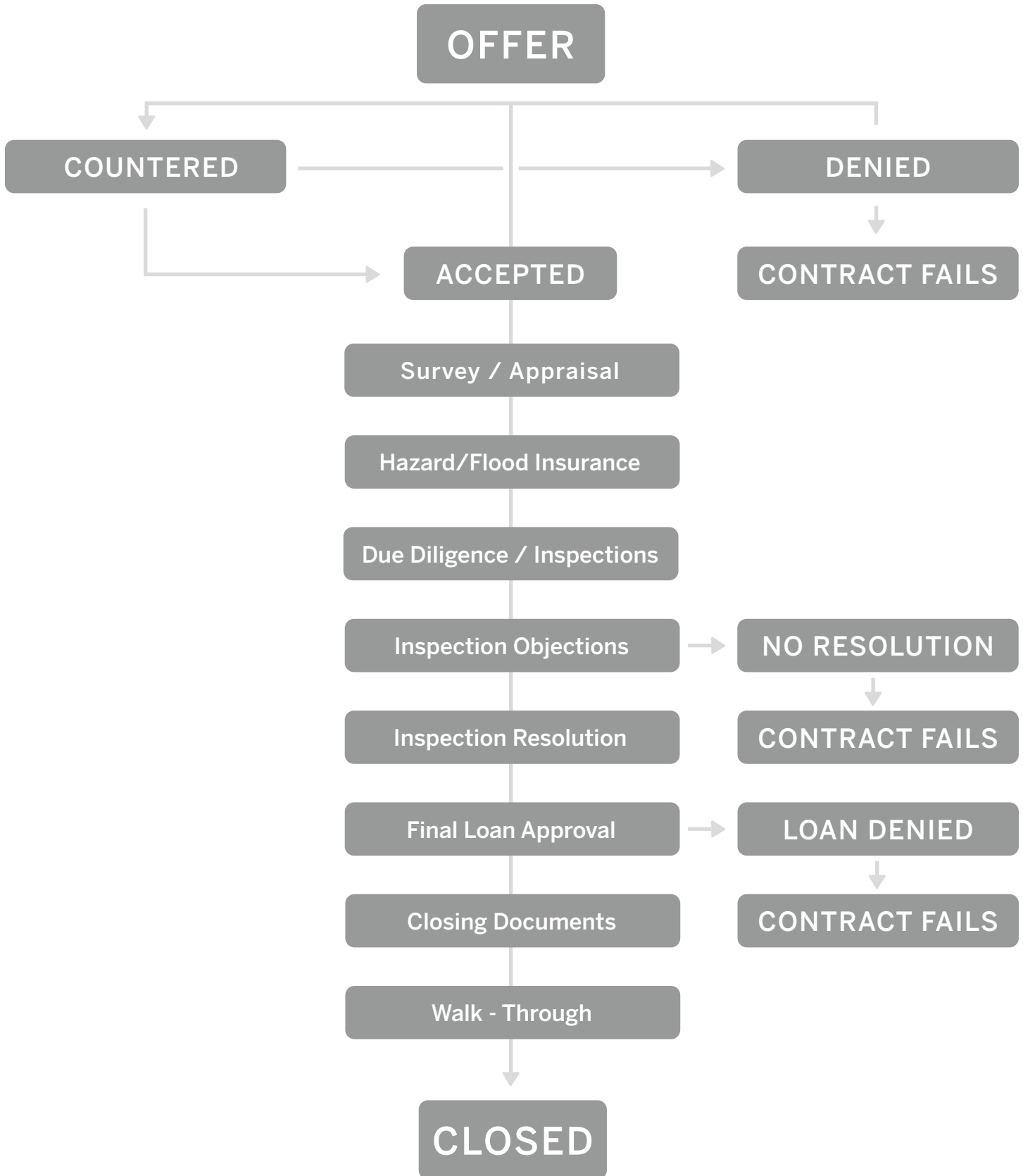


LIV | Sotheby's
INTERNATIONAL REALTY

ARTFULLY UNITING EXTRAORDINARY HOMES
with **Extraordinary Lives**

Our brand is known throughout the world for representing buyers and helping them find homes that fit into their varied lifestyles in distinct settings and diverse locales.

PRE-CLOSING CHECKLIST



HOME SEARCH INFORMATION

Will this be your primary residence? _____

Vacation/Investment? _____

Will this be purchased as a 1031 Exchange? Y N _____

Will you be renting the residence? Y N _____

Short-term/Long-term? _____

In what area do you want to live? _____

Would you consider any other areas? _____

What is most important to you in a home? _____

How many bedrooms do you prefer? _____

How many baths do you prefer? Full? _____ 3/4? _____ 1/2? _____

Any other special rooms, such as an office/study, family room, great room, media room etc?

What architectural style do you prefer? (modern, mountain modern, log, retro)

Do you require a view? (lake, filtered, peek, mountains, forest, meadow, town) _____

Would you like a deck/more than one deck, patio, landscaping/no landscaping, front yard, back yard?

What hobbies or interests do you have that would come into play in purchasing a home?

How do you feel about HOAs? _____

Would you like a hot tub/pool/common area in return for HOA fees? _____

What size garage do you prefer? _____

How many parking spaces do you need? _____

Will you be commuting to work? _____

Is proximity a concern? _____

Do you need to sell your current home before you purchase? _____

If we found the right home for you today, would there be anything that could keep you from buying it? _____

Have you seen any homes that fit your current needs? _____

What is the timing of your move? _____

How do you plan on paying for your home? _____

If you are getting a loan, have you been prequalified by your lender? Y N _____

Is there anything else you would like me to know? _____

HOME HOME SEARCH

MULTIPLE LISTING SERVICE (MLS) | AREA SPECIFIC

Our office provides access to the Multiple Listing Service (MLS) which features hundreds of listings by all real estate companies.

I can set you up with a Client Portal so that you will be notified daily about new listings that meet your criteria. You will be able to mark your favorites and I will be notified so that I can set up showings for you.

ADVERTISING

If you should find a property you're interested in through a print ad, a sign in a yard, or an online listing, call me for more information rather than the phone number listed. I will supply property details and set up a showing for you.

NEW HOMES

If you are looking for new construction, I will accompany you on the initial visit. Building a new home can be an exciting time, but the amount of decisions can be overwhelming. My experience and expertise will help you navigate this complicated process with ease.

FOR SALE BY OWNER (FSBO)

If you come across a property listed online, in print or For Sale By Owner (FSBO), call me for information prior to contacting any third parties to ensure that your best interest is being represented and/or to avoid contractual pitfalls that accompany working with an unqualified professional.

SIR MOBILE APP

Download the free SIR Mobile app. Save searches or favorite properties to view later, send a property to a friend via text or email, and view full-screen high-quality photography of homes locally, or around the world. Once you've found homes you're interested in, give me a call.

BENEFITS

WORKING WITH A LENDER



BENEFITS

Mortgage planning is financial planning, knowing monthly cash flow, tax deductibility rules, and the mortgage structure that fits your priorities and ensures that you consider the right homes.

Make the strongest, most competitive offer possible. Seller confidence that your mortgage will close may be as important as the offer amount.

Preparedness to hit the ground running the day your offer is accepted is a more competitive offer and costs you nothing.

OTHER INFORMATION

Much information, such as names, addresses, and balances of financial institutions are not necessary for you to furnish, as the lender will pull that information from your mortgage/asset statements.

Ask your lender about the difference between a prequalification, pre-approval, and pre-underwriting.

PREPARE FOR YOUR LOAN APPLICATION

LENDER CHECKLIST

IDENTIFICATION DOCUMENTS

- Social security card and legible photo I.D.

RESIDENCE

- Addresses for the previous two years (if renting, include landlord's name and phone number)

EXISTING MORTGAGE (ALL PROPERTIES OWNED)

- Mortgage companies name, address, account number, approximate balance, and market value
- HOA bill on any properties
- Homeowners Insurance declarations page (reflects agent contact info, premium and coverage period)

EMPLOYMENT

- Name, address, phone number of employers (current and previous two years)
- Engagement letter (for new employment situations, citing dates and terms of your employment)

INCOME

- Two most recent pay stubs and proof of any additional income including benefits, dividends, social security, retirement, rental income, etc.
- Last two years W-2s and/or 1099s
- If self-employed or commissioned, business/personal Income Tax Returns for previous two years (with all schedules K-1s) and year-to-date Profit/Loss and Balance Sheet Statements

CHECKING, SAVINGS & INVESTMENT ACCOUNTS

- Names, addresses, account numbers and approximate account balances
- Last 3 month's bank/savings account statements
- Checking, savings, investment accounts and retirement accounts

INSTALLMENT & REVOLVING DEBT

- Names, addresses, account numbers, monthly minimum payment, balance (including zero balance accounts)

LEGAL DOCUMENTS (IF APPLICABLE)

- Leases on rental property owned Bankruptcy with release
- Settlement statements (previously owned property, sale of business, etc.) Transcripts from school if recent graduate
- Copy of divorce decree or Separation Agreement Documentation of child support/alimony

PURCHASE AGREEMENT

- Copy of fully executed contract including counterproposals, addendums (signed by both the Seller & Buyer)
- Copy of earnest money check

VA LOAN ELIGIBILITY

- Certificate of eligibility if applying for VA loan; copy of DD 214
- At time of loan application you will generally need to pay an application fee, appraisal fee and credit report

SELLER'S PROPERTY DISCLOSURE



ONCE UNDER CONTRACT

Sellers are required to disclose all that they know about their property on a variety of forms. It is important to review them and perform your own due diligence on any item that is of special interest to you.

By signing this form, you are acknowledging receipt of this information. Make sure the inspector has a copy of this prior to the inspection. I can guide you and refer you to trained professionals should you decide to do additional investigations.

INSPECTION

PROPERTY INSPECTION

As part of the sales contract you have the right to investigate the mechanical, electrical, plumbing, and structural aspects of the property. You may also order any additional inspection about anything that affects the property that you deem important.

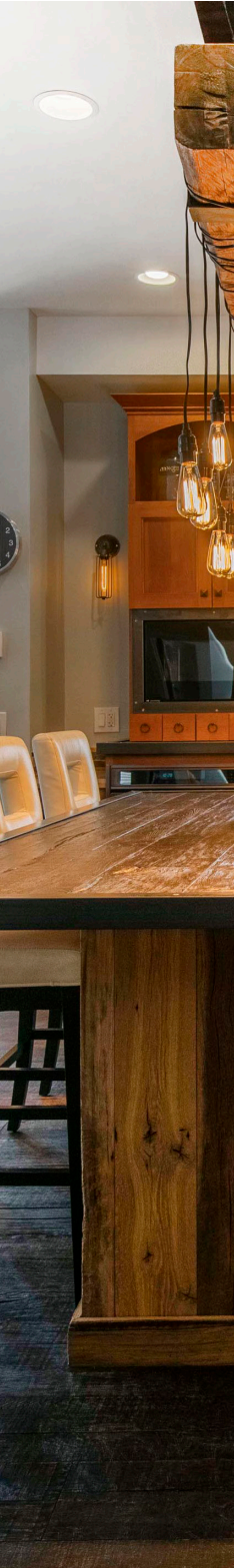
I encourage you to meet with the inspector at the end of the inspection so that they may point out things to know about the property and answer any questions that you have. The inspector will give you an itemized report for your review.

If repairs are needed, you can request that the seller make them in accordance with the provisions of the sales contract, or if they are unacceptable, you may void the contract.

SQUARE FOOTAGE

The initial measurement is for the purpose of marketing, may not be exact and is not for loan, valuation, or other purposes. If exact square footage is a concern, the property should be independently measured prior to the inspection deadline.

INSURANCE



HAZARD INSURANCE

Once you have a home under contract, it is critical that you contact your insurance company to get a quote on insurance. When contacting an insurance agent, it is helpful to know the condition of the home's major systems, or to find out when each of the following was last updated: plumbing, heating, electric, roof, and exterior paint. This information may be gathered from the seller's listing agent or may be found on the inspection or appraisal report.

It's also a good idea to note the following:

- **Make sure the home has good defensible space and ensure that tree branches are not overhanging the roof**
- **If a wood stove is present, identify the last date the chimney was cleaned**
- **Material of siding and roof**
- **Type of foundation**

FLOOD INSURANCE

Many policyholders do not realize that basic homeowner's insurance does not include protection from flood damage. Flood insurance may be purchased as a separate policy; standard homeowner's insurance does not cover the cost to recover flood damages. Be sure to check to see if the property is in a flood zone.

VACATION RENTAL INSURANCE

Inform your insurance agent if you plan to rent your property as a vacation rental; an additional policy may be required.

TITLE

EXPLANATION OF TITLE

There are various ways to hold title to property and the laws vary by state. This decision has many legal ramifications that can affect you and your heirs. Please seek legal advice before making this decision. Here are a few examples of some of the most common ways title can be held.

SOLE OWNERSHIP

The simplest way to hold title to a property is called sole ownership. Sole ownership means that one person alone holds title to the property. This is most often used by persons who are single, but a married person can also choose sole ownership if his or her spouse is willing to sign a document renouncing any rights to the property.

JOINT TENANCY WITH RIGHT OF SURVIVORSHIP

Joint tenancy with right of survivorship means two or more people hold title to the property together. If one person dies, the ownership automatically defers to the remaining owner(s).

TENANCY IN COMMON

Tenancy in common allows multiple owners to each own a percentage of a property. In this form of holding title to the property, an owner can sell his or her percentage share of the property at any time. Owners can also share to their heirs. The property does not revert to the other owners automatically.

TENANCY BY THE ENTIRETY

Some states allow joint ownership of a property by a married couple, called tenancy by the entirety. In this type of ownership, an owner cannot make a decision about the property without the other's consent. As with joint tenancy with right of survivorship, each of the married partners has full right to the property should the other one die.

COMMUNITY PROPERTY

In nine states in the United States, property acquired while married is recognized as community property, with each of the partners owning half of the property. As with tenancy in common, each of the partners can will his or her half of the property to someone else, unless the community property is owned with right of survivorship.

LIVING TRUST

Property can be transferred into a living trust, which can reduce taxes on the estate in the event of the owner's death. However, there is some cost to setting up and maintaining the trust. An estate attorney can assist in establishing a trust.

CORPORATION OR PARTNERSHIP

A corporation or partnership can hold title to a property. Each has different rights and arrangements that affect the title. Seek legal counsel in order to make an informed decision.

Remember how title is vested has important legal consequences. Please consult an attorney to determine the most advantageous form of ownership for your situation.

MUTUAL MUTUAL AGREEMENT



IF I WILL

- Make my best effort to find the home that meets your needs
- Commit my time, car, computer, support staff, and experience to find exactly what you want
- Incur all my car, phone, and administrative expenses
- Continue the home search until you either find a home or tell me to stop looking

WILL YOU

- Let me know if your plans change
- Tell me if you want to look at a home listed with another broker, builder, or for sale by owner
- Tell me what you like and dislike about the homes we look at
- Tell me if you feel the need to talk to another agent
- Work with me until we find you the right home?

TERMS

REAL ESTATE TERMS

ADJUSTABLE RATE MORTGAGE (ARM): A mortgage for which the interest rate and the payments change during the life of the loan.

ALTERNATIVE FINANCING: Mortgage instruments for both new and existing homes which allow the buyer to qualify at lower than market rate. Among these instruments are adjustable rate mortgages, graduated payment mortgages and buy down mortgages.

AMORTIZATION: A gradual repayment of a mortgage by periodic installments over a fixed period of time.

ANNUAL PERCENTAGE RATE (APR): The total cost of credit expressed as a yearly rate. It reflects all of your mortgage loan financing costs, including interest paid up front as points and interest paid over the life of the loan.

APPRAISAL: An analysis done by a qualified appraiser that puts a dollar value on a property based on a number of considerations, including the condition, location and size of the property.

ASSUMABLE LOAN: A loan that can be picked up by a subsequent buyer for a small assumption fee. It saves thousands of dollars in closing costs and loan origination fees. Conventional loans that are assumable usually require a new application.

CLOSING OR SETTLEMENT: The conclusion of a transaction, including delivery of a deed, financial adjustments, signing of the note and the disbursement of funds, which allows for transfer of ownership.

CLOSING COSTS: Costs in addition to the price of a house, usually including mortgage origination fee, title search and insurance, recording fees and pre-payable payments collected in advance and held in an escrow account. Be sure your sales contract clearly states who will pay these costs - the buyer or the seller.

CONVENTIONAL LOAN: Fixed-rate or adjustable-rate mortgage that is not guaranteed by a government agency. If you are applying for a conventional loan and your downpayment is less than 20 percent of the purchase price, mortgage insurance is required. The lender will obtain mortgage insurance for you. Mortgage insurance protects lenders against default by borrowers.

CREDIT REPORT: Lists the credit history of a borrower on current and previous credit obligations.

DEED: A written document transferring ownership of property from seller to buyer.

DOWN PAYMENT: A specified percentage of a home's value paid at closing. Usually a down payment is 5 to 25 percent of the house price. Private mortgage insurance is required at amounts less than 20 percent.

EARNEST MONEY: Deposit money given to the seller by the potential buyer to show that they are serious about buying the house. If the deal goes through, the earnest money is usually applied to the down payment. If the deal does not go through, it may be forfeited.

ENCUMBRANCE: A legal interest in a property that affects or limits the sale or transfer of property. Examples of encumbrances are mortgages, leases, easements, judgments, and liens.

EQUITY: The homeowner's net ownership of the home, determined by subtracting the amount of the principal owed on the mortgage loan from the home's market value.

ESCROW PAYMENTS: The portion of a mortgagor's monthly payments held by the lender in an escrow account to pay for taxes, hazard insurance, mortgage insurance and other monthly payments as they become due.

FHA MORTGAGES: Loans made by private lenders, which are insured by the Federal Housing Administrations (FHA).

GRADUATED PAYMENT MORTGAGES (GPM): A type of flexible-payment mortgage whereby the payments increase for a specified time and then level off. Used by first-time homebuyers who expect their incomes to increase over the years.

HAZARD INSURANCE: Protects homeowners against damage caused to a property by fire, wind, or other common hazards. It is required by the lender up to the amount of the mortgage to protect the lender's security interest in the property. Additional coverage on the property can be purchased by the borrower. Flood insurance may be required if the home is in a high-risk flood area.

LIEN: A legal claim on property as security for a debt.

LOAN COMMITMENT: A written promise of a lender to a borrower to make a mortgage loan, on a specific property, under stated terms and conditions. The terms of the commitment most important to borrowers are the interest rate on the loan and expiration date of the commitment.

LOAN-TO-VALUE RATIO (LTV): The relationship between the amount of your mortgage to the appraised value of your property, the security. If you have a \$60,000 mortgage on property valued at \$80,000, your LTV is 75% ($\$60,000$ divided by $\$80,000 = 75\%$).

LOCK-IN: When the borrower informs the lender that he/she wished to lock-in a guaranteed interest rate and points for a specified time period. To keep the lock-in price, the loan must close or settle by the end of the lock-in period. Be sure you fully understand the terms and conditions under which you lock-in your guaranteed interest rate and points.

MORTGAGE INSURANCE: An insurance, paid for by the mortgagor, which protects a lender against default. If the loan-to-value ratio is greater than 80% (or in some cases less than 80%) on conventional loans, lenders will require mortgage insurance issued by an independent mortgage insurer. Mortgage insurance protects the lender's security interest in a property if the borrower defaults on the loan. Mortgage insurance for FHA mortgages is known as the Mortgage Insurance Premium, or MIP. MIP is required on all FHA mortgages regardless of the loan-to-value ratio. Mortgage insurance should not be confused with mortgage life insurance, which pays off a mortgage loan in the event of the borrower's death.

MORTGAGE NOTE: Defines the terms of repayment of the debt secured by the mortgage.

CHECKLIST

MOVING CHECKLIST

- Call security/alarm monitoring company to have the system transferred to your name as of the date of closing.
- Call your cellular phone service company to have your plan(s) changed and moved to Colorado.
- Submit your change of address form(s) to the Post Office for mail and magazines or visit moversguide.usps.com to submit your address change online.
- Notify your financial institution(s) of your move.
- Order new checks from your bank.
- Arrange for moving assistance.
- Notify your employer(s) of your change of address.
- Notify your creditors of your change of address and phone number.
- If you are moving from out-of-state, get your automobile emissions test completed. Colorado requires this test before you can get your license plates. If you are moving to a different county within Colorado, notify the state and possibly get new license plates.
- Update your driver's license or get a new one if moving from another state.
- Register your automobiles with Colorado in the county where you will be residing.
- Transfer your auto policy or make arrangements for new auto insurance.
- Register to vote.
- Register your kids at their new schools or submit a change of address with their school.
- Make arrangements to have your entire family's medical and dental files transferred to your new doctors.
- Arrange for homeowner's insurance by the insurance objection deadline in the purchase contract.

UTILITY RESPONSIBILITY



Because of the personal nature of information required by the utility companies, LIV Sotheby's International Realty cannot transfer utilities for our clients.

Please be advised that it is your responsibility to inform any applicable utility companies of a change in ownership on your property. Sellers must notify each of the applicable utility companies to give them a forwarding address and request a final bill. Purchasers should contact any applicable utility company regarding required deposits and a correct mailing address for future billings.

We strongly urge sellers to instruct the utility companies to continue gas and electric service to the property as damage could result if heat or electric service is interrupted.

Please be aware that you will need insurance coverage for your property. If you have purchased a condominium, the Association will have a master policy, but your will need a rider for personal property and liability.

LIV Sotheby's International Realty is not responsible for insurance coverage or the transfer of utilities. If we can be of any assistance, however, please do not hesitate to call.

Colorado Real Estate Experts

LOCALLY OWNED, LIV SOTHEBY'S INTERNATIONAL REALTY IS A COMPANY
WHOSE REPUTATION IS THE VERY BEST IN THE BUSINESS



Beaver Creek
Boulder
Breckenridge
Castle Pines Village
Castle Rock
Cherry Creek
Colorado Springs
Crested Butte

Denver Tech Center
Dillon
Downtown Denver
Edwards
Evergreen
Telluride / Mountain Village
Winter Park
Vail

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