A historical review of public records and all legal documents relating to ownership of a property by a title company to determine the history of ownership and identify any issues with prior transfers of ownership, claims or encumbrances on the title to the property, and identify any liens, encroachments, easements, restrictions, or other factors that might affect the title. This step must be completed before a buyer can purchase title insurance.

[Under Contract](#)

A home is Under Contract when the seller's have accepted an offer from a buyer, but the sale has not yet been completed. Typically it takes 30 - 45 days from the date the offer is acceptance until the sales contract closes and the sale is complete. Once the sale closes, the status will be changed from Under Contract to Sold.

[VA Funding Fee](#)

The *VA Funding Fee* is a one-time fee paid directly to the Department of Veterans Affairs. Use this calculator to determine your total *VA Funding Fee*.

[Walkthrough](#)

A walkthrough is the final inspection of a home by the buyer prior to closing. It's the buyer's final opportunity to walk through the home to ensure any repairs agreed to in the contract have been fulfilled. The walkthrough can happen anywhere from a few days to a few hours before closing. If the buyer finds something wrong or unfinished, he should have his Realtor® address the issue and have it completed prior to closing on the home.

Finance

CLOSING COSTS

And Other Fees

WHO PAYS WHAT?

The **Seller** can usually be expected to pay:

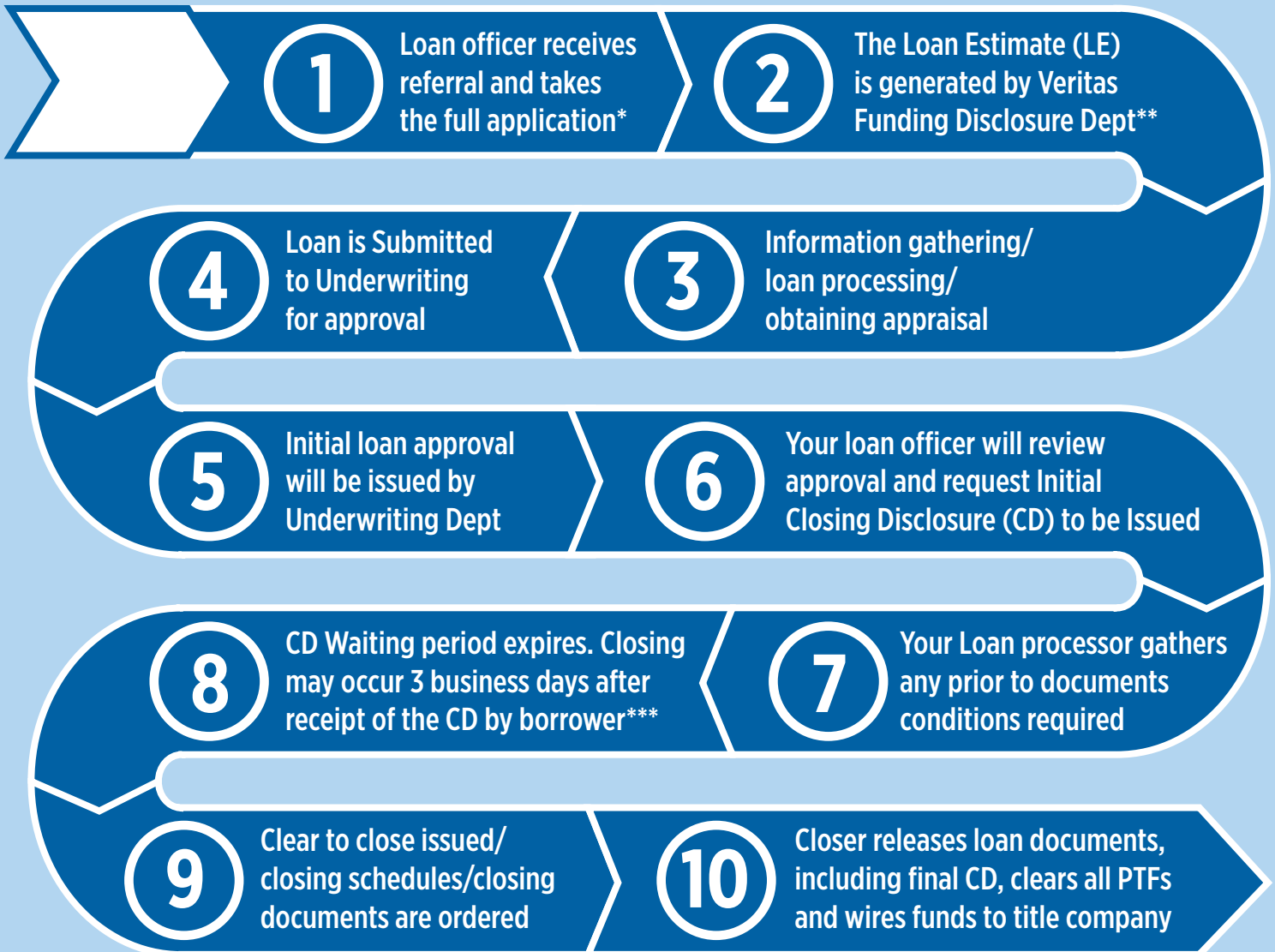
- Standard CLTA Owner's Policy
- Escrow Fee (50%)
- Notary Fees
- Demand Fees
- Document preparation fee for Deed
- Documentary transfer tax (\$1.10/\$1,000.00 of sales price)
- Any city Transfer/Conveyance Tax (according to contract)
- Any bond or assessments (according to contract)
- Any and all delinquent taxes
- Any unpaid Homeowner's Association dues
- Any FHA or VA loan fees required by Buyer's Lender
- Payoff of all loans in Seller's name (or existing loan balance if being assumed by Buyer)
- Interest accrued to Lender being paid off, Statement Fees, Re-conveyance Fees and any Pre-Payment Penalties
- Termite Inspection (according to contract)
- Any judgement, tax liens, etc. against Seller
- Recording charges to clear all documents of record against the Seller
- Tax proration (for all taxes unpaid at time of transfer of title)
- Seller's portion of Sub-Escrow Fee
- Homeowner's Transfer Fee (according to contract)

The **Buyer** can usually be expected to pay:

- Title Insurance (ALTA Loan Policy)
- Escrow Loan Tie-In Fee
- Escrow Fee 50% (if applicable)
- Recording charges for all documents in Buyer's name
- Termite inspection (according to contract)
- Tax Proration (for date of acquisition)
- All new loan charges (except those required by Lender for Seller to pay)
- Assumption/Change of Records Fees for takeover of existing loan
- Beneficiary Statement Fee for assumption of existing loan
- Inspection Fees (roofing, property inspection fee, geological, etc.)
- City Transfer/Conveyance Tax (according to contract)
- Fire Insurance Premium for first year
- Buyer's portion of Sub-Escrow Fee



STAGES OF THE LOAN



* Full loan application constitutes your loan officer having the following 6 items: Borrower name, borrower monthly income, borrower social security number for credit report, property address, estimated property value, loan amount.

**Assisting your loan officer in obtaining consent to send disclosures electronically when possible/appropriate will help short time require to close loan.

*** Business days for TRID purposes are Monday-Saturday, excluding Federal Holidays. A loan may close three business days after receipt of the Closing Disclosure (CD) by the borrower(s). Receipt can be proved If the CD is signed in person or acknowledged via e-disclosure. If a CD is mailed through the USPS, a closing cannot occur for six business days, or seven calendar days from the date it was mailed. If a borrower receives, signs, and returns the Closing Disclosure to Veritas Funding, the waiting period will be three business days from the date the Closing Disclosure (CD) is signed.



NMLS# 252108



MARK MOYES

801.999.0886

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NMLS# 267431

What Happens Next?

1 Provide a copy of the Real Estate Purchase Contract.

Time is of the essence – getting the earliest start possible will help to ensure your deadlines are met.

- Provide information on the property taxes as those were estimates on your prequalification and additional fees can affect your debt to income ratios.
- Inform me of any HOA fees as this is typically not included in a prequalification.

2 Schedule your home inspection ASAP. Inspections are not required, but highly recommended. The inspection should be complete within 3 days of going under contract. Once you have satisfactory results, inform us that you are ready to proceed with the appraisal. If things didn't turn out so well, please let me know what you would like to do, as there is only so much time we are allowed in order for a return of your earnest money. (Will we be negotiating repairs or cancelling the contract?)

If this is a bank owned property, your agent should make sure the utilities are on so that a thorough check can be completed. The inspector and appraiser would have to revisit the property and charge you extra if the utilities are not on.

3 Appraisal is done by a third party and must be ordered by the lender. The appraisers are selected at random. The typical cost for an appraisal starts at \$400. The fee for the appraisal will be included in your closing costs. The appraisal report should be back to us in 1 to 1 ½ weeks. The appraisal will also note if the home meets the standard safety guidelines for your loan program and will note any repairs needed prior to closing.

4 Provide all information requested ASAP. There are multiple documents that may be needed throughout the process. Please fax or email the documents as they are requested. Any delays getting documentation may hinder your closing in a timely manner. Please be prepared that multiple requests for documents will happen throughout this process. But remember, this is all part of the standard loan process.

5 Lock or float your loan rate. Typically this is done after the inspections have gone well and you know you are going forward with the loan. Call me when you are ready to lock your loan. There is no crystal ball and ultimately it is up to you to decide when you want to lock. I'm here to discuss your rate options with you. I check the mortgage rate trends and subscribe to the email alerts but it is still very difficult to know where the mortgage rates are going.

6 Select your homeowner's insurance policy.

The insurance agent of your choice will need a copy of the appraisal to give you

an exact quote. Once you have selected your homeowner's insurance company, please provide me with the contact name, email address and phone number. The policy must cover the loan amount and can have no more than \$5,000 deductible.

7 Ensure closing funds are available at least one week prior to closing. Funds from stocks, bonds etc, should be available in your account at least one week prior to your scheduled closing date. Lack of verifiable liquid funds will delay your closing date. Please inform me of any changes of where your funds are coming from. Not all sources of money are acceptable. You cannot take out a loan for a down payment. Gift funds can only be provided by family members, and must be properly sourced from the family member gifting to you.

8 Schedule your closing appointment. After your loan is complete, coordinate a time and date with your real estate agent and with me and I will schedule the closing with the title company.

9 Closing. You're finally ready to sign! You will need with you a valid government issued photo ID. Please make sure it has not expired. In some cases, it may be required to have a copy of your social security card as well at closing and or another form of ID such as an insurance card. Take the funds to close, although you may know the rough idea of funds required to close, the exact figures will be provided by the title company the day of closing or 24 hours prior to closing. The funds must be provided in a form of a cashier's check or wire. This needs to be made out to the title company. If your amount due is close to \$10,000 or more, then you MUST send a wire. I will have the title company email you the wire instructions so that you may take it to your bank to wire the proper amount. Personal checks or cash will not be accepted.

10 Funding and Recording – In the state of UT, the funding is typically the day after closing. The signed loan documents are reviewed and the wire is sent out typically the following business day after closing. The final wire is sent at 2 pm.

After all documents are signed by you and the sellers and the money is disbursed, the title company will take the deed to the county courthouse and officially record the property in your name! You are now a homeowner! You may receive your keys from your real estate agent.

Congratulations!



MARK MOYES

Loan Officer

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NMLS# 267431


VERITAS
FUNDING
NMLS# 252108



Title

What Does My Title Company Do?

The purchase of a home is one of the most expensive and important purchases most of us will ever make. You and your mortgage lender will want to make sure the property is indeed yours and that no one else has any liens, claims or encumbrances on your property. Title insurance protects your interests and the interest of the lender, should a claim be made against your property. Make sure to find a reputable title company with a great researcher. The last thing you want to do is find out the home you're trying to purchase has liens, a bankruptcy or any other title issues.

What is title insurance?

Title insurance offers protection against claims resulting from various defects (as stated in the policy) that may exist in the title to a specific parcel of real property, effective on the issue date of the policy.

What is a "defect"?

A defect can include a prior claim of ownership from someone other than the person selling you the property, for instance an ex-spouse, a former partner or a co-inheritor. It could also include a claim for an easement, giving someone a right of access across your land. For instance, in a lakeside community, an easement along your lakefront property could provide walkway access to the lake for other residents in the area. Another claim could result from a court judgement against the former owner that resulted in a lien placed on the property. Normally, property and casualty insurance insures against possible losses in the future, such as automobile insurance that protects you against future accidents. Title insurance protects against things that happened in the past, and insurers seek to minimize that risk prior to our purchase of the home. In fact, according to the American Land Title Association, more than 1/3 of all title searches reveal a title professionals fix before Buyers go to closing.

How can title insurers protect against the risk of a claim prior to my purchase?

Before the lender finalizes a mortgage on your property, a search of all public records is conducted by a title agent or abstractor. County clerks or recorders maintain records on each property within the nearly 3,600 counties in the United States. These records include legal descriptions of the property, a list of all past owners, current mortgages held by lenders, including home equity lines of credit, liens or judgments placed against the property and tax records associated with the property. After gathering all of the data on the property, a title agent prepares a report for the lender. Prior to lending against the property, the lender must be assured all claims of mortgages, taxes

What Does My Title Company Do?

and liens against the former owner are cleared up so the lender has first claim against the property, should you default.

How can the lender assure all existing claims are paid and the property is free and clear?

At the time of your closing, the lender provides the closing or escrow agent with a detailed list of instructions, authorizing the agent to pay off all claims at the time the property changes hands.

Who pays for the title search, title report and title insurance?

A Seller will pay for the title search, title report and title insurance if the Buyer is paying for the home with cash. If the Buyer is paying for a home with a mortgage the lender requires the title search, report and insurance as a condition of making a mortgage on the property. However, the fees are still paid by the Buyer as part of the settlement costs associated with the purchase of the property.

What is the difference between the Owner's Title Policy and the Lender's Title Policy?

Title companies routinely issue two types of policies: An "Owner's" policy that insures you, the Buyer for as long as you and your heirs own the home and a "Lender's" policy that insures the priority of the Lender's security interest one the claims that other may have in the property.

How long is my title policy in effect?

The title insurance policy is in effect as long as you hold title to the property. If at any time the property changes hands from one owner to another, a new Owner's Title Insurance policy must be purchased to continue protection.

How often will I have to pay a title premium?

ONCE! The fee is due when you purchase the home, and you never pay it again.

The Purchase Offer

Conditions and Deadlines

Real Estate Purchase Contract (REPC) - will specify certain conditions that need to be met to satisfy the terms of the contract. Those conditions will be given deadlines when an offer is made and when that offer is accepted, it will switch from Listed to Under Contract. If the contract was made contingent on any of these conditions being met, those conditions or contingencies must be satisfied before the agreed upon deadlines. If the Buyer fails to meet any of those deadlines, their Earnest Money could be at risk.

While there is no limit to how many or what conditions can be written into a contract, there are 4 found standards in the Utah state REPC. These contingencies must be marked YES in order to be invoked on the contract. However, these conditions are not automatically implied and must be marked YES on the contract in order to be a Contingency. If they are marked NO or not marked at all, they will NOT be a contingency and the Buyer will NOT be able to cancel the contract per that condition, therefore risking their Earnest Money. The 4 standard Contingencies on the Utah state REPC are as follows:

1. **Seller's Property Condition Disclosure Deadline (SPCD)** - During this period of the contract, the seller will provide the Buyer a completed Seller Property Condition Disclosure. This document asks questions pertaining to the condition of the subject property and should be completed by the Seller as honestly, completely and thoroughly as possible. This deadline also includes commitment for title insurance (PR), CC&Rs, DRC Guidelines, any other information pertaining to the homeowner's association and any other pertinent disclosures as determined by the contract.
2. **Due Diligence Deadline** - During this period, it is the responsibility of the Buyer to verify information regarding the property. This includes a home inspection to check the condition of the property and any issues that may need to be repaired prior to closing. A home inspection will cost between \$280 - \$500 depending on the size of the home. Depending on the type of property, the Buyer may also want to have other inspections (i.e. sewer scoping, water well testing, electrical, HVAC estimates, etc.). These inspections are paid on site and out of pocket by the Buyer.

Conditions and Deadlines

In addition to inspections, the Due Diligence time period is a great time for the Buyer to ask about utilities, title issues, investigate registered sex offenders in the area, attend HOA meetings, talk with neighbors, drive the neighborhood during the week and weekends to check out the parking situation and to see if there are loud noises or regular parties, check the route to work or school and traffic patterns, check into homeowner's insurance, and anything else that may be important to the Buyer

3. **Finance and Appraisal Deadline** often go hand in hand, but do not have to be the same date.

- **Finance Deadline** - The Buyer will work with his lender to meet the conditions of the loan. This includes submitting any and all required documents in a timely manner. It is the Buyer's responsibility to ensure rates, terms and payments are acceptable. If these terms are not acceptable prior to the Finance Deadline, the Buyer may cancel the contract without risk to their Earnest Money.

- **Settlement Deadline** - Settlement is the signing of all of the documents to finalize the purchase of the property takes place. Both Buyer and Seller must sign all documents by this deadline.

If the Buyer is not satisfied with his findings during Due Diligence, if the Appraisal comes in low, or is not satisfied with the terms of their financing, they may cancel the purchase contract on the basis of one of these conditions and keep their Earnest Money as long as the contract was made contingent on the conditions. If the Buyer cancels outside of the deadline based on one of those conditions, the Buyer will lose his Earnest Money and the Seller will be allowed to keep it.

If the Seller cancels the contract outside of one of these deadlines, he will pay twice the amount of Earnest Money deposited by the Buyer to the Buyer.

Home Search

How We Find Homes

For most of us, buying a home is the most expensive purchase any of us will ever make. It's not just a transaction, it's the purchase of a home, somewhere memories will be made and families will be raised. It's that very reason we spend so much time getting to know each client, learning what they like and need in a home. Getting to know individual family members and how the home will be used.

With that in mind, we start every search by explaining our process, which is very much like dating. You have to get to know each other a bit before you can get that perfect rhythm. And, as we've learned from experience, many folks think they know what they want only to find out after seeing a few homes, they want something completely different. So, we like to start by asking a few questions:

- What is your budget?
- How many bedrooms do you need?
- How many bathrooms do you need?
- Do you have children and need to live near a school?
- Where do you work and how far is the commute?
- What size yard do you need?
- Do you prefer a single family home or town home/condo?
- Do you mind living in an HOA? If not, what's the maximum in HOA dues?
- Do you require a garage? If so, what size?
- Do you have pets? If so, do you require a fence?
- Do you mind living on a busy street or near a freeway?

We begin our search on the MLS by inputting the search criteria you've provided. The results will be sent to you via email. We will usually ask you to choose 3 - 5 homes to go out to look at. This is sort of a "first date" to see what you really like and dislike. It gives both of us a good starting point and an opportunity to fine tune the search parameters. After we've fixed the parameters, we will set you up on a "Hot Sheet".

A "Hot Sheet" is a list generated from the MLS emailed to you at the same time each day with any and all new listings on the MLS that meet your search criteria. This eliminates your having to spend your valuable time searching for homes.

How We Find Homes

Now, you may be wondering about other websites like Zillow, realtor.com, Trulia, KSL, etc. In fact, you may be searching these sites seeing homes and wondering why I'm not sending you ALL of the great listings you're finding. The truth is, I'm looking at all of those homes and sorting through them for you. Some of them may HOA fees that are too high, too close to a freeway, too far from great schools, etc. But, one of the main reasons is most of these listings are out dated and are no longer available. The reason is simple. While the MLS monitors and ultimately fines it's Realtors for inaccurate and out dated listings to ensure the data on the MLS is as accurate and up-to-date as possible, these other sites do not. The result is a site full of listings that may have expired or sold years ago only to still be posted as available. So, the best place to search for accurate and up-to-date listings is the MLS.

While the MLS is a great place to search for homes, it is not the only place to find them. If you see a home on KSL, driving around town, social media or anywhere else, please feel free to send it over to me. I'll contact the agent or owner, find out everything about the listing and make an appointment to see the home.

Once you've begun receiving your "Hot Sheet", you can email, text or call with the listings you'd like to see. I will set up an appointment at a time that is convenient for you and we'll go out and take a look at it.

Just remember, we are looking at all the homes and usually have weeded out the homes that are Sold, Under Contract or Short Sales and no longer showing. It's our job to do the homework so you don't have to.

MLS# 1420825 Presented By: Brandy Tilo**1 List Price:** \$580,000**Price Per:** \$110**CDOM:** 49**DOM:** 49**CTDOM:** 99**Sold Price:** \$565,000**Concessions:** \$0**4 Address:** 8583 Peppergrass Dr**NS/EW:** /**City:** Eagle Mountain, UT 84005**County:** Utah**Proj/Subdiv:** SAGE VALLEY**Tax ID:** 66-208-0048 • History**Zoning:****Pre-Market:****6 School Dist:** Alpine**Sr High:** Westlake**Elem:** Black Ridge**Priv Schl:****Jr High:** Vista Heights Middle School**Other Schl:****Tour/Open:** Tour**2 Status:** Sold**3 List Date:** 11/30/2016**Contract Date:** 11/30/2016**Sold Date:** 03/09/2017**Sold Terms:** FHA**Area:** Am Fork; HInd;
Lehi; Saratog.**Restrictions:** No**Taxes:** \$3,049**5 HOA?:** No

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Lvl	Approx Sq Ft	Bed Rms	Bath F T H	Fam	Den	Formal Living Rm	Kitchen Dining K B F S	Laun dry	Fire place
4		0	0	0	0	0	0	0	0
3		0	0	0	0	0	0	0	0
2		0	0	0	0	0	0	0	0
1	2402	1	2	0	1	0	1	0	1
B	2702	4	2	0	1	0	0	0	0
Tot	5104	5	4	0	2	0	1	0	1

Roof: Asphalt Shingles**Heating:** Gas: Central; Active Solar; Wood Burning**Air Cond:** Central Air; Electric; Passive Solar**Floor:** See Remarks; Carpet; Bamboo**Window Cov:** Shades**Pool?:** No**Pool Feat:****Possession:** Funding**Exterior:** Asphalt Shingles; Frame; Stone; Stucco**Landscape:** Landscaping: Part; Pines**Lot Facts:** Fenced: Full; Sprinkler: Auto-Full; Terrain: Flat; View: Mountain; Drip Irrigation: Auto-Full**Exterior Feat:** Barn; Basement Entrance; Deck; Covered; Double Pane Windows; Entry (Foyer); Horse Property; Out Buildings; Outdoor Lighting; Patio: Covered; Porch: Open; Walkout**Interior Feat:** Alarm: Fire; Central Vacuum; Dishwasher, Built-In; Disposal; Intercom; Oven: Double; Oven: Gas; Oven: Wall; Range: Gas; Silestone Countertops**Inclusions:** Ceiling Fan; Fireplace Insert; Humidifier; Microwave; Refrigerator**Exclusions:** See Remarks; Dryer; Freezer; Washer; Water Softener: Own; Window Coverings**Terms:** Cash; Conventional; FHA; VA**Storage:** Garage; Basement**Tel Comm:** Fiber Optics**Access Feat:** 32" Wide Doorways; 36" Wide Hallways**Utilities:** Gas: Connected; Power: Connected; Sewer: Septic Tank; Water: Connected**Zoning:** Single-Family**Remarks:** This amazing home is a must see! From the solid wood front door to the custom cabinetry with tons of storage, no detail was overlooked! There is a bonus room located on the second floor of the detached garage that is not included in the home square footage. Basement exercise room has rubber flooring. Call today to schedule a showing! Square footage figures are provided as a courtesy estimate only and were obtained from __County Records__. Buyer is advised to obtain an independent measurement.

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7 Type: Single Family**8 Style:** Rambler/Ranch**9 Year Built:** 2013**10 Effect Yr Blt:****Deck | Pat:** 1 | 1**11 Garage:** 5**Carport:** 0**Prkg Sp:** 10**12 Fin Bsmt:** 100%**13 Basement:** Daylight; Entrance; Walkout
2 Car Deep (Tandem); Attached; Detached; Extra**Garage/Park:** Width; Heated; Opener; Parking: Covered; Rv Parking;
Extra Length; Workshop**Driveway:** Circular; Concrete; Gravel**Water:** Culinary**Water Shares:** 0.00**Spa?:** No **Community Pool?:** No**Master Level:** 1st floor**Senior Comm:** No**Animals:** Livestock**14 Const Status:** Blt./Standing**15 Acres:** 0.84**Frontage:** 125.0**Side:** 288.0**Back:** 125.0**Irregular:** No

The MLS Printout

As we begin the search for your new home, you will be set up on a Hot Sheet. A Hot Sheet is an email generated from the MLS (Multiple Listing Service) that includes any and all new homes entered onto the MLS that meet your search criteria. You can update your search criteria as often as you like by notifying your Realtor. You will have to accept an invitation to the MLS in order to receive these emails.

The MLS printout provides a lot of information and can be difficult and overwhelming to read. Attached is an example of the MLS Printout with numbered and highlighted sections of the most inquired about sections.

1. **List Price** - The price the seller is asking for the home.
2. **Status** - The current status of the property.
 - **Active** - The home is available for showings and accepting offers.
 - **Under Contract** - The Seller has accepted an offer and is proceeding with the sale of the property.
 - **Withdrawn** - Property is not available for purchase at this time.
 - **Off Market** - Property has been removed for the market.
 - **Expired** - The property did not sell in the agreed amount of time on the Listing Agreement.
 - **Backup** - The Seller has accepted an offer and is Under Contract and is accepting offers in backup position in the event the deal falls through
 - **Active T/C (Active with a Time Clause)** - The Seller has accepted an offer with contingencies, usually when the Buyer has a home to sell. Offers may still be reviewed and considered until the contingency is removed.
3. **List Date** - The date the property was listed on the market.
4. **Address** - Location of the property.
5. **HOA** - Indicates if the property is in a neighborhood governed by a Homeowner's Association. If yes, there could be monthly, quarterly, annual or other fees.
6. **School District** - Indicates the school district the home belongs to. Right next to this section will include the names of the elementary, middle, high school and private schools available.
7. **Type** - Indicates whether the home is a single home, condo, twin, town home, mobile home, recreational, etc.
8. **Style** - Indicates the architectural style of the home, whether it's a Ranch/Rambler, 2-story, Split-entry/Bi-level, manufactured, etc.)

The MLS Printout

9. **Year Built** - The original year the home was built.
10. **Effective Year Built** - If the home has undergone any extensive renovations and/or updates, this indicates the year the work was done and completed.
11. **Garage** - Number of cars the garage can hold. It's always a good idea to bring a measuring tape as not all garages are created equal.
12. **Finished Basement** - The percentage of the basement that is complete.
13. **Basement** - The type of basement (i. e. daylight, partial, walkout, etc.)
14. **Construction Status** - Indicates whether the home is
 - **Built/Standing** (100% completed)
 - **Under Construction** (construction has started and is still being finished). Keep in mind, status may vary greatly.
 - **To Be Built** (Construction has not yet begun)
15. **Acres** - The lot size included with the sale of the property. This is presented in the measurement of acres.
16. This chart gives a breakdown of the number and location of various rooms in the home. Number of bedrooms, baths, kitchens, and laundry rooms and how many are located on each floor. It also indicates square footage, whether the home has a fireplace, laundry room, etc.

**Is My Home in an
HOA?**

Is My Home In An HOA?

What is an HOA?

A homeowners' association (HOA) is an organization in a subdivision, planned community or condominium that makes and enforces rules for the properties within its jurisdiction.

HOAs are meant to maintain a standard of appearance for the community which, in turn, maintains property values. The HOA also provides regulations and guidelines for that community. The community may also provide amenities such as pools, clubhouses, sports courts, walking paths, landscaping, snow removal or trash collection in exchange for dues or fees.

HOAs provide written rules and standards called CC&Rs (Covenants, Conditions and Restrictions) which may include minimum square footage a home can be in the neighborhood, whether or not businesses can be operated out of your home, what types of vehicles can be parked on the street and how the HOA Board works. Some HOAs may also have a Design Review Committee (DRC) which may include what color the exterior of your home can be, what types of fencing materials are allowed, how many trees should be planted in your front yard, etc.

What are the HOA rules in my neighborhood?

Find your HOAs, CC&Rs and DRC guidelines, including its violations and fines and fees schedule online. If you have any difficulty locating the information, ask your Realtor, call your title company or contact the HOA directly.

Pay particular attention to rules regarding fines and whether the HOA can foreclose on your property for nonpayment of HOA dues or fines resulting from CC&R violations. Make sure to ask if the property you're interested in assesses a reinvestment fee. If it does assess a reinvestment fee, how much is it and who is responsible for paying it? A reinvestment fee affects real property and obligates a future buyer or seller of the real property to pay to a common interest association, upon and as a result of a transfer of the real property, a fee that is dedicated to benefitting the burdened property, including payment for:

- common planning, facilities, and infrastructure;
- obligations arising from an environmental covenant
- community programming;
- resort facilities;

Is My Home In An HOA?

- open space;
- recreation amenities;
- charitable purposes; or
- association expenses.

Also, learn about the process for changing or adding rules and whether HOA meetings are held at a time you will be able to attend, if you wish to do so. If the rules are too restrictive, consider buyer elsewhere.

Is your HOA environmentally friendly?

Some HOAs have rules mandating lush green lawns, fully automated sprinkler systems, a minimum number of trees and shrubs and whatever else is necessary to make your yard look like a magazine cover. While this may look beautiful, it is not eco-friendly. They may also have rules against solar panels, large gardens, compost heaps and xeriscaping (a landscaping method developed especially for arid and semiarid climates that utilizes water-conserving techniques such as the use of drought-tolerant plants, mulch, and efficient irrigation) . Make sure you read the rules thoroughly before signing the contract to purchase.

Can you handle the HOA life?

Living in an HOA takes patience and understanding. It can be frustrating to live in a community where there are rules that limit what you can and can't do to your own home and property.

What do my HOA dues pay for?

HOA dues and fees vary depending on the type of community you live in, whether a gated community, town home, condominium or just a regular subdivision, and what types of amenities that community offers. Sometimes the fees are monthly and sometimes they are annual.

Is My Home In An HOA?

The more amenities your community has, the higher your fees will be. For instance, your community has a pool, gym, clubhouse, etc. your fees will likely be much higher than a community that only maintains the common area.

Fees will differ for each community. Because of this you should make sure to ask your prospective HOA the following questions:

- How are the HOA fee increases set?
- How often do increases occur?
- How much have fees been increased historically?
- Can you get a printed history of HOA dues by year for the last 5 years?
- What's the balance in the HOA reserve fund? When is the last time there was a study?
- Ask for a record of special assessments that have been made in the past and if any special assessments are planned for the near future.
- What do dues cover?

Compare dues for the neighborhood you are considering to others in the area. Keep in mind you will have to pay for recreational facilities whether you use them or not. Find out the hours for amenities like pools and tennis courts. Will you be around during those hours, or will you be paying for facilities you'll never be able to use? Be aware the HOA may have rules about how many guests can use common facilities.

Past Meeting Minutes

Just like anything else in life, the past can tell us a great deal about what's really going on. HOA minutes are no different. Ask for the HOA minutes and they can be very telling about the policies of the HOA.

Some questions to ask the HOA board are:

- What are current and past conflicts?
- Is there an open floor policy at the monthly meetings?
- What is the process for bringing issues to the HOA board?
- What is the process for resolving any conflicts?
- Has the HOA sued anyone? If so, what was the reason? How was it resolved?
- If you have the opportunity prior to purchasing the home, attend an HOA meeting to observe the way the residents interact with one another. Pay attention to power trips, petty politics and drama as any of these can be indicators of major issues.

Is My Home In An HOA?

- Arrive early or stay late to chat with residents - preferably ones who are not on the HOA board and who have lived in the community for several years. Talk with the HOA board members to get a sense of whether you want these folks making decisions on your behalf. If a management company has been hired to manage the HOA, investigate before you buy.

Beware the under-managed HOA

While many residents become frustrated with over-management, the opposite problem may be an HOA where no one really cares and where no one is interested in maintaining the community, hearing resident grievances or being on the board. This can be frustrating when the community is paying dues and sees their neighborhood falling apart.

If this is the case in the neighborhood you're interested in, you should check into any restrictions preventing you from renting out your property or that make it difficult for you to do so. If your property is being under-managed you might not have an issue, but if you have a hyperactive manager it could be a totally different story.

Homeowners' associations can be your best friend when it prevents your neighbor from painting their house neon pink, but your worst enemy when it expects you to perform expensive maintenance on your home that you don't think is necessary or impose rules that you find too restrictive. Before you purchase a property subject to HOA rules and fees, make sure you know exactly what you're getting into.

Something to remember...

HOAs can work in your favor when they prevent your neighbor from painting polka dots on their home, but can be your worst nightmare when they restrict you from doing what you want to your own property. So, when you're ready to purchase a home in an HOA, be sure to read the CC&Rs and DRC guidelines in their entirety before you sign that contract.

Lenders, Inspectors & Home Warranties

Lenders, Inspectors and Warranty Companies

The Tilo Team does not benefit from or endorse any particular lender, inspector or warranty company. The following is a list of companies who have served our past clients well and have been given great reviews by those clients. As a result, we feel comfortable referring you to them.

Lenders

Mark Moyes
Veritas
801.999.0886
markmoyes.com
mark@markmoyes.com

Craig Clayson
Security National Mortgage Company
801.838.9808
craig.clayson@snmc.com
snmc.com/lo/craigclayson

Marylee Gilchrist
Citywide Home Loans
801.898.6784
801.747.1232
mgilchrist@citywidehomeloans.com
citywidehomeloans.com/marylee

Alexis Carter
City Creek Mortgage
801.501.7950
alexis@citycreekmortgage.com
citycreekmortgage.com

Warranties

Old Republic Home Warranty
800.445.6999
orhp.com

Landmark Home Warranty
866.306.2999
landmarkhw.com

Home Inspectors

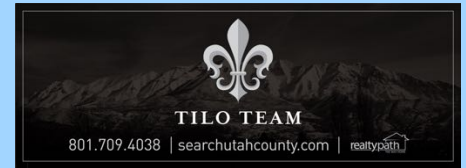
Watchdog Home Inspectors
801.580.5551
getaninspection.com

Cowan Inspections Group
Frank Guevara
801.960.6113
cowaninspectionsgroup.com

Mark Nance
Nance Inspections
801.380.5304
nanceinspections.com

Utilities

Utah County Utilities



ALPINE

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Alpine City: 801-756-6347

AMERICAN FORK

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
American Fork City: 801-763-3000

CEDAR HILLS

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Cedar Hills City: 801-785-9668

EAGLE MOUNTAIN

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Eagle Mountain City: 801-789-6668

HIGHLAND

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Highland City: 801-756-5751

LEHI

CenturyLink: 800-244-1111
Dominion Energy: 801-853-7400
Lehi Power Department: 801768-7102

LINDON

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Lindon City: 801-785-5044

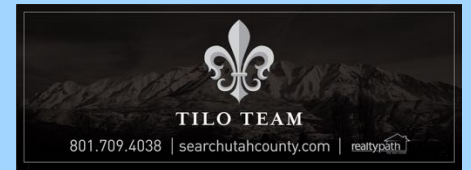
MAPLETON

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Mapleton City: 801-489-5655

OREM

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Orem City:
NE 801-229-7018 SE 801-229-7016
SW 801-229-7017 NW 801-229-7015

Utah County Utilities



PAYSON

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Payson City: 801-465-5203

PLEASANT GROVE

Century Link: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Pleasant Grove City: 801-785-5045

PROVO

Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Provo City: 801-852-6000

SALEM

CenturyLink: 800-244-1111
Dominion Energy: 801-853-7400
Spanish Fork City: 801-798-5000

SANTAQUIN

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Santaquin City Utilities: 801-754-3211

SARATOGA SPRINGS

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Saratoga Springs City: 801-766-9793

SPANISH FORK

CenturyLink: 800-244-1111
Dominion Energy: 801-853-7400
Spanish Fork City: 801-798-5000

SPRINGVILLE

CenturyLink: 800-244-1111
Rocky Mountain Power: 888-221-7070
Dominion Energy: 801-853-7400
Springville Utilities: 801-489-2750

OTHER USEFUL NUMBERS

Auto Registration: 801-297-7780
Chamber of Commerce: 801-379-2555
City Treasurer: 801-852-6120
Recorder's Office: 801-851-8000
Utah County Housing: 801-373-8333
Utah County Property Tax: 801-851-8244
Comcast: 800-266-2278