

# Phoenix Real Estate- The Buying Process

## Offer Accepted...what happens next??

Once the offer has been verbally accepted we will email you the purchase contract with associated documents, review it with you and point out everywhere that needs signing and initialling.

When the offer is returned to us by you, we then forward it on to the seller's Realtor and wait for the final signing by the sellers. This will be called the Executed Contract once it is returned to us.

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Once we have the final signing the **earnest money (the deposit) will be due**. I will get the wiring instructions from the applicable escrow company to pass along to you so that you can go to your bank to wire transfer the deposit directly in to their bank account for safe keeping. It is recommended that you **add \$25.00 to the deposit amount** that you are wiring as the bank that is wiring the money down will likely use a middle-man bank that will have a \$10-20 charge...you don't want the deposit to arrive being short as this could potentially jeopardize your sale!

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**Also, our inspection period begins.** This is typically 10 days (or whatever is negotiated ) and gives us the opportunity to have a home inspection, termite inspection, mould inspection or any other kind of inspection that you would like to have done. The charges for these inspections will be 'added to your tab' and will be accounted for later when the closing or settlement statement is prepared. This settlement statement is most often referred to as the HUD or the HUD1 ( a term for a form that comes from Housing Urban Development).

During this time you might also want to check through a variety of websites that are available to you by reading the Buyer Advisory that I will provide you with. These websites are useful in finding information about the area, crime statistics, demographics, etc.

During this time the escrow company is going to request an HOA Statement from the Home Owner's Association which details any outstanding fees to be paid by the seller as well as any transfer fees (could be from \$150-600) or capital improvement fees, etc that the escrow agent will determine which side of the closing or settlement statement it is to be placed on...in other words...who is to pay for what. Dependant on what is negotiated in the offer will determine who is to pay for what and we will guide you through this. Sometimes there is an upfront fee or a disclosure fee just to get the HOA documents...for example there is a company that many Property Management companies sub-contract to in order to obtain the documents...they are called CondoCerts and want \$239-400 upfront just to get the documents. If this has been negotiated in to your purchase then the seller will pay for this charge. We always try to get this covered but not all foreclosure bankers, as an example, will pay for it. The HOA has by law 10 days to comply with the request for the information so once that we have an executed contract and open up escrow you can count on it taking up to 10 days to get the HOA documents necessary for closing. This waiting period coincides with our 10 day inspection period.

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When you are satisfied or not satisfied with how everything checks out we will have you sign a form called the **Buyer Advisory and Seller Notice (BNSR)** with your selection indicated for accepting the property or not and then return it to us. If you choose not to complete the sale, the escrow company will refund your deposit and we will carry on to find another appropriate home. If you are satisfied with the home then the escrow process continues and all the paperwork really starts to flow!

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**The escrow company is going to email you a number of documents for your perusal and signatures that include:**

1) **Covenants, Conditions and Restrictions** (or commonly called the CCRs) this is the bylaws, so to speak, for the subdivision that all residents agree to by virtue of their completed purchase. They spell out what you can and can't do in your area such as no visible RVs, no painting or major landscaping changes without prior HOA authorization. These bylaws are in place to protect the homeowners and to preserve the beauty of their area. The CCRs do not require a signature...they are for your information purposes only. The size of them will be anywhere from 40-125 pages...guaranteed to put you to sleep!!

2) **Approval to Close** just needs your signature in order to commence with escrow

3) **Title Commitment Report** for title insurance to be issued (they don't use surveys or Real Property Reports here to transfer title as they do in Canada...they utilize title insurance to guarantee the title).

4) **How you would like to take title?** Please see the Ways To Take Title In Arizona on the next page of this website section entitled The Escrow Process for details on the selection available to you. This form must be signed in the presence of a Notary Public or a Commissioner for Oaths and return the original to the escrow company by overnight courier

5) **Identity statement** (given name, etc)

6) **Affidavit of property value** (for filing with the county office for public record of the sale) Once the HUD or Settlement Statement is prepared the escrow company will be seeking your approval on it first prior to sending it off to the seller for their approval. Once we have approval on both sides you can wire the balance owing in to the escrow company's bank account. When received, the escrow agent will prepare the county recording documents and submit for recording of the deed.

**When the deed is recorded the escrow agent will notify everyone involved and the keys are releasable!!**

That is it.....we will guide you through this process but we wanted you to be familiar with what happens so that you don't get overwhelmed by it as the process is considerably more involved than when acquiring a property in Canada.

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## **Utility Companies, Property Insurance and Service Providers**

Prior to possession you will need to make arrangements for water, sewer, trash, electricity and/or natural gas to be transferred in to your name. It will also be prudent to arrange for property insurance....we can certainly recommend a few to you. This can generally be done online or over the phone.

The providers for electricity, natural gas and water/sewer are generally indicated on the MLS printout that we have provided to you . We will put an \_X\_ beside the applicable provider on the checklist below and email it to you prior to your possession so that you can make the arrangements in advance . A copy of your closing or settlement statement may be requested to prove ownership so do have it handy with you just in case. Deposits may be required by providers on an individual basis. These deposits are generally refunded to you upon 12 consecutive on-time monthly payments. Automatic or online monthly payments may be arranged by each one as well for your convenience.....

### **Electricity**

\_\_\_ **APS:** [www.aps.com](http://www.aps.com) 1-800-253-9405 or 1-602-371-7171

\_\_\_ **SRP:** [www.srpnet.com](http://www.srpnet.com) 1-602-236-8888

### **Natural Gas**

\_\_\_ **SWG:** [www.swgas.com](http://www.swgas.com) 1-877-860-6020

### **Water, Sewer and Trash/Recycling**

\_\_\_ **Anthem:** [www.onlineatanthem.com/utilities-public-services](http://www.onlineatanthem.com/utilities-public-services)

\_\_\_ **Apache Junction:** [www.ajcity.net/](http://www.ajcity.net/)

\_\_\_ **Avondale:** [www.ci.avondale.az.us](http://www.ci.avondale.az.us)

\_\_\_ **Buckeye:** [www.buckeyeaz.gov](http://www.buckeyeaz.gov)

\_\_\_ **Cave Creek:** [www.cavecreek.org/](http://www.cavecreek.org/)

\_\_\_ **Chandler:** [www.chandleraz.gov/](http://www.chandleraz.gov/)

\_\_\_ **Gilbert:** [www.gilbertaz.gov/](http://www.gilbertaz.gov/)

\_\_\_ **Goodyear:** \_\_\_ south of the I-10 for water/sewer/trash- [www.goodyearaz.gov](http://www.goodyearaz.gov)

\_\_\_ north of the I-10 for trash/recycling- [www.goodyearaz.gov](http://www.goodyearaz.gov)

\_\_\_ north of the I-10 for water/sewer- [www.libertywater.com](http://www.libertywater.com)

\_\_\_ **Fountain Hills:** [www.fh.az.gov/efountain.aspx](http://www.fh.az.gov/efountain.aspx)

\_\_\_ **Litchfield Park:** for trash- [www.litchfield-park.org](http://www.litchfield-park.org) For water/sewer- [www.libertywater.com](http://www.libertywater.com)

\_\_\_ **Maricopa:** [www.maricopa-az.gov/residents.php](http://www.maricopa-az.gov/residents.php)

\_\_\_ **Mesa:** [www.mesaaz.gov/Home/](http://www.mesaaz.gov/Home/)

\_\_\_ **Glendale:** [www.glendaleaz.com](http://www.glendaleaz.com)

\_\_\_ **Peoria:** [www.peoriaaz.gov/](http://www.peoriaaz.gov/)

\_\_\_ **Phoenix:** [www.phoenixgov/residents](http://www.phoenixgov/residents)

\_\_\_ **Queen Creek:** [www.queenecreek.org/](http://www.queenecreek.org/)

\_\_\_ **Scottsdale:** [www.scottsdale.gov/Residents.asp](http://www.scottsdale.gov/Residents.asp)

\_\_\_ **Surprise:** [www.surprizeaz.com](http://www.surprizeaz.com). Some subdivisions use Arizona American Water-  
[www.amwater.com/azaw/](http://www.amwater.com/azaw/)

\_\_\_ **Tempe:** [www.tempe.gov/](http://www.tempe.gov/)

## Telephone,TV,Internet

**Tv Antenna:** available at Best Buy for 40 channels including local ones for \$20-\$90

**Quest:** for telephone, DSL internet and TV

www.qwest.com 1-800-475-7526

**Cox:** for cable TV, internet and digital telephone

ww2.cox.com/residential/Arizona/home.cox 1-800-229-6542/1-623-594-1000

## Cell phone providers:

**Sprint:** www.sprint.com

**Verizon:** www.verizonwireless.com

**AT&T:** www.att.com

**Pre-paid cell phones:** many options for these at a variety of retailers including Wal-Mart

## Other Service Providers

The Lavine Team have a host of connections that they can recommend to you for property management, banking and maintenance that includes:

**-banking...** it would be a good idea for you to open a checking account at a local bank while you are here making your purchase. Local businesses, contractors, landscapers, pool maintenance people, etc will take checks for services performed and/or goods and it would be convenient and organized for you to make out post-dated checks in advance of returning back home. Debit cards here are backed by Visa so you can actually use your card as a credit card as long as the funds are in your account to cover it. Also, it would be wise to get the wiring instructions for your account so that you can wire money from home periodically to maintain your available funds

**-property insurance...** we have a good State Farm Insurance agent and a Farmer's Insurance agent anxious for your business

**-handyman and contractors...**for flooring, painting, plumbing, framing changes, cabinetry, etc

**-house checking service...**that will come once a week, twice a week or once a month to check on your home, take pictures, test fixtures, pest control, check that the landscapers and pool personnel are doing their job ...starting at \$24.95 a month [www.snowbirdaz.com/](http://www.snowbirdaz.com/)

**-pest control...**to keep the creepy-crawlies away

**-pool maintenance...**for maintenance, service and repairs

**-yard maintenance...**to look after landscaping, irrigation, weed control

**-in house property management....**to rent out and maintain your property if desired

**-security systems and monitoring...**for peace of mind