



StarTex

TITLE COMPANY

A Home Buyer's Guide





StarTex
TITLE COMPANY

TABLE OF CONTENTS

Getting Ready	2
Lender Pre-Qualification	2
Buyer Qualification Worksheet	3
Debt Qualification Worksheet	4
School District Information	4
Finding the Perfect Home	5
Your Neighborhood	6
Energy Efficiency	6
House Comparison Chart	8
Loan Application Process	10
Inspections	10
Homeowners Insurance	11
From Contract to Closing	12
StarTex Title Locations	13
Why Title Insurance?	14
Buyer's Helpful Closing Hints	14
Reviewing the Settlement Statement	15
Prorations	16
Homestead Law in Texas	17
Community Property Laws	17
Moving	18
Helpful Phone Numbers	21
Glossary	22
Notes	26

The information herein has been obtained from sources believed to be reliable. However, no investigation has been made to determine the accuracy of such information. No person or entity should rely on the accuracy of these materials without conducting a thorough, independent investigation of same. StarTex Title Company, its officers, agents and employees have no liability, expressed or implied, relating to these materials.

GETTING READY

Before you begin looking for the home of your dreams, there are a few things you should do first. Advanced preparation will help make the home buying process smoother and more efficient.

Organizing Your Finances

- Get a free credit report here: www.freecreditreport.com
- Make a household budget and figure out where money is coming from and where it is going (income vs. bills/debt).
- Begin to gather items such as:
 - i. last 3 years of income tax returns
 - ii. bank statements for the last 3 months
 - iii. current copies of pay stubs
 - iv. records of any past derogatory credit history that has since been paid off
 - v. records of any supplemental income you may have
 - vi. if you are self employed, you will need all business records and income tax returns for the last 3 years.
- If you have been divorced or filed for bankruptcy, make copies of the settlements.
- Pay off minor debts if possible and do not incur new debt.

Be Aware of Financial Plans for Certain Professions

- Many lenders offer special programs for specific service industries and professionals such as teachers, police and firemen, doctors, etc. Be sure to check and see if you qualify for this type of loan during your pre-qualification process.

Benefits of Working with a Realtor

- They help you sort out your financial situation and offer advice on what exactly you can afford.
- They use the MLS and numerous other sources to find information on properties listed for sale that might suit your needs.
- They organize appointments with home sellers.
- They are knowledgeable about the paperwork you will need to fill out when making an offer.
- They will help in the arrangement of financing.
- They are skilled negotiators.

LENDER PRE-QUALIFICATION

It is practical to go ahead and get pre-qualified with your lender before you actually start looking. During the pre-approval process the lender will verify credit worthiness and determine the price range of houses you are qualified to purchase.

Benefits of Pre-Qualification

- **Peace of Mind:** If you are pre-approved, that's just one less thing you have to worry about while you're looking for your new home.
- **Save Time:** Once you are pre-approved, you will know what you can afford so you won't waste any time looking at homes that you aren't qualified for.
- **Negotiating Power:** Once you find the home you want and make an offer, being pre-approved will make your offer have more impact than others, and you will be more likely to get the terms and price you desire.
- **Advanced Problem Solving:** Often, buyers will need a little work to get their loan approved. The best time to get these problems taken care of is prior to making an offer on a home.

BUYER QUALIFICATION WORKSHEET

FHA/Conventional

Mortgage Amount

AVAILABLE FUNDS

1	Savings Account	\$ _____
2	Investments (stocks, bonds and mutual funds)	\$ _____
3	Insurance (cash value)	\$ _____
4	Gifts - Conventional Gifts - FHA (family member or blood relative)	\$ _____
5	Other	\$ _____
6	Monthly Salary	\$ _____
	Gross Monthly Income	\$ _____ (A)

MORTGAGE PAYMENT

	Principal & Interest	\$ _____
	Taxes	\$ _____
	Hazard Insurance	\$ _____
	PMI (Private Mortgage Insurance)	\$ _____
	Homeowner Association Dues	\$ _____
	Total Mortgage Payment	\$ _____ (B)

INCOME QUALIFICATION

For FHA: Take 29% of line (A)

For Conventional: Take 33% of line (A)

(Assuming at least 10% down payment)

Total Mortgage Payment (B) must not exceed line (C) \$ _____ (C)

DEBT QUALIFICATION WORKSHEET

MONTHLY OBLIGATIONS

Total Mortgage Payment	\$ _____
Auto Payments*	\$ _____
Monthly Charge Card Payments (minimum payments)	\$ _____
Loans*	\$ _____
Child Support/Alimony	\$ _____
Child Care Expenses (FHA Only)	\$ _____
Other Monthly Payments	\$ _____
Total Monthly Obligations	\$ _____ (D)

ALLOWABLE OBLIGATIONS

For FHA: Gross Income (A) X 41% or

For Conventional:

Gross Income (A) X 38%

Total Monthly Obligations (D)

must not exceed line (E) \$ _____ (E)

**You need only count debts that will extend beyond six months (FHA) or 10 months (CONV). However, if an obligation is greater than \$100 per month, it may count against the buyer even if it has less than the allowed time.*

SCHOOL DISTRICT INFORMATION

Map Of School District Boundaries

- The following website can show you the School District boundaries for Houston area schools: <http://deleon.tea.state.tx.us/SDL>

Links to Houston Area School Districts

- Aldine ISD – <http://www.aldine.k12.tx.us>
- Alief ISD – <http://www.aliefisd.net>
- Channelview ISD – <http://www.channelview.isd.esc4.net>
- Crosby ISD – <http://www.crosbyisd.org>
- Cypress-Fairbanks ISD – <http://www.cfisd.net>
- Deer Park ISD – <http://www.dpsid.org>

- Galena Park ISD – <http://www.galenaparkisd.com>
- Goose Creek CISD – <http://www.goosecreek.cisd.esc4.net>
- Houston ISD – <http://www.houstonisd.org>
- Huffman ISD – <http://www.huffmanisd.net>
- Humble ISD – <http://www.humble.k12.tx.us>
- Katy ISD – <http://www.katyisd.org>
- Klein ISD – <http://www.kleinisd.net>
- La Porte ISD – <http://www.lpisd.org>
- North Forest ISD – <http://www.northforestschoools.org>
- Pasadena ISD – <http://www.pasadenaisd.org>
- Sheldon ISD – <http://www.sheldonisd.com>
- Spring Branch ISD – <http://www.springbranchisd.com>
- Spring ISD – <http://www.springisd.org>
- Tomball ISD – <http://www.tomballisd.net>

FINDING THE PERFECT HOME

It is extremely beneficial for you to have an idea of what you want and what you need in a home before you start looking. Filling out this questionnaire will help you and your Realtor find the perfect home quickly.

The Home I Am Looking For:

- **is in the price range of** _____ to _____.
- **has features I NEED:**
 - _____ # Bedrooms
 - _____ # Baths
 - Garage
 - Family Room
 - Dining Room
 - Study/Office
 - Landscaped
 - Square Feet _____
 - Other _____
- **is located in this area:** _____
- **is this style:**
 - 1 story
 - 2 story
 - Multi-level
 - Patio home
 - Townhome
 - Condominium
- **is close to:**
 - schools
 - shopping
 - restaurants
 - highway access
 - major employers
 - church
 - synagogue
 - park
 - golf
 - lake
 - other _____
- **is the following age:**
 - new home
 - 1-5 yrs.
 - 6-15 yrs.
 - 6-25 years
 - 26+ years
 - any age
- **has features I WANT:**
 - fireplace
 - pool
 - wet bar
 - hot tub
 - brick exterior
 - stone exterior
 - wood exterior
 - skylight
 - nice view



YOUR NEIGHBORHOOD

Are you curious to know what is located near your area of interest? Are you wondering what the crime statistics are for that area? If so, here are some helpful links for you to explore.

Helpful Links for Home Buyers

- Churches and Day Care – <http://houston.citysearch.com>
- Crime Stats – <http://www.houstontx.gov/police/stats.htm>
- Dentists – <http://www.findadentist.com/usa/Texas/Houston>
- Hospitals, Pharmacies, and Health Clubs – <http://houston.citysearch.com>
- Movies – <http://www.chron.com/entertainment/movies>
- Parks – <http://www.houstontx.gov/parks>
- Restaurants – <http://www.chron.com/entertainment/dining>

ENERGY EFFICIENCY

Being energy efficient doesn't only help our environment, but it can also help a home owner save money! The following are some basic details to keep you informed of the benefits of conserving energy, and how to find a home that is already energy efficient.

Things to Look for in an Energy Efficiency Home

- Shade around outside air conditioning units (condensers).
- Make sure debris and high grass are away from the condenser. They block the air flow to the unit causing it to work harder and run longer.
- Look for new high efficiency air conditioners & heat pumps. They use up to 40% less electricity than older models for the same amount of running time.
- Double-paned windows and ceiling fans help to keep energy usage and costs down.
- Low flow showerheads and toilets help conserve water.

Benefits of Green Gardening

- Saves money by reducing water usage.
- Decreases the need for fertilizers and pesticides.
- Provides a wildlife habitat.
- For more information visit – <http://www.worldwildlife.org/greentips/gardening.cfm>

Helpful Energy Efficiency Information

- Green Building is steadily gathering awareness and practice among designers, builders, and homeowners. For information, go to <http://www.cleanhouston.org>
- Environmental Protection Agency – <http://www.epa.gov>
- ENERGYguide – <http://www.energyguide.com>
- ENERGY STAR – <http://www.energystar.gov>

HOUSE COMPARISON CHART

Take this chart with you when you look at houses. Later on, it will help you organize your thoughts and compare each house that you've viewed.

Address			
Price			
Location			
Curb Appeal			
Neighborhood			
Yard/Landscaping			
Lot Size			
Floorplan			
Bedrooms			
Room Sizes			
Bathrooms			
Study/Office			
Kitchen			
Appliances			
Storage			
Garage			
Deck/Patio			
Pool/Hot Tub			
Heat/AC			
Taxes			
School			
Condition			
Energy Efficiency			

LOAN APPLICATION PROCESS

Now that you've found the ideal home in the perfect location that is affordable to your financial situation, it's time to finalize the loan application. The mortgage loan professional will assist you throughout the loan application process. Once your home is selected, your offer is accepted and the contract is written up, the lender will provide you with a GOOD FAITH ESTIMATE of estimated closing costs for your purchase. At this time, the lender will run a credit report, order an appraisal of the property, verify debt ratios to income, and assist you with any additional requirements.

INSPECTIONS

Once you've found a home that you would like to purchase, it is important to conduct 2 or 3 separate inspections on the home. The type of financing you choose will determine the number of inspections.

First: Your Own Basic Inspection

- **Foundation:** Look for obvious cracks or shifts in the foundation.
- **Roof:** Does it appear sturdy and solid? What is the overall appearance?
- **Evidence of leaks:** Check around windows and ceilings. Check inside as well as out.
- **Attic:** How does the interior of the roof structure look? Is there enough insulation? Does the attic offer storage area?
- **Workmanship:** In general, is the quality up to your standards?
- **Apparent energy efficiency:** Does the house appear tightly sealed?
- **Electrical:** Do all of the switches and plugs work?
- **Plumbing:** Check for proper functioning and any unusual noises.
- **Appliance condition:** What is the age and condition of the stove, dishwasher, refrigerator (if included), etc.?
- **Heating/cooling system:** Do these systems seem to be working?
- **Exterior:** Is the house going to need repairs or paint soon?
- **Lot:** Does the drainage appear good—and away from the house? Are there any trees encroaching on the roof or foundation?
- **Landscaping:** Look for native landscaping. It is much easier to maintain.

You should then have a whole house inspection performed by a reputable inspector. It is much better for you in the long run to spend the \$200 - \$500 that a good inspection costs, instead of later spending thousands of dollars on repairs they would have found. If the contract is written contingent on an acceptable inspection, any defects in the home must be either repaired or monetarily compensated for.

IMPORTANT TIP: There will be a time limit in the contract designating when the inspection must be completed (typically between 7 and 14 days), so it's best to begin your search for the home inspector BEFORE you place an offer on a house.

Finding An Inspector You Can Trust

- **What is the inspector's experience?** How many years have they been in the business and how many inspections do they do a year?
- **Exclusively inspections?** You should look for an inspector who only does inspections ... not inspections “on the side”.
- **What type of report?** Will it be written or oral or both? Will the report contain suggestions for fixing any problems found?
- **How long will it take?** Depending on the size of the house, a good inspection should take between 2 and 4 hours.
- **What certifications do they have?** Your inspector should be ASHI (American Society of Home Inspectors) certified.
- **Does the inspector have Errors and Omissions Insurance?** Should there be an “error or omission” in the inspection (if the inspector misses something), this gives you some level of protection.

If you select a government loan (FHA or VA) a third “mini-inspection” should come at the time of the appraisal.

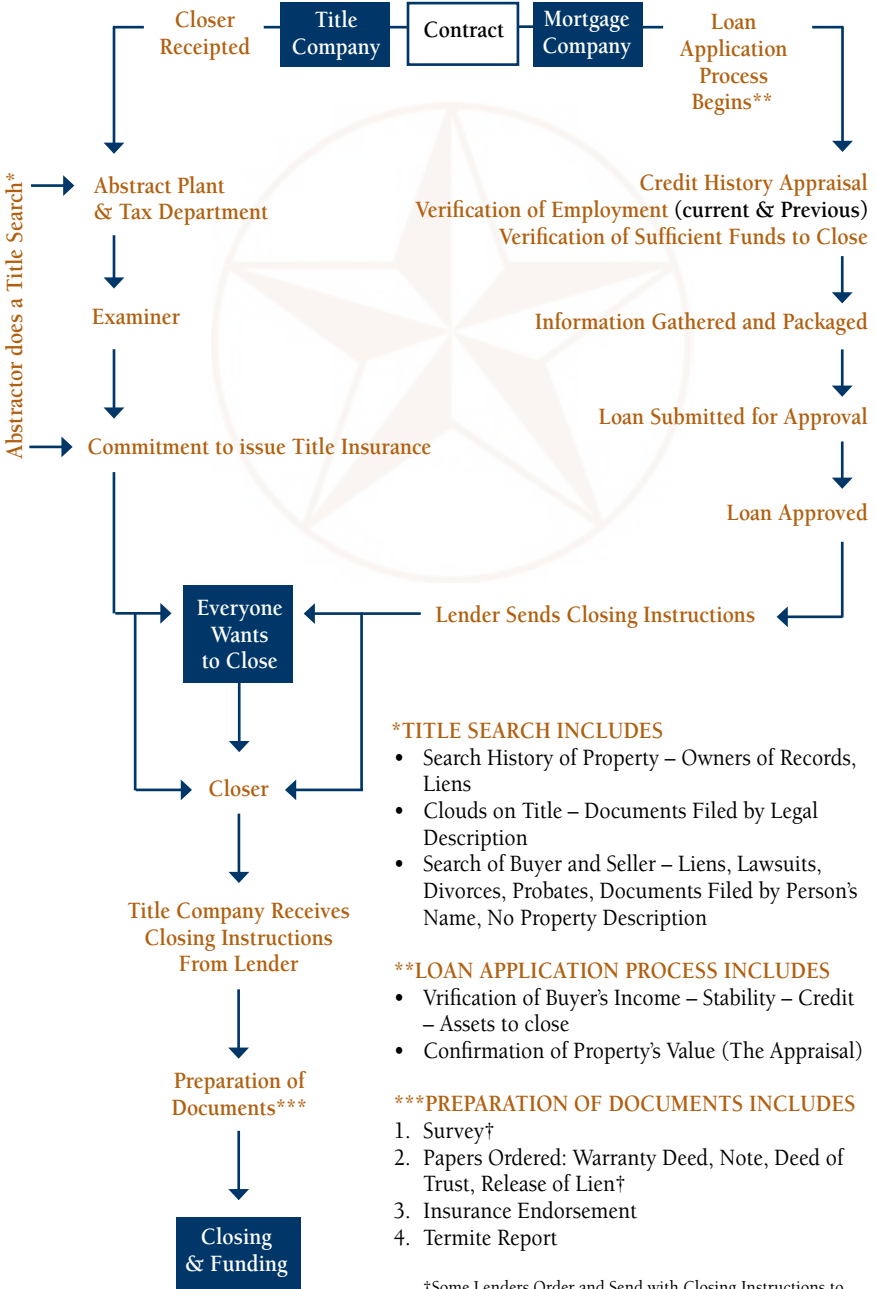
HOMEOWNERS INSURANCE

Homeowners insurance is important to carry because it insures your home AND the things you keep in it. Damage caused by most disasters is covered, but there are a few exceptions such as floods, earthquakes and poor maintenance. Additional policies are required for floods and earthquakes, and proper maintenance is the homeowner's responsibility. Also covered is protection against liability for accidents that injure other people or damage their property.

Tips for Purchasing Homeowners Insurance

- Call for insurance quotes early. The age and location of your new home will be a factor in the cost of your insurance policy. Please notify the title company as soon as you have selected your insurance carrier.
- Insure your new home for its full replacement cost. (See what is required by the lender.)
- Many insurance companies offer better rates if a home has modern heating and electrical systems, smoke detectors, security systems, and dead-bolt locks.
- Make certain your policy indexes the replacement cost to the actual regional increases.
- Be aware that valuables such as fine art, jewelry, furs, coins, etc., might need additional or separate coverage.
- Investigate your options. Umbrella disability and mortgage disability insurance may be helpful.

FROM CONTRACT TO CLOSING



STARTEX TITLE LOCATIONS

StarTex Title Company has thirteen locations in Houston and its surrounding areas. With offices reaching from Sugar Land to Spring, StarTex Title conveniently serves buyers and sellers throughout the entire city and beyond.

Corporate Office

10350 Richmond Av., Ste. 200
Houston, TX 77042
Phone: 713-343-9700
Fax: 713-343-9701

Title Information Services

14090 Southwest Freeway, Ste. 250
Sugar Land, TX 77478
Phone: 281-340-7800
Fax: 281-340-7878

Bissonnet

9555 W. Sam Houston Pkwy. Ste. 326
Houston, TX 77099
Phone: 713-271-36090
Fax: 713-271-0204

Clear Lake / NASA

1400 NASA Pkwy. Ste. D
Nassau Bay, TX 77058
Phone: 281-333-2887
Fax: 281-333-8942

Cypress

26321 Northwest Fwy., Ste. 600
Cypress, TX 77429
Phone: 281-373-0878
Fax: 281-373-0761

Galleria

1177 West Loop South, Ste. 1475
Houston, TX 77027
Phone: 713-418-6000
Fax: 713-418-6001 & 6002

Inner Loop

3700 Buffalo Speedway, Ste. 400
Houston, TX 77098
Phone: 713-418-7000
Fax: 713-418-7001

Katy

23930 Westheimer Pkwy. Ste. 101
Katy, TX 77494
Phone: 281-395-5000
Fax: 281-395-5007

Memorial

12522 Memorial Dr.
Houston, TX 77024
Phone: 713-464-1320
Fax: 713-464-1321

Northwest

8711 Hwy 6 North, Ste. 100
Houston, TX 77095
Phone: 281-656-3700
Fax: 281-656-3701

Deer Park / Pasadena

6021 Fairmont Pkwy. Ste. 160
Pasadena, TX 77505
Phone: 281-998-8987
Fax: 281-998-9827

Richmond / Rosenberg

503 FM 359, Ste. 140
Richmond, TX 77406
Phone: 281-762-3333
Fax: 281-762-3334

Spring / Cypress

18425 Champion Forest Dr., Ste. 120
Spring, TX 77379
Phone: 832-249-7800
Fax: 832-249-7895

Sugar Land

14090 Southwest Fwy., Ste. 150
Sugar Land, TX 77478
Phone: 281-340-7800
Fax: 281-340-7878

Fee Attorney Offices

2100 West Loop South, Ste. 1150
Houston, TX 77027
Phone: 713-979-1010
Fax: 713-979-1715

WHY TITLE INSURANCE?

The state of Texas regulates the sale of title insurance, such that the premiums are based on the sale price of the property and the premiums may not be discounted by the title companies.

Most sellers view the title insurance premium as an unnecessary cost of sale, which benefits the buyer only. In fact, providing title insurance to the buyer is equally important to the seller.

Transfer of real estate in the State of Texas must be evidenced by a “deed”. Types of deeds include: quit claim deeds, special warranty deeds and general warranty deeds, are a few of the most common. The TREC Contract forms require the seller to provide the buyer a “general warranty deed”. This type of deed is a unilateral contract, evidencing seller’s warranty of title to the buyer. The warranty period goes all the way back to the Texas land grants in the 1840’s. In the event a “cloud on title” surfaces at the time of the buyer’s future sale, the buyer has the legal right to sue the seller for breach of warranty of title to the property. Title insurance shifts the risk of liability from the seller to the title insurance company. Sellers benefit considerably when providing title insurance to buyers.

BUYER’S HELPFUL HINTS

Please Provide Closing Officer with the Following:

- **Homeowners Insurance:** Prior to closing, please provide us with your choice of homeowners insurance and your insurance agent’s name and telephone phone number.
- **Certified Funds:** The Texas Department of Insurance requires certified funds at closing. Your closing cost must be in the form of a cashier’s check, certified check or wired funds. Make the checks payable to StarTex Title Company. Please, no cash. Your closing officer or Realtor will contact you prior to closing with the amount of your closing cost. We will accept a personal check for amounts less than \$1,500.
- **Wired Funds:** If you wish to wire your closing cost from your account directly to StarTEX Title’s escrow account, please inform us prior to closing so that we may assist you in making the arrangements.
- **Identification:** Don’t forget to bring your driver’s license or other form of official picture ID to closing.
- **Reviewing the Documents:** If you wish to examine your loan documents prior to closing, please request that the mortgage company provide the documents to the title company at least one day prior to closing so that we can process the closing documents and provide you with copies for your review in a timely manner.

Avoiding Common Closing Delays:

- Don't forget to bring the **termite certificate** to closing.
All **bills for inspections, repairs, or other items** to be paid at closing must be provided to us prior to the actual closing.
- If you will not be present at closing to sign documents and you intend to use a Power Of Attorney, you must provide the original Power Of Attorney to your closing officer at SarTex Title prior to closing for approval and recording of the document. (The lender will also need to approve the Power Of Attorney). On the day of closing, we will need a contact number in order to reach you to verify that you are alive and well and have not revoked the Power Of Attorney.
- If you are unable to attend the closing and will sign the papers by express mail, please provide StarTex Title with the forwarding address including zip code. Also provide us with a contact number in case we need to reach you. You will need to sign the papers in front of a notary. We will provide you with a return express mail packet. Please send the closing papers back to us the same day you receive them, after they have been signed and notarized.

REVIEWING THE SETTLEMENT STATEMENT

Let's take a look at the HUD-1 Settlement Statement that RESPA officially endorses for all transactions: new loans, assumptions, all-cash, owner finance, etc.

- The first page summarizes the entire financial transaction. The left half of the page is devoted to the buyer. The top portion covers the charges the buyer is facing. The sales price of the subject property is first, followed by closing costs and pro rata taxes (if the closing takes place during the 4th quarter). The bottom portion covers buyer credits: earnest money, new loan amounts and any taxes.
- The right side of the first page is devoted to the seller and is a reversal of the buyer's side. The top covers credits: the sales price and any pro rata tax credit. The bottom portion covers charges: closing costs, mortgage payoffs, pro rata taxes, repairs, etc.
- Page two is simply a detailed breakdown of all buyer and seller closing costs, as summarized on page one. The buyer's information is in the left column, the seller's in the right.
- The HUD-1 is usually the first document discussed during a real estate closing. Your escrow officer will review this document with you at closing.

PRORATIONS

Proration is defined as the act of dividing property taxes, interest, insurance premiums, rental income, etc., between buyer and seller proportionately to time of use or the date of closing. In a typical sale/purchase closing, the item most routinely prorated is the ad valorem taxes for that year. Since ad valorem taxes are paid at the end of the year in which they are due (they can be paid as early as October 1st or as late as January 31st of the next calendar year without penalty in most Texas counties), any closing taking place before October 1st will generally show a charge to the seller from January 1st to the closing date and a credit to the buyer for the same period. Unless negotiated otherwise, this allows the seller to pay taxes for the time that he or she actually had ownership, use and enjoyment of the property. Around October 1st, tax notices will be sent to the new owners for the year. They will be expected to pay taxes (usually through their mortgage company escrow account) for the full year. Taking into account the credit that they received at closing, the new owners actually pay taxes only for the time during which they had ownership, use and enjoyment of the property. Title companies use the best information available when prorating taxes prior to October 1st (when official figures are released by the tax authorities). This best-available information is usually the tax amount paid for the prior year.

In closings that occur after official tax figures are released (generally October 1st), title companies will normally charge each party their pro rata tax amount and pay the taxing authorities directly. This allows title companies to insure that taxes have been paid when issuing their mortgage title policies.

Loan assumptions usually involve several prorations, such as taxes, interest and escrow accounts. Most hazard insurance companies do not allow existing policies to be assumed. Consequently, the buyers must provide and pay for a new policy at the closing. The seller can cancel his or her policy after the closing and receive a refund of the unearned premium directly from their local insurance agent.

A loan assumption closing involving prorations is usually handled in the following manner. The escrow account is purchased by the buyer and credited to the seller. The account must be "sufficient" at the time of transfer (any shortages must be collected from the seller and added to the existing balance). Unless negotiated otherwise, the tax proration is handled in the same way. Interest on the mortgage must also be prorated at the time of closing. Since interest is paid in arrears (a May payment covers April interest), the buyer is usually credited with the interest from the first of the month in which the closing occurs to the closing date; the seller is charged with this same amount. For example, if a closing occurs May 21st, the buyer's first payment will be due June 1st. The June payment covers interest for the month of May, so the buyer is reimbursed for the time the seller still had ownership and use of the property (from May 1st to May 21st).

This discussion assumes that the buyer will take possession of the property at closing. Obviously, if a buyer is allowed to take possession of the property prior to the actual closing, the contract should reflect this fact and stipulate whether or not the proration date is changed accordingly. Whenever the contract contains specific requirements regarding prorations, the title company will follow the instructions of the contract.

HOMESTEAD LAW IN TEXAS

The “residential homestead” refers to the lot or parcel of land upon which the residence of the family or single adult is located and anything which is a part of that land is subject to the homestead exemption laws of the State of Texas. Those laws primarily provide for the security of a family’s home, shelter, and earning of a livelihood free from the claims of all creditors, save and except the holders of purchase money liens, home equity liens, and liens for improvements, taxes, and federal tax liens.

COMMUNITY PROPERTY LAWS

Texas Is A Community Property State

Community property may be defined as all property acquired by either spouse during marriage, except that which is the separate property of either. Separate property may be defined as “all property owned or claimed by either spouse before marriage and also that was acquired afterward by gift, devise or descent.” Exactly what constitutes separate property is a question of fact, as property acquired during marriage is generally presumed to be community property. Therefore, for the purpose of insuring title, should one spouse claim property to be separate in nature, that spouse must be able to prove it.

Whenever the contract contains specific requirements regarding prorations, the title company will follow the instructions of the contract.



MOVING

Moving is one of the most stressful things a person can go through. In order to alleviate as much of that stress as possible, you should start early (as soon as you decide to sell your house) and follow a time table.

Choosing a Mover

If you decide not to do the move yourself, you'll need to choose a mover. Some local resources for this are located on page 19. Here are a few additional tips for choosing a moving company:

- Spend as little as possible, but also make sure you are choosing movers with the right equipment and experience.
- Ask for references.
- Get estimates in writing.
- Be aware that you can get discounts depending on your profession and other organizations you may belong to.
- Confirm mover credentials. Movers should be licensed and bonded, and employees should have workmans compensation insurance.

Moving Countdown

8 WEEKS BEFORE THE MOVE

- If you're moving yourself, get estimates on truck rentals and be sure to reserve a truck.
- If you're using a moving company, get estimates and pick one.
- Draw a floorplan of your new house and try to decide what furniture will stay and what will go.
- Use up things that can't be moved.

6 WEEKS BEFORE THE MOVE

- Have a discussion with your mover, getting everything in writing, about costs, insurance, packing, loading, delivery and the claims procedure.
- Make an inventory of your possessions. Decide what can be sold and what can be given away to a charity of your choosing.
- Get copies of records from doctors, dentists, lawyers, accountants, etc.
- Make arrangements to transfer your children's school records.

4 WEEKS BEFORE THE MOVE

- If you are having the movers pack for you, arrange for this to happen a day or two before they begin loading the truck.

- If necessary, arrange for storage.
- Clean or repair any furniture, curtains or carpets that need it.
- Hold a garage sale.
- If you are moving yourself, figure out how many boxes you need.
- If you are moving yourself, figure out what size truck you will need by calculating the cubic feet of the boxes plus large furniture pieces.

3 WEEKS BEFORE THE MOVE

- Assemble packing materials:

__ Furniture pads	__ Nylon packing string and rope	__ Packing tape
__ Crumpled newspaper	__ Bubble wrap	__ Scissors
__ Styrofoam “peanuts”	__ Large self-stick labels	__ Utility knife
__ Boxes	__ Felt-tip markers	
- Begin packing items that you won't need.
- Arrange to cancel utilities and services at your old home and have them installed at your new home.
- Make travel and hotel reservations.
- Organize car license, registration, and insurance.

2 WEEKS BEFORE THE MOVE

- Arrange to transfer all bank accounts to new branches.
- Make any special arrangements to move pets. Ask your veterinarian about how to make the move as easy as possible for your pet.
- Inform current long-distance phone company of the date of your move, and make arrangements for telephone service at your new home.
- Have your car checked and serviced for the trip.
- Cancel any direct deposit and/or payment arrangements on bank accounts you are closing.
- Cancel delivery services.
- Send in change of address form to the Post Office.
- Change your address with any magazine subscriptions you have.
- Send a change of address notice to your friends and family.

1 WEEK BEFORE THE MOVE

- Transfer all medical prescriptions to a pharmacy near your new home.
- If you have small children, you may want to make arrangements for a babysitter.
- Return library books and video tapes.

2 OR 3 DAYS BEFORE THE MOVE

- Defrost your refrigerator and freezer.
- Have your movers pack your shipment.
- Arrange to have payment ready for the driver on moving day.
- Set aside valuables and legal papers to go with you, not in the van.
- Pack clothing and toiletries to go with you; take extra in case of delay.
- Pack your first-day handy items box (see Delivery Day) to go with you.

MOVING DAY

- Do-it-yourself movers should pick up the truck as early as possible.
- Make a list of every item and box loaded into the truck.
- Let the mover know how to reach you.
- Before you sign the mover's agreement, read the conditions. Keep it in a safe place until your goods are delivered, charges are paid, and all claims are settled.
- Check to make sure you have turned off the water and that no leave-behind appliances running in your old house.
- Inspect attic and garage.
- Lock all doors and windows.

DELIVERY DAY

- Assemble first-day handy items:
 - Scissors Coffee cups Paper plates
 - Soap Masking tap Trash bags
 - Shelf liner Utility knife Bath towels
 - Toilet paper Pencils and paper Snacks
 - Toiletries kit Local phone book Instant tea, coffee, soft drinks
- Check off all boxes and items as they come off the truck.
- Install new locks.
- Make sure utilities are connected.
- Unpack kids' toys.
- Be on hand to answer questions, pay the driver, give directions, take care of any last-minute problems and examine your goods.

HELPFUL PHONE NUMBERS

Moving is one of the most stressful things a person can go through. In order to alleviate as much of that stress as possible, you should start early (as soon as you decide to sell your house) and follow a time table.

EMERGENCY HELP - 911

Non-Emergency Houston Service Help Line:
(Traffic signals & signs, potholes, broken curbs, water leaks, etc.) Be sure to request a reference number.

3-1-1 or 713-837-0311

City of Houston – Public Works
City of Houston – Public Utilities

City of Houston – Solid Waste

City of Houston – Curbs & Ditch

City of Houston – Code Violations &
Neighborhood Protection

(All of the above) 3-1-1
or 713-837-0311

www.houstontx.gov

Harris County Public Library

713-749-9000

Houston Independent School District

713-892-6000

Houston Public Library

713-247-2222

United States Post Office

713-226-3495

Drivers License

(Texas Department of Public Safety)
713-681-1761

Vehicle Registration

713-224-1919

Voter Registration

1-(800) 252-8683

Center Point (gas)

713-659-2111

Reliant Energy (electric)

713-207-7777

Time Warner Cable

713-462-9000

SBC

(telephone)

1-800-464-7928 (new service)

1-800-246-8464 (repair)

METRO

(Light Rail/Bus Schedules & Routing)

713-635-4000

METRO Police Dispatch

(concerns along the rail/bus stops
& HOV)

713-224-COPS (2677)

Houston Police Department

(Non-Emergency)

713-884-3131

Central HPD Station

713-247-4400

South Central HPD Station

713-651-8100

Harris County Sheriff's Department

713-221-6000

Crime Stoppers

713-222-8477

Poison Center

1-800-222-1222

Veterans Administration

713-664-4664

Social Security Administration

713-653-4700

Internal Revenue Service

713-892-6000

City Hall

713-247-1000

Mayor Bill White

mayor@cityofhouston.net

GLOSSARY

ADJUSTABLE-RATE MORTGAGE (ARM)

A loan with an interest rate that changes periodically in keeping with a current index, like one-year treasury bills. Typically, ARMs can't jump more than 2 percentage points per year or 6 points above the starting rate.

AMORTIZATION

A payment plan which enables the borrower to reduce his debt gradually through monthly payments of principal.

APPRAISED VALUE

An estimate of the value of the property offered as security for a home loan. This appraisal is done for financial lending purposes and may not reflect the actual market value.

BRIDGING FINANCE

A short-term loan, usually at a higher rate of interest, taken out by people who have bought a house while waiting for theirs to be sold, or when a normal mortgage and their savings fall below the asking price.

CAVEAT EMPTOR

Latin for "let the buyer beware". This puts the burden onto the buyer to be satisfied with the item before purchasing the property.

CERTIFICATE OF TITLE

Legal proof of ownership of a property carrying the owner's name and other information.

CHATELS

Chattels are personal property. There are 2 types: Real chattels are buildings and fixtures; personal chattels are clothes, furniture, etc.

CONVENTIONAL MORTGAGE: A mortgage loan not insured by HUD or guaranteed by the Veterans' Administration. It is subject to conditions established by the lending institution and state statutes. The mortgage rates may vary with different institutions and between states. (Each state has various interest limits.)

CREDIT REPORT

A report on the past ability of a loan applicant to pay installment payments in a timely manner.

COMMISSION

Fee payable to real estate agent for selling the property by the person authorizing the sale; usually a percentage of the sales price.

CONTRACT OF SALE

Written agreement setting out the terms and conditions of a property sale.

COVENANT

Conditions affecting the use of land or property written into the title.

DEPOSIT

Usually 10% of the purchase price of a property placed in trust as evidence of intention to buy. Nonrefundable after exchange of contract, the deposit goes towards the purchase price when the sale goes through.

DOCUMENT PREPARATION FEE

A charge by an attorney for preparing legal documents for a transaction.

EARNEST MONEY

The deposit money given to the seller or his agent by the potential buyer upon the signing of the agreement of sale to show that he or she is serious about buying the house. If the sale goes through, the earnest money is applied against the down payment. If the sale does not go through, the earnest money will be forfeited or lost unless the binder or offer to purchase expressly provides that it is refundable.

ENCROACHMENT

When a building overhangs someone else's property, or a fence is built over the dividing line between two properties.

ENCUMBRANCE

An easement, mortgage or other liability on a property which impedes its use or transfer.

EQUITY

The difference between the market value of the property and any loans that are outstanding on the property.

EXCLUSIONS

Any item that is specifically not included in the sale, e.g. an above ground pool, garden shed, etc.

ESCROW

Funds paid by one party to another (the escrow agent) to hold until the occurrence of a specified event, after which the funds are released to a designated individual.

FLAT INTEREST RATE

An interest rate that is based on the original amount of the mortgage for the whole term of the loan.

FIXED-RATE MORTGAGE

A loan that carries an unchangeable interest rate over its entire term -- typically a period of 15-30 years.

FREEHOLD

An owner's interest in land where the property and the land on which it stands both belong to their owner indefinitely.

HOMEOWNER'S INSURANCE

Protects the property and contents in case of damage or loss; must be for at least the loan amount or for 80% of the value of the improvements, whichever is greater.

INCLUSIONS

Lights, curtains, blinds, ceiling fans, air-conditioning units, flyscreens, TV antenna, dishwasher, range hood, stove, fixed cupboards, clothes hoist or any other removable item that the vendor has agreed will be included in the sale.

INTEREST

A charge paid for borrowing money.

INTEREST-ONLY LOAN

Loan on which interest is only paid periodically and the principal paid at the end of the term.

INSPECTIONS

An examination of property for various reasons such as termite inspections; inspection to see if required repairs were made before funds are received, etc.

INVENTORY

List of items included with a property for sale; usually furniture, furnishings and other removable items.

INVESTMENT

The purchase of an asset, such as real estate, with the ultimate goal of producing capital gain on the resale of the asset.

JOINT TENANTS

Joint Tenancy is the equal holding of property by two or more persons. If one person dies, their share passes to the survivors.

LAND TAX

Value-based levy applied to some property (exemptions include principal place of residence).

LIABILITIES

Your outstanding debts or what you owe.

LIEN

A claim by one person on the property of another as security for money owed. Such claims may include obligations not met or satisfied, judgments, unpaid taxes, materials or labor.

LIMITED TITLE

Form or Torrens Title which applies to a property before it has been adequately surveyed.

LOAN APPLICATION FEE

Paid to the lender at time of application: check with lender for amount.

LOAN DISCOUNT

The points a lender charges; may be paid by either buyer or seller on conventional loans; number of points fluctuates with mortgage money market.

MAINTENANCE FEE

Charged by the homeowner's association as set out in the subdivision restrictions.

MATURITY DATE

The last day of the term of the home loan agreement. The home loan must then be paid in full or the home loan agreement must be renewed.

MORTGAGE

Legal agreement on the terms and conditions of a loan for the purpose of buying real estate. (A mortgage lends the money to a mortgagor, the borrower).

MORTGAGEE'S TITLE POLICY

Required by the lender to insure that the lender has a valid lien; does not protect the buyer.

MULTIPLE LISTING

System of selling the property through many agents. The buyer pays only one commission. This goes to the agent who lists the property on an official multiple listing form for other agents (if the agent sells the property), or is shared between the first agent and the agent who actually finds the buyer.

OFFER TO PURCHASE

A formal legal agreement which offers a specified price for a specified property. The offer may be firm (no conditions attached) or conditional (certain conditions apply).

OPTION TO BUY

Legal agreement giving the buyer the right to purchase property at a certain time and price. Option fee, usually one percent of the price, is payable and forfeited if the buyer does not go through with the transaction.

ORIGINATION FEE

A fee the buyer pays the lender to originate a new loan.

OWNER'S TITLE POLICY

Insures that the buyer has title to the property.

PITI

Abbreviation for principal, interest, taxes, and insurance, all of which are lumped together in your monthly mortgage payment.

POINTS

A one-time only fee you pay up front to your lender, sometimes in exchange for a slightly lower mortgage rate. One point equals one percent of the total amount you plan to borrow.

PRINCIPAL

The actual amount of money that has been borrowed to buy a property.

PRIVATE MORTGAGE INSURANCE (PMI)

Insurance against a loss by a lender (mortgagee) in the event of default by a borrower (mortgagor).

REALTOR FEES

An amount paid to the Realtor as compensation for his/her services.

RECORDING FEES

Charged by the County Clerk to record documents in the public records.

RESTRICTIONS

Certified copy of deed restrictions required by lender.

SETTLEMENT

Completion of sale when balance of contract price is paid to the vendor and the buyer is legally entitled to take possession of the property.

SURVEY

Confirms lot size and identifies any encroachments or restriction violations.

TITLE INSURANCE

Protects lenders and homeowners against loss of their interest in property due to legal defects in title.

TITLE SEARCH

The process of examining the land title to ensure the vendor has the right to sell and therefore transfer ownership. A title search details information about the property such as caveats on the title.

VENDOR

Person offering property for sale.

