

Home Buyer's Guide

A Helpful Guide to Assist you in Making your New Move Run Smoothly!



Compliments of:

Nevada Title Company



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WHY DO I NEED A REALTOR®?

Finding a Home Without Using a REALTOR® is Like Finding a Needle in a Haystack!

As members of the National Association of REALTORS®, REALTORS® are bound by its strict code of ethics. Here's why working with a Realtor works for you in terms of your interests, convenience, your budget, and your peace of mind throughout the entire buying process.



- REALTORS® have the most information in one place about what is “on the market”, including homes listed by other REALTORS®. You won’t waste time looking at homes that don’t fit your needs.
- REALTORS® help you find the home best suited to your needs; size, style, specific features, location and accessibility to amenities that are important to you.
- REALTORS® can supply information on real estate values, taxes, utility costs, municipal services and facilities.
- REALTORS® have no emotional ties to a home, can be objective about it and can point out its advantages and disadvantages.
- REALTORS® will handle all the negotiations, offers and counter offers with the seller until an agreement is reached and will help you through the escrow process.

Buying or selling real estate is a complicated process. The wise owner or buyer does not consider attempting it without a professional real estate advisor.

WHAT WE DO FOR YOU WHEN YOU ARE BUYING A HOME



In the State of Nevada, title companies perform a dual function. We issue policies of title insurance and act as a settlement or Escrow Agent.

We Issue Title Insurance:

Owner's Policy

Protects the buyer against loss incurred if defects in title appear. In general, it is said that a owner's policy provides the buyer with protection against adverse matters that affect the title to his or her property.

Lender's Policy

Protects the lender's interest much like an owner's policy protects a buyer's interest. However, lenders usually insist on more extensive coverage than buyers. In general, the lender is concerned with protection against title defects and with the priority of its recorded loan.

We Act as a Settlement or Escrow Agent

This is a very involved portion of the transaction. We accumulate documents, funds, and information for your closing. When all necessary parts are in place, the closing will happen according to the buyer's and seller's written instructions. Because of this, they may do their part of the closing at different times. There is no need to gather together at a closing table to complete the transaction.

CHECKLIST FOR A TRANSACTION

- ☐ Contract signed and dated
- ☐ Escrow opened and earnest money deposited
- ☐ Termite inspection ordered by Seller
(Original termite is delivered to Nevada Title Company)
- ☐ Property inspection ordered by Buyer
- ☐ Insurance for home procured by Buyer
(Provide this information to Nevada Title Company and your Lender)
- ☐ Copy of inspection given to Buyer and Seller. Repair priority list given to Seller from Buyer
- ☐ Appraisal ordered by Lender
- ☐ Appraisal Completed
- ☐ Repair work ordered by Seller after negotiated by Buyer and Seller
- ☐ Buyer approved by Lender
- ☐ Other inspections, if needed, requested by Buyer
- ☐ Repairs completed and approved by Lender and Buyer
- ☐ Final contingencies removed
- ☐ Final signing appointment scheduled
- ☐ Closing figures confirmed with Escrow Officer
Buyer informed of funds due at closing
- ☐ Final documents signed by Buyer and Seller
- ☐ Final documents filed with County Recorder by Nevada Title Company



WHY SHOULD I GET PRE-QUALIFIED?



Getting Pre-Qualified

There are many sources for home loans including banks, credit unions, mortgage companies and mortgage brokers. Most Real Estate Agents and lenders recommend that home buyers get pre-qualified before selecting a home to purchase. Ask your REALTOR® for a reliable referral on loan approval. Buyers who do this will know what price home they can afford and have more bargaining power when negotiating with the seller.

Reasons to Get Pre-Qualified

With pre-qualification, buyers can determine which loan program best fits their needs and for which programs they qualify. The pre-qualification process lets the buyers know approximately how much their payment will be. It shows what the down payment and closing costs will be and facilitates the budget process. If buyers successfully obtain a lender's conditional loan approval, it makes their offer much more attractive to a seller.

If you are a first-time buyer, you may be able to qualify for a special first-time buyer program. This could make your home more affordable. Also, the pre-qualification process may show the need for a co-mortgagor. This should be identified early

in the buying process. A need for a last-minute co-mortgagor could delay the loan process and possibly cause a cancellation of a sale.

Maximize Your Chances!

Submit a Strong, Competitive Offer

Submit the offer as if there will be multiple offers in an escalating market.

Include Substantial Earnest Money Deposit

Acceptance of an offer is sometimes determined by the amount of the deposit. A larger account may signify a bigger commitment to the seller.

Minimize or Eliminate Contingencies

The fewer contingencies, the stronger the offer.

Make a Buyer Profile Available

Time on the job, flexibility, reason for purchasing seller's home, etc.

Be Prepared to Preview a New Property Quickly

Homes sell sometimes in hours. Be prepared to make decisions quickly and be accessible to change the terms instantly.

INFORMATION NEEDED AT LOAN APPLICATION

In order to expedite your loan process, please bring the following items which pertain to you:

- ☐ Picture ID and proof of social security number
- ☐ Residence addresses for the last two years
- ☐ Names and addresses of each employer for the past two years
- ☐ Gross monthly base salary with overtime and bonuses listed separately
- ☐ W2's (2 years) and current check stub
- ☐ Names, addresses, account numbers and balance of all checking and savings accounts
- ☐ Last two months of bank statements
- ☐ Names, addresses, account numbers, balances and monthly payments on all open loans
- ☐ Names, account numbers, balances and monthly payments of all credit cards
- ☐ Addresses of other real estate owned
- ☐ Loan information on other real estate owned
- ☐ Estimated value of furniture and personal property
- ☐ Certificate of eligibility DD214'S (V.A. only)
- ☐ Money for credit report and appraisal
- ☐ Full divorce decree, if applicable

The Seller Can Generally Expect to Pay For:

- Owner's Title Insurance premiums
- Real Estate Commission
- 1/2 of the Escrow fee (except VA)*
- Any loan fees required by buyer's lender (according to contract)
- Payoff all loans
- Interest accrued to lender being paid off, statement fees, reconveyance fees and any prepayment penalties
- Termite work (according to contract)**
- Home warranty (according to contract)
- Any judgements, tax liens, etc. against the seller
- Recording charges to clear all documents of record against the seller
- Tax proration (for any taxes unpaid at the time of transfer of title)
- Any unpaid homeowners association dues
- Any bonds or assessments (according to contract)
- Any and all delinquent taxes

The Buyer Can Generally Expect to Pay For:

- Lender's Title policy premiums
- 1/2 of the Escrow Fee (except VA)*
- Document preparation (if applicable)
- Notary Fees (if applicable)
- Recording charges for all documents in buyers names
- Homeowners Association Transfer Fee
- All new loan charges (except those required by lender for seller to pay)
- Interest on new loan from date of funding to 30 days prior to first payment date.
- Home warranty (according to contract)
- Fire insurance premium for first year.
- All pre-pays

* On VA loans, the entire escrow fee must be paid by the Seller

** Termite inspection is placed in escrow by the BUYER but the cost is negotiable.

This list is not necessarily all-inclusive and all the services for which payment may be allowable or non-allowable may not be identified.

THE CLOSING APPOINTMENT

Your Escrow Officer will contact you to schedule your closing appointment. Buyer and Seller usually schedule separate appointments.

DON'T FORGET YOUR IDENTIFICATION

You will need valid photo identification, a driver's license is preferred. This is necessary so that your identity can be sworn to by a Notary Public. It's a routine step, but its important for your protection.

WHAT HAPPENS NEXT?

Normally, after all the documents and funds are received in escrow and all contract contingencies are met, the title company will record the deed at the County Recorder's office and disburse escrow funds to you and to other appropriate payees. However, at Nevada Title Company, transactions are considered "closed" when all signatures have been obtained, funding has been received and final recording approval is given by the Title Officer. At this point, we can begin disbursing funds.

What are the Benefits of a Home Inspection Company?

Handling real estate disclosure issues has often been a trying task for homeowners. Many buyers use an inspection company to handle the process. A professional home inspector's services can benefit both a buyer and a seller.



The key is to hire someone who is familiar with all facets of construction. One way to qualify a potential inspector is to insist that he/she be a member of the American Society of Home Inspectors (ASHI) and licensed by the State of Nevada. ASHI is a national trade organization that sets standards for inspectors and ensures that members follow those standards. Be aware that there are contractors who will offer to do a home inspection for a nominal fee. Often, they will discover unknown "problems" which they will write in a full property inspection report. Make sure the inspection company is referred by someone you trust and that all quotes for repair are in writing.

The cost of a typical home inspection is usually between \$250-\$400



Must I Have a Termite Inspection?

A termite inspection and the repair of damages has been a requirement of home sales for a long time. In practically every state, termite inspectors are licensed and their written report of the inspection is required to be registered.

The cost of a typical termite inspection is usually between \$50-\$70. The cost of termite treatment is based on the size of the house, and the extent of the damage.



Home Warranties










A home warranty is an insurance policy that covers a variety of mechanical, electrical, and plumbing items, as well as some appliances inside the home. Coverage is also available for more expensive systems such as air conditioners, refrigerators, pools and spas.

You may purchase a home warranty policy prior to selling to protect against repairs needed during the listing period, and the buyer may be able to assume the policy at the close of escrow. You may also offer to purchase a home warranty policy for the buyer, which may provide these benefits:

- **Increase the marketability of your home by reassuring potential buyers.**
- **Help sell your home faster and at a higher price.**
- **Ward off potential disputes after the sale for repair and/or replacement of covered items.**

Most home warranty policies can be paid for at the close of escrow. A copy of the invoice is presented to the title company and it becomes part of the seller's closing costs.

FOR A LESS STRESSFUL CLOSING

-  Maintain current financial status. Make no major purchases or job changes.
-  As soon as you decide upon your homeowner's insurance agent, call your escrow officer with the name of the company, contact person and phone number.
-  Should a buyer or seller be unable to be present to sign escrow or loan documents, a power of attorney may be used. Before attempting to use a power of attorney, have it approved by both your lender and title company.
-  If your funds will come from out of state, please let your escrow officer know at least one week before closing.
-  If you are unsure about closing procedures, ask questions. A proper explanation is just a phone call away.
-  Your closing appointment usually takes about an hour. Be sure to make arrangements accordingly.
-  Be prepared to wire funds to Nevada Title Company for your closing. Although cashier's checks drawn on NEVADA banks can be used in lieu of wires, any other type of cashier's check will cause a delay in your closing. The amount required for closing will be provided by the Escrow Officer.
-  Bring a photo ID with you to the signing.
-  Be prepared for last-minute lender requirements.



CHECKLIST FOR CHANGE OF ADDRESS

Utilities

- ☐ Electric
- ☐ Gas
- ☐ Water
- ☐ Telephone
- ☐ Sanitation
- ☐ Cable TV/Internet
- ☐ Cellular Phone

Insurance Agencies

- ☐ Life
- ☐ Fire
- ☐ Auto
- ☐ Home
- ☐ Health
- ☐ Accident
- ☐ Hospital

Professional Services

- ☐ Doctor
- ☐ Dentist
- ☐ Certified Public Accountant
- ☐ Lawyer
- ☐ Broker

Publications

- ☐ Newspaper
- ☐ Magazines
- ☐ Professional
- ☐ Fraternal

Established Business Accounts

- ☐ Dry Cleaner
- ☐ Bakery
- ☐ Drug Store
- ☐ School
- ☐ Department Store
- ☐ Water Softener Service
- ☐ Service Stations
- ☐ Banks
- ☐ Finance Companies
- ☐ Automobile Agency

Government and Public Office

- ☐ Veterans Administration
- ☐ Library
- ☐ State Motor Vehicle Bureau
- ☐ Post Office

Miscellaneous

- ☐ Relatives and friends
- ☐ Book and Record Clubs
- ☐ Business Associates
- ☐ Landlord, if you are a tenant
- ☐ Organizations, clubs, schools
- ☐ Tenants, if you are a landlord

COMMON WAYS FOR INDIVIDUALS TO HOLD TITLE TO REAL ESTATE



Community Property

Because Nevada is a community property state, there is a statutory presumption that all property acquired by husband and wife is community property. Community property is an estate of ownership between married persons only. Neither spouse, acting individually, may transfer or encumber real estate that is vested as community property. Upon death of one of the spouses, the deceased spouse's interest will pass by a will (if one exists) or intestate succession (if no will exists).

Community Property with Right of Survivorship

A community property estate between married persons that vests the title to real property to the surviving spouse provided it is expressly declared in the deed. The vesting has the tax benefits of holding title as "community property" and the ability to avoid probate through "survivorship rights."

Joint Tenancy with Right of Survivorship

Joint tenancy with right of survivorship is a method of co-ownership that gives title to the real property to the surviving tenant(s) upon the death of a joint tenant owner. Title to real property can be held in joint tenancy by two or more

individuals either married or unmarried. If a married couple acquires title as joint tenants with the right of survivorship, they must specifically accept the joint tenancy to avoid the presumption of community property.

Tenancy in Common

Tenancy in common is co-ownership where parties do not have survivorship rights and each owns a specific, undivided interest in the entire estate.

Sole and Separate

Sole and separate property is real property owned by a spouse before marriage or any acquired after marriage by gift, descent or specific intent to hold the title separate from the estate of the marital community. If a married person acquires title as sole and separate property, his or her spouse must execute a disclaimer deed.

The ownership options listed above apply to individuals. Title to real estate can also be vested in corporations, general partnerships, limited partnerships, or individuals or corporations acting as trustees pursuant to written trust agreements. If you wish to vest title in one of these entities, Nevada Title Company recommends that you obtain competent legal and financial advice.

GENERAL NOTES



 Nevada Title Company
Buyer's Guide

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

"At Nevada Title, we believe the manner in which we satisfy our customers will determine the future of our organization. It is our objective to provide superior service through professionalism, communication, cooperation and quality. We add value to all our customers through our specialized services in each market segment. Our customers are recognized as the leaders in their respective fields."

"Nevada Title Company's success is largely attributed to our ability to develop long-term, closely knit business relationships with our customers, many of whom have relied upon Nevada Title Company since 1979. Building long-term relationships with our customers is the focal point of our business philosophy."



Nevada Title Company

Nationally Recognized. Locally Owned and Trusted.



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www.nevadatitle.com