

# Your New Home

Buyer's Information Booklet

by

Sathers JS Realty, LLC



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# The Sathers JS Realty, LLC Team

Sathers JS Realty LLC is a family owned business located in the Pike Lake area of Duluth. Owner Jackie is pleased to have daughter Jamie, daughter-in-law Julie, and grandson Braxton on her team to offer clients the best service around. Together this team has over 87 years combined experience and a long history of success.



## **Jackie Sathers - Broker, REALTOR, GRI, CRS**

Licensed REALTOR since 1980.  
Certified Residential Specialist (CRS).  
Graduate of the REALTORS Institute (GRI).  
Teaching Degree—University of Minnesota, Duluth.  
Past President of the Duluth Area Association of REALTORS.  
Past member of the State Professional Standards Committee.  
Past Secretary for the Board of Directors for Choice Unlimited.  
Leader of the Sathers JS Realty Team - the Mom and Mother-in-law.  
Married to Jim Sathers, local excavating contractor.  
Mother of three, grandmother of four, owner of an English bull dog.



## **Jamie Sathers-Day - Broker, REALTOR, GRI, CRS, ABR**

Licensed REALTOR since 1989.  
Certified Residential Specialist (CRS).  
Accredited Buyer Representative (ABR).  
Graduate of the REALTORS Institute (GRI).  
Business Management Degree—College of St. Scholastica.  
Past Member of Board of Directors for the Duluth Area Association of REALTORS.  
Past Board Member on the Hermantown Chamber & Cloquet Area Hockey Association (CAHA).  
Current Board Member at St Ann's Residence.  
Married to Patrick Day, teacher at Carlton High School.  
Proud mother of two sons and one dog.



## **Julie Sathers - REALTOR, GRI, CRS, ABR**

Licensed REALTOR since 1994.  
Certified Residential Specialist (CRS).  
Graduate of the REALTORS Institute (GRI).  
Accredited Buyer Representative (ABR).  
Accounting Degree from University of Wisconsin, Superior.  
Past President of the Board of Directors for the DAAR.  
Past Director for MNAR Board of Directors & DAAR Liaison.  
Past Member of MN Professional Standards Committee.  
Volunteer for Proctor and Mirage youth hockey teams, and 4-H Horse.  
Family includes husband Bard Sathers, two children, two dogs, one cat, three horses, and chickens.  
Other interests: horseback riding, family cabin outings, snowmobiling, fishing, watching youth and high school hockey.



## **Braxton Sathers - REALTOR**

Licensed REALTOR since 2017.  
Pursuing degrees in Marketing and Business Management at The College of St. Scholastica.  
Member of the CSS golf team and former goalie for Proctor High School hockey.  
Can be found occasionally at the Sather's Gravel Pit helping out as a loader/operator.  
Son of Julie and Bard Sathers, grandson of Jackie and Jim Sathers.

The Sathers JS Realty Team enjoy giving back to the community through donations and volunteer work with organizations such as the Food Bank, Memorial Blood Center, Muscular Dystrophy Association, Twig, Proctor, Esko, Carlton and Cloquet sports, So. St. Louis County 4-H, Special Olympics, and more.

# Table of Contents

<b>Agency/Representation Paperwork.....</b>	<b>4</b>
<b>Buying a Home Doesn't Need to be Puzzling.....</b>	<b>5</b>
<b>Overview of the Home Buying Process.....</b>	<b>6</b>
<b>Buyer Mistakes.....</b>	<b>7</b>
<b>Budget Worksheet .....</b>	<b>8</b>
<b>How Much Down Payment Can You Afford.....</b>	<b>9</b>
<b>Home Comparison Charts.....</b>	<b>10</b>
<b>Applying for a Loan.....</b>	<b>11</b>
<b>Mortgage Companies.....</b>	<b>12</b>
<b>Home Inspectors.....</b>	<b>13</b>
<b>Other Disclosures.....</b>	<b>14</b>
<b>Closing Checklist.....</b>	<b>15</b>
<b>Moving Checklist.....</b>	<b>16</b>
<b>Who do I Call?.....</b>	<b>17</b>
<b>ABC Buyer .....</b>	<b>18</b>
<b>Glossary of Terms.....</b>	<b>19-20</b>
<b>Agency Relationship Disclosure Form.....</b>	<b>21-22</b>
<b>Security Policies and Procedures.....</b>	<b>23</b>

**Please take a few moments to review us online at  
Zillow.com, Realtor.com, Yelp, Facebook & Google+.**

# AGENCY RELATIONSHIPS IN REAL ESTATE TRANSACTIONS

1. Page 1

- 2. MINNESOTA LAW REQUIRES that consumers what type of agency representation is not a contract. This is an agency written contract, according to statute.
- 3. is not a contract. This is an agency written contract, according to statute.
- 4. written contract, according to statute.
- 5. as you choose to enter into a written contract.
- 6. any representation from the broker.
- 7. paragraph V on page two (2),
- 8.

- 9. ACKNOWLEDGMENT: I/We understand that we are entering into a contract with the broker/salesperson. I/We understand that we are entering into a contract with the broker/salesperson.
- 10. I/We understand that we are entering into a contract with the broker/salesperson.
- 11. broker/salesperson. I/We understand that we are entering into a contract with the broker/salesperson.

12. THIS

## BUYER REPRESENTATION CONTRACT: EXCLUSIVE

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form. © 2013 Minnesota Association of REALTORS®, Edina, MN

- 1. Date \_\_\_\_\_ pages \_\_\_\_\_ ("Buyer").
- 2. Page 1 of \_\_\_\_\_ pages \_\_\_\_\_ ("Broker").

3. DEFINITIONS: Buyer is \_\_\_\_\_  
4. Broker is \_\_\_\_\_  
(Real Estate Company Name)

5. Buyer gives Broker the exclusive right to locate and/or to assist in negotiations for the purchase, exchange of or option to purchase ("Purchase") property at a price and with terms acceptable to Buyer. This Contract starts on \_\_\_\_\_, 20\_\_\_\_, and ends at 11:59 p.m. on \_\_\_\_\_.

6. This Contract may only be canceled by written mutual agreement of the parties.

7. **BROKER'S OBLIGATION:** Broker shall make a reasonable effort to locate property acceptable to Buyer. Broker shall use professional knowledge and skills to assist in negotiations for the Purchase of property. Broker shall assist Buyer throughout the transaction. Broker shall act in Buyer's best interest at all times, subject to any limitations imposed by law or dual agency. Broker shall comply with all applicable fair housing and nondiscrimination regulations.

8. **BUYER'S OBLIGATION:** Buyer shall work exclusively with Broker for the Purchase of property. Buyer shall promptly furnish to Broker accurate and relevant personal financial information to ascertain Buyer's ability to Purchase property, if requested. Buyer shall cooperate with Broker in finding a property to Purchase. After a purchase agreement has been accepted by seller, Buyer is legally obligated to Purchase the property. If Buyer refuses to close the Purchase for any reason other than the failure of seller to perform, subject to relevant contingencies, Buyer shall pay Broker all compensation due under this Contract.

9. **NOTICE: THE COMPENSATION FOR THE PURCHASE, LEASE, RENTAL OR MANAGEMENT OF REAL PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND THE BROKER'S CLIENT.**

10. **BROKER'S COMPENSATION:** (Fill in all blanks.)  
11. If Buyer, or any other person acting on Buyer's behalf, agrees to Purchase any property during the term of this Contract, the following compensation will apply.

- 12. 1. Buyer agrees to pay Broker a retainer fee of \$ \_\_\_\_\_ at the commencement of this Contract, which fee shall be kept by Broker whether or not Buyer Purchases property. The retainer fee shall apply toward satisfaction of any obligation to compensate Broker.
- 13. 2. Buyer shall pay Broker, as Broker's compensation, \_\_\_\_\_, whichever is greater, when Buyer closes the Purchase, if:
  - 14. A: Buyer Purchases or agrees to Purchase a property before the expiration of this Contract, even if Buyer does not use Broker's services; or
  - 15. B: within \_\_\_\_\_ days (not to exceed six (6) months) after the expiration of this Contract, Buyer Purchases property which either Broker or licensee representing or assisting Buyer has physically shown Buyer or in which Buyer has made an affirmative showing of interest to Broker or licensee representing or assisting Buyer before the expiration of this Contract, as long as Broker has identified this property on a written list Broker gives to Buyer within 72 hours after the expiration of this Contract.

16. Broker is authorized to negotiate and receive compensation paid by seller, or broker representing or assisting seller, if Broker informs Buyer in writing before Buyer signs an offer to Purchase the property. Any compensation accepted by Broker from seller, or broker representing or assisting seller,  SHALL  SHALL NOT reduce any obligation of Buyer to pay the compensation by the amount received by seller or broker.

17. Buyer understands that Buyer does not have to pay Broker's compensation if Buyer signs another valid buyer representation contract or facilitator services agreement after the expiration or cancellation of this Contract, under which Buyer is obligated to compensate another licensed real estate broker.

MNBRCE-1 (8/13)

## DISCLOSURE STATEMENT: COMPENSATION DISCLOSURE TO BUYER/TENANT

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Buyer/Tenant, relating to the property located at \_\_\_\_\_

paid to Broker, excluding listing portion, \_\_\_\_\_ % of sale price.

lease or

Instant Forms

# Agency/Representation Paperwork

**MINNESOTA LAW REQUIRES** that early in any relationship, real estate brokers or salespersons discuss with the consumer what type of agency representation they desire. If you desire representation, a buyer contract is required. If you do not desire representation, only disclosure must be signed.

## Customer or Client *What's the difference?*

In real estate transaction, buyer-clients are entitled to a higher level of service than buyer-customers. Becoming a client typically involves signing a Buyer Representation Agreement with a buyer's representative, who then owes you fiduciary duties. This means that your buyer's rep is expected to exercise discretion when acting on your behalf, including adhering to very specific responsibilities, obligations, and high standards of good faith and loyalty.

For example, if you're a client, a buyer's agent will seek to negotiate the most favorable transaction for you and will not disclose any material facts about your situation that could hurt your negotiating position.

If however, you are only a customer, a buyer's rep may not be in a position to answer even basic questions, such as "Why are they selling?" or "Is this home priced competitively?" This is because they are acting instead as a facilitator.

<b>If you are a CUSTOMER (no fiduciary relationship), an agent will:</b>	<b>If you are a CLIENT (fiduciary relationship), your agent will:</b>
<ul style="list-style-type: none"><li>•Maintain loyalty to the seller's needs.</li><li>•Tell the seller all that they know about you.</li><li>•Keep information about the seller confidential.</li><li>•Focus on the seller-client's property.</li><li>•Provide just the material facts.</li> <li>•Only provide price information that supports the seller's listing price. No counseling.</li><li>•Act in the best interest of the seller.</li> <li>•Negotiate on behalf of the seller.</li><li>•Attempt to solve problems to the seller's advantage and satisfaction.</li></ul>	<ul style="list-style-type: none"><li>•Pay full attention to your needs.</li><li>•Tell you all that they know about the property.</li><li>•Keep information about you confidential.</li><li>•Focus on choices that satisfy your needs.</li><li>•Provide material facts as well as professional advice.</li> <li>•Provide price counseling based on comparable properties and their professional insights.</li><li>•Act in your best interest, subject to any limitation imposed by law or dual agency.</li> <li>•Negotiate on your behalf.</li><li>•Attempt to solve problems to your advantage and satisfaction.</li></ul>

## Buying a home does not need to be puzzling!

We're great at putting the pieces together and can't wait to help you out! Our guarantee to you is to act in your best interest by providing information about the ins and outs of home buying. We have the ability to show you any property listed with the Duluth area MLS (Multiple Listing Service).

Here is what we do for you:

- We are always on the lookout for the property that matches your hopes, needs, and wants, and we'll contact you when we find it!
- We have access to daily computer updates for properties that come on the market.
- We will spend time with you to show you the properties that fit your profile and help you in the decision-making process.
- We will educate you in making a reasonable offer by showing you homes and what homes in your price range are selling for.

**\*Remember:** Don't be afraid or hesitate to ask us anything!

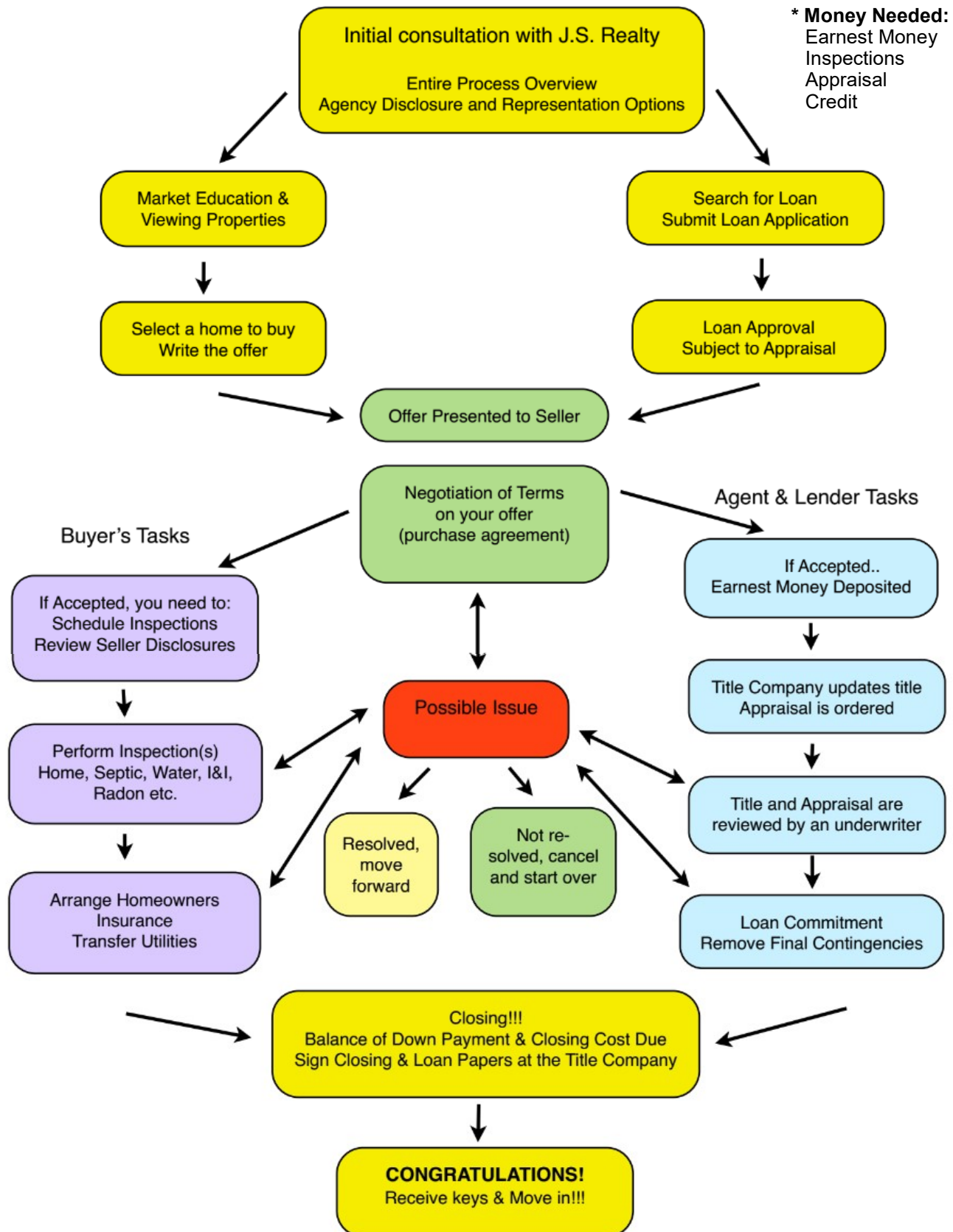
We are willing to commit time and energy away from our families to help you realize your dream of owning a home!

**We're ready to make a commitment, are you?**

### Fair Housing Policy:

This company conducts business in accordance with all federal, state, and local fair housing laws. It is our policy to provide housing opportunities to all persons regardless of race, color, religion, sex, familial status, handicap, national origin or sexual orientation. The company's fair housing procedures are not recommendations. They must be followed by everyone associated with the company.

# Overview of the Home Buying Process



# 11 Mistakes Buyers Make

## 1. Not Using a Real Estate Professional

Experience matters! As knowledgeable and accredited REALTOR®s, the Sathers JS Realty team can use their vast network of professionals in the field & past/present clients to facilitate your entire buying process. Lenders, Abstract/Title, & Inspectors are important members of the purchasing process. Your agent can assemble the dream team and the entire Sathers JS Realty team works together as needed to help each client.

## 2. Not Going to the Bank Early in the Process

You may understand that the buying process involves putting together a lot of documents for the bank, making important financial decisions, and ultimately deciding on a price range that works for you. What you may underestimate is how long that process takes. It's important to start your house-hunting process being as informed as possible in order to make quick decisions.

## 3. Not Being Able to Make Quick Decisions

The best properties on the market move fast. As mentioned above, it's important to not only be financially able to make quick decisions but be able to decide between what's a need, a want, and a dream. Essentially, know what's a deal breaker and what you can live with.

## 4. Not Differentiating Between Needs, Wants, and Dreams

Write down your minimum needs, then the "what would be nice" items, then the "in my dreams" items. A great agent always fulfills your needs without exceeding your financial capabilities and usually surprises you with many of your wants and dreams.

## 5. Buying for Immediate Needs and Not Future Needs

Each real estate transaction requires a lot of time, effort, and money. If you can spend just a little more for that extra bedroom for a future child or in-home business, you'll save yourself a lot of time, effort, and money down the road. Another option is making sure you purchase enough land to add on!

## 6. Letting the Decor Influence Your Decisions

While tidiness, fresh paint, carpet, and furniture are great, be careful not to overlook your dream home because of poor housekeeping, horrible decorating, or minor repairs.

## 7. Getting Stuck on the Idea of a Fixer-Upper

The idea of putting your finishing touches on a fixer-upper might be something that interests you, but not all fixer-uppers are good deals. If they aren't priced low enough to compensate you for the pain, trouble, and expense of renovating – it's just not worth it. Don't rule out a slightly older home that could use some updates, that might be a better option.

## 8. Not Seeing Enough Homes

On average, it takes about 8-10 homes before a buyer is ready to make an offer. That said, you can find your home on the first try or the fifteenth. It's a nice idea that the first home you walk into is "The One" but if you haven't seen at least a couple other homes to compare it to, you might miss something that may be an issue down the road. Maybe you never thought you wanted second floor laundry near the bedrooms but now that you've seen a home with that option, it makes more sense to you!

## 9. Offering to Low

You would be surprised at how many dream homes are lost because the buyer refuses to move on price, terms, or concessions. A difference of \$5,000 in today's loan market increases your monthly payment less than around \$50 per month. That is the cost of an average dinner out and hardly an amount worth giving up on a home that really checks all the boxes. You have a professional at your disposal, use your REALTOR®s experience and advise on price, terms, or concessions!

## 10. Making Large Purchases During the Buying Process

Once you fill out all that paperwork at the bank and bring them all your tax documents and pay stubs, the numbers they give you are based on that specific information. If you say, take out a car loan or buy a bunch of furniture on a store card, that will change those numbers – and not for the better. It's very important that buyers hold off on any large purchases until after closing.

## 11. Not Getting a Professional Inspection

You may be aware of smaller issues you or your agent spotted as you toured the home, but you really only scratched the surface of the home. Having a professional inspector dig deeper into the home is the best way to ensure all structural, mechanical, plumbing, electrical, etc. systems are fully vetted. The cost usually ranges from between \$300 to \$500. After you receive your comprehensive report, you can negotiate with the seller on fixes or a price adjustment. Or you can just sleep soundly knowing that your new home got a clean bill of health!



# Budget Worksheet

## Find Out What You are Able to Afford for a Monthly Payment.

### 1. Your Average Monthly Income:

Take-Home Pay	\$ _____
Other Stable Income Sources	\$ _____
Total (1)	\$ _____

### 2. Your Average Monthly Non-Housing Expenses:

Food, Household Supplies	\$ _____
Clothing	\$ _____
Medical Costs and insurance	\$ _____
Life and Casualty Insurance	\$ _____
Automobile and Auto Insurance	\$ _____
Education	\$ _____
Commuting- Gasoline	\$ _____
Telephone	\$ _____
Savings	\$ _____
Recreation	\$ _____
Miscellaneous	\$ _____
Total (2)	\$ _____

### 3. Your Monthly Income Available for Housing: Subtract!

Total (1)	\$ _____
Total (2)	\$ _____
Total	\$ _____

### 4. Average Monthly Housing Expense

Mortgage Payment, Principal, Interest	\$ _____
Property Taxes	\$ _____
Insurance	\$ _____
Utilities	\$ _____
Miscellaneous	\$ _____
Total	\$ _____

Did you know the American Red Cross will install a limited number of free smoke alarms for those who cannot afford to purchase smoke alarms or for those who are physically unable to install a smoke alarm. Visit <https://getasmokealarm.org/> to sign up!

# How Much Down Payment Can You Afford?

## 1. Available Funds:

Equity in present home	\$ _____
Savings	\$ _____
Investments (Stocks, bonds, etc.)	\$ _____
Insurance	\$ _____
Other (personal loan, sale of auto, etc.)	\$ _____
Total	\$ _____
Subtract amount to keep	\$ _____
Adjusted Total	\$ _____

## 2. Expected Cash Expenses

Cash costs for closing and settlement	\$ _____
Furniture, decorating, etc.	\$ _____
Moving Expenses	\$ _____
Other	\$ _____
Total	\$ _____

## 3. Total Cash Available for Down Payment

Adjusted Total Available for Down Payment	\$ _____
Subtract Expected Cash Expenses	\$ _____
Total	\$ _____

# Home Comparison Chart

After looking at several properties, you may not recall all the features associated with a particular house. Use the scorecard below to record the features of houses you have viewed. This scorecard will help you when it comes time to narrow your choices.

Features	House #1	House #2	House #3
Address			
Price			
Square footage			
Lot Size			
Real estate taxes			
Landscaping			
Type of house			
Number of bedrooms			
Number of baths			
Kitchen			
Formal dining room			
Family room			
Living room			
Study/den			
Laundry			
Finished basement			
Number of garages			
Patio/porch			
Fireplace			
Extras			
Storage space			
Exterior			
Air conditioning			
Heat			
<b>Neighborhood features</b>			
Schools			
Near work			
Other			
<b>Overall impression</b>			
Overall impression			

# Checklist for Applying for a Home Loan

- Present Address.
- Home and business telephone numbers of both applicants.
- Social Security number of both applicants.
- Employment history for the past 2 years.
- Gross monthly income / any additional income / bonuses with a 2 yr history.
- If self-employed, copies of the past two years signed tax returns.
- Name and address where rent payments are made.
- Source of down payment.
- Names of banks, account numbers, addresses, balances of all savings and checking accounts.
- Names of banks, account numbers, addresses, balances and monthly payments of outstanding loans, including mortgages.
- Names, account numbers and balances of all credit card accounts.
- Copies of statements from broker for stocks, mutual funds, cash value of life insurance, etc.
- Estimated value of personal property and furnishings.
- Estimated fair market value of current home.
- Year, make, model and estimated value of automobiles.
- Copy of divorce decree, if applicable.
- Certificate of Eligibility for veterans.
- Picture I.D. and evidence of Social Security numbers (FHA).
- Copy of a pay stub that is no more than 30 days old (FHA).
- Copy of a most recent bank statement (FHA).
- Personal checkbook to pay for credit report and appraisal fee.

# Mortgage Companies

## **Centricity Credit Union**

**Linda Proctor** 2501 London Rd, Duluth

218-729-7733

**Feather Tankersley** 4477 Lavaque Rd, Hermantown

218-740-2271

**Frandsen Bank & Trust** 712 Hwy 33 S, Cloquet & 331 W Superior St, Duluth

218-879-6000

**Gene Pelletier**

218-878-4861

**Robert Espenson**

218-673-5027

**Cory Verhel**

218-673-5035

**Members Cooperative Credit Union** 215 N 40th Ave W, Duluth

218-625-8500

**Lori Moe**

218-625-8810

**Miialisa Viele**

218-625-8502

## **NBC Mortgage**

218-728-8389

**Lauri Solberg**, 1314 E Superior St, Duluth

715-740-2437

**Emily Nothacker**, 1314 E Superior St, Duluth

218-590-8282

**Mark Anunti**, 1314 E Superior St, Duluth

218-740-2430

**Tom Mullin**, 1314 E Superior St, Duluth

218-740-2459

**Mary Costley**, 306 W Superior St, Duluth

218-733-6432

**Kathryn Gunderson**, 306 W Superior St, Duluth

218-733-5707

## **North Shore Mortgage,**

**Chana Stocke**, 4810 Miller Trunk Hwy, Hermantown

218-733-5535

**Janice Merrill**, 4810 Miller Trunk Hwy, Hermantown

218-625-1237

**Elizabeth Lundgren**, 125 W Superior St, Duluth

218-625-1245

**Northwoods Credit Union**, 1702 Avenue B, Cloquet

**Michelle Bertogliat**

218-878-3959

**Park State Bank**, 331 N Central Ave, Duluth

218-624-3676

**Laurie Miller**

218-624-6200

**Denise Hinnenkamp**

218-624-8791

## **US Bank**

218-723-2800

**Erik McCort**, 130 W Superior St, Duluth

218-723-2924

**Amanda Campeau**, 2400 Maple Grove Rd, Duluth

218-723-2862

**Gloria Allan**, 130 W Superior St, Duluth

218-723-2815

**Mary Rich-Raj**, 130 W Superior St, Duluth

218-723-2935

**Troy Deadrick**, 130 W Superior St, Duluth

218-723-2820

**Tim Fischer**, 2000 W Superior St, Duluth

218-723-2847

**Sara Schanning**, 130 W Superior St, Duluth

218-723-2902

**Brandy Meidl**, 715 Cloquet Ave, Cloquet

218-878-7867

**Wells Fargo**, 230 W Superior St, Duluth

218-723-2600

**Western Bank**, 202 West Superior St, Duluth

218-723-1000

**John Lewis**

218-723-5127

**Niki Laakso**

218-723-5106

# Title Companies & Home Inspections

## **Arrowhead Abstract & Title Co.**

218-722-0052  
314 W Superior St Suite 100  
Duluth, MN 55802

## **Carlton County Abstract & Title**

218-879-3454  
817 Cloquet Ave  
Cloquet, MN 55720

## **Consolidated Title & Abstract**

Downtown Duluth Office  
218-722-1495  
332 W Superior St Suite 100  
Duluth, MN 55802

Duluth/Matterhorn Office  
218-491-8200  
4903 Matterhorn Dr  
Duluth, MN 55811

## **North Shore Title**

Downtown Duluth Office  
218-722-1321  
202 W Superior St Suite 800  
Duluth, MN 55802

Duluth/Matterhorn Office  
218-628-1000  
5005 Matterhorn Dr Suite 2  
Duluth, MN 55811

Cloquet Office  
218-878-9311  
1111 Cloquet Ave Suite 3  
Cloquet, MN 55720

## **Pioneer Abstract & Title**

218-722-0476  
1728 London Rd  
Duluth, MN 55812

## **St. Louis County Title Co**

218-727-8696  
306 W Superior St #309  
Duluth, MN 55802

## **Stewart Title**

218-726-1487  
4913 Matterhorn Dr Suite 100  
Duluth, MN 55811

## **Best Inspections**

Greg Lilly at 218-722-2113  
llilley520@aol.com

## **Coleman Home Inspections**

Travis Coleman at 218-240-1984  
218inspect@gmail.com

## **iSpy Home Inspections**

Patrick Lynch at 651-592-6650  
plynch@ispyduluth.com

## **Leone Residential Home Inspections, Inc**

Tony Leone at 218-940-1186  
leonehomeinspections@gmail.com

## **Northern Home Inspections**

Michael Horvath at 218-391-9920  
mike@northernhomeinspect.com

## **Northern Lights Inspection and**

**Thermography** Kevin Gobats at 218-343-0301  
nlhi@rangenet.com

## **Rock Hill Home Inspections**

Dan Doran at 218-310-8732  
rock\_hill5@yahoo.com

## **Royal Property Inspections**

Scott Peterson at 218-348-0378

## **Safeguard Home Inspections**

Steve Hatcher at 218-349-3149  
insphatch@gmail.com

## **Shack n' Shanty Home Inspections**

Steve Nilsson at 218-780-9574  
shacknshanty@gmail.com

## **S & L Mobile Home Repair**

218-940-1307

## **True North Home Inspection**

Kyle Hotchkiss at 218-206-2080  
truenorthhomeinspect@gmail.com

## **Up North Inspection Services**

Mark Roberts at 218-260-9639  
mrob256@gmail.com

## **White Pine Inspections**

Kirk Johnson at 218-576-2014  
whitepinellc14@gmail.com

# Disclosures & Home Warranty

## **Seller's Property Disclosure Statement or Disclosure Alternative**

In a typical transaction (not a foreclosure), a seller will complete a Property Disclosure Statement where they talk about work performed and any problems they know about the house. In the case of an estate, flip, etc, the seller will complete a Seller's Disclosure Alternative where the seller doesn't give any information.

## **Well Disclosure**

If there is a well on the property, the seller will give the buyer any information known about the well. Seller usually agrees to test for good potable water.

## **Septic Disclosure**

If there is a septic on the property, the seller will give the buyer any information known about the septic. They may also have hired an inspector to inspect the septic. In St. Louis County, septic inspection at the "point of sale" are required. If the septic needs to be replaced, options include: A new system installed before closing or escrowing funds for a replacement.

## **City of Duluth—I&I Compliance**

If the home is in the City of Duluth and has city sewer, an inspection on the sump pump is necessary at the "point of sale". If a sump pump needs to be installed, buyer and seller negotiate the \$205 cost and the cost of a new sump pump. If compliant, seller usually pays the \$105 fee.

## **Lead Based Paint Disclosure**

Any home built before 1978 might have lead based paint. As a buyer, you have the right to risk assessment on the home you want to buy.

## **Radon**

Since January 1, 2014, the Minnesota Radon Awareness Act requires specific disclosure and education be provided to potential home buyers during residential real estate transactions in Minnesota. Testing can be done by the buyer or the seller. There are different types of inspections that can be done so talk to your home inspector to learn the differences.

## **Carbon Monoxide Detectors & Smoke Detectors**

Both are required in homes by Minnesota Statute within 10' of a bedroom.

## **Home Warranty**

- Provides peace of mind on one of the largest investments of your life.
- Affords you with budget protection after buying a home.
- Fills the "wear and tear" gap that's created by the exclusion of your homeowners' insurance coverage (subject to the provisions of the warranty).
- Gives you the confidence that your mechanical systems and appliances will be covered in the event of a breakage or failure.

**Peter Jackson, Home Warranty, 877-977-4949 ext.257**

**Kathy Jambor, America's Preferred Home Warranty, Inc, 952-277-9776**

# Closing Checklist

Once your home is under agreement there will be many details for you to complete prior to the closing date (the date when the Buyer pays for the home and the deed is transferred to the new owner.) This checklist is provided to you as an explanation and orderly method of completing these items. After signing the Purchase and Sale Agreement, we will give you a completed copy with dates, etc.

**Closing Facts (you will be sent a closing reminder letter before closing!)**

The planned closing date will be: \_\_\_\_\_  
The closing time: \_\_\_\_\_  
The closing price: \_\_\_\_\_  
Title Company where closing will be held: \_\_\_\_\_  
Address of Title Company: \_\_\_\_\_  
Closing agent's name: \_\_\_\_\_  
Closing costs—get 3 days before closing: \_\_\_\_\_  
Get cashier's check for closing costs: \_\_\_\_\_

**\*\*Cashier's check is preferred—wire fraud is becoming more of a problem, they will send an email from what seems like a familiar person/email address and if you send them money it is gone! \*\***

**Garbage Final Payoff Amount**

It is the responsibility of the Seller to have the final garbage bill paid. This can be paid before closing, or can come out of the proceeds for the sale.

**Water & Gas Services**

It is the responsibility of the Seller to cancel their services for the date of closing. It is the responsibility of the Buyer to reconnect those services. Duluth (Comfort Systems): 730-4050, Proctor: 624-3641, Hermantown: 729-3600, Cloquet: 879-3347

**Electric Services**

It is the responsibility of the Seller to cancel their services for the date of closing. It is the responsibility of the Buyer to reconnect those services. MN Power: 722-2625, Lake Country Power: 1-800-421-9959

**Fuel Oil**

It is the responsibility of the Seller to cancel their services for the date of closing and take care of any unpaid balances. It is the responsibility of the Buyer to arrange new services. Call around for the best rate.

**Insurance**

Buyers will need a copy of the insurance binder and a **PAID** receipt. Arrange with the insurance company to be adequately protected. The Seller should notify the insurance company at least 7 days before the closing and give them your new address if a refund is due.

**Arrange for the Mover**

This should be done 30 to 45 days before the closing date. Care should be taken not to make firm arrangements until all commitments of the Purchase and Sales Agreement are made, such as satisfactory home inspection and the Buyer's receipt of a firm financial commitment. **If you need help moving, call Bard Day at 218-591-3011—he is a reliable mover who is happy to help!**

**Items to be Repaid, Replaced and/or Completed Prior to Closing**

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**Final Inspection of the Property**

The Buyer inspects the property prior to closing. This is called the "Final Walk-through", probably one day before or the morning of the closing. This is a normal procedure to satisfy that the property is in approximately the same condition as it was when they agreed to buy.

The Seller must make arrangements to completely vacate the property prior to the closing date. The property must be ready and clear of all personal property for the Buyer to move into immediately following the closing.

**Items to bring to the closing**

Keys, garage door openers to give to the buyers  
**PAID** receipt from the garbage company  
Picture Identification (e.g., Driver's License)  
List of addresses of where you've lived for the past 10 years  
List of garbage man, paper delivery person, mail man, etc. to share with buyers  
Other: \_\_\_\_\_



# Moving Checklist

## 1 Month + Before the Move

	Arrange for storage facility, if you plan to store any contents.
	Arrange for movers, transport service for pets or automobiles if needed.
	Contact your bank and arrange transfer of your accounts; order checks with new address; clean out your safety deposit box.
	Submit change-of-address forms to: post office                      Friends & relatives                      magazine subscriptions                      credit card companies Bank accounts                      Auto insurance
	Give day care center proper notice of withdrawal.
	Contact schools and arrange for transfer of student records.
	Change your insurance policies on property, auto and medical.
	Organize all important documents in a fire-safe box. Some things you want to include are school records, home purchase/sale papers, will, marriage/divorce papers, pet documents, financial records, stock certificates, social security cards, birth certificates, and passports.
	Arrange for hotels, rental cars or temporary housing as needed.

## 2 Weeks Before the Move

	Take a ruthless walk-through to determine what you really want to take.
	Tag the rest of it and hold a garage sale; or call a charity for pick-up.
	Arrange for the disconnection or connection of utilities at the new residence including: Gas or Propane                      Electricity                      Water & sewer                      Newspaper delivery Garbage Collection                      Cable &/or satellite                      Cellular phone                      Landline Phone

## 1 Week Before the Move

	Make an inventory list of all items going with you personally. Keep valuable and irreplaceable items such as jewelry and heirlooms with you, not with the movers.
	Confirm arrangements and dates with moving & storage companies.
	Confirm hotel, rental car or temporary housing accommodations.
	Inform all friends & relatives of your forwarding address. If your phone service won't be instantaneous, arrange for a temporary voice mailbox; some long distance providers such as Sprint and MCI offer 1-800 voice mail numbers.
	Set aside a box of cleaning supplies and the vacuum cleaner. If you were buying your house, wouldn't you prefer a clean one?
	Begin making a "Survival Box" for the move. This should include change of clothes, paper, pens, stamps, envelopes, cellophane & heavy duty tape, scissors, tape measure, paper cups, ziplock bags, paper plates & towels, plastic utensils, facial & toilet tissue, instant coffee or tea, cream/sugar, soap, moist towelettes, aspirin, bandaids, can opener, bottled water, travel alarm, flashlight, small tools kit, trash bags, snacks or drinks, children's games, address book, spare car keys, phone books for the city you are leaving and your destination.

## 1-2 Days Before the Move

	Clean and defrost refrigerator and freezer.
	Movers or your family should complete packing of all household goods for the move. Make sure are boxes are clearly marked.

## Moving Day

	Confirm delivery address, directions and delivery date with the movers.
	Clean the home and check entire grounds before leaving. Do not leave any personal property unless it has been specifically agreed on in the purchase agreement.
	Check thermostat and make sure temperature is set appropriately. Make sure all windows and doors are closed and locked, and all appliances are turned off. Leave forwarding address, garage door openers and any keys, if agreed to, for the new owners or renters.

## Arrival Day

	<b>Check to make sure all utilities are on and working properly.</b>
	Go over the Bill of Lading from the moving company very carefully before signing; check for damaged items first, as this is usually binding once signed.

**If you're looking for reliable & professional moving help, call Bard Day at 218-591-3011!**



# Moving Services

Moving by Day are professional local movers that will take the stress out of moving to a new home. At Moving by Day, they know that residential moving is a very involved process, but it's a process they've perfected through the years. With every move, they guarantee the safety of all of your belongings. They handle all your items with care. Trust them to address everything from moving smaller personal belongings to larger-scale piano moving without a scratch. You can rest easy knowing that all your belongings will move to their new location in one piece. For a house moving service that never lets you down, contact them today for assistance in the greater Duluth area.

Movingbyday.com  
218-591-3011  
bardday1997@gmail.com

# Who Do I Call?

## When I...

See another company's ..... **SIGN?**

Read another company's ..... **AD?**

See a ..... **FOR SALE BY OWNER?**

Hear of a home from a ..... **FRIEND?**

See a ..... **NEW MODEL HOME?**



**Don't hesitate to CALL US!**

(218) 729 - 9784

**OR**

**E-MAIL**

info@js-realty.com

**VISIT OUR WEBSITE**

www.js-realty.com

# What Type of Buyer Are You?

## Are You an A, B, or C Buyer?

In order for our team to focus on your real estate needs we must first determine your motivation and/or your readiness to buy. Since all Buyers don't have the same needs, we categorize our Buyers by motivation as follows:

**A** Highest priority Buyer. These are people who have to buy a home now. They have either sold their home, transferred into town, or their lease has expired. They are pre-approved by a bank.

**B** The second highest priority Buyer, these are people who are ready to buy. They are working on becoming pre-approved by a bank. They may have a home to sell first or a lease to fulfill.

**C** These are the people who may buy a home when the right one comes along.

If you are a "B" or "C" Buyer, it doesn't mean that you are less important to us. It only means we are trying to find homes for the "A" Buyers first, as they are potentially about to be homeless. Remember, you could quickly become an "A" Buyer and become top priority! We will always try our best to accommodate you, but, if you are not an "A" Buyer, please be patient as we work you into our schedules.

I/We have read the above and feel that I/We are a/an \_\_\_\_\_ Buyer(s).

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Date

# Glossary of Terms

**Adjustable-rate-mortgage (ARM):** A mortgage having an interest rate that can change at designated intervals, based on a financial index.

**Annual percentage rate (APR):** A rate that reflects the actual annual cost of a loan, incorporating the loan interest rate, private mortgage insurance, points, and fees.

**Appraisal:** A professional assessment of the market value of a property.

**Cap:** A limit set on an ARM as to how much the interest rate or monthly payments may increase.

**Closing:** The legal procedure in which the transfer of property becomes final. Also called settlement.

**Closing costs:** Costs incurred by the buyer and seller in transferring ownership of a property.

**Contingency:** A condition that must be met before a contract is legally binding.

**Convertible ARM:** An adjustable-rate mortgage that can be converted to a fixed-rate mortgage under specified conditions.

**Down payment:** The part of the purchase price of a home that the buyer pays in cash up front; not included in the loan.

**Earnest money:** A deposit given to the seller by the buyer when submitting an offer to show serious intent about buying a property.

**Escrow:** The holding of documents and money (such as a deposit) by a neutral third party prior to closing. Also an account held by the lender into which a homeowner pays money for taxes and insurance.

**Equity:** The difference between the market value of a property and the owner's outstanding mortgage balance; measures the degree of ownership.

**Fixed-rate mortgage:** A mortgage in which the interest rate does not change during the entire life of the loan.

**Flood insurance:** Insurance that will be required if a property is in a federally designated flood hazard area.

**Homeowner's insurance:** An insurance policy offers liability coverage and protects the homeowner against physical damage to the property.

**Interest rate cap:** A provision of an ARM that limits how much the interest rate can increase per adjustment period.

**Lifetime cap:** A provision of an ARM limiting the total increase in the interest rate over the life of the loan.

# Glossary of Terms

**Lock-in rate:** An interest rate the lender guarantees to the borrower provided the mortgage is closed within a certain time period. The borrower pays a fee for this guarantee.

**Margin:** The set percentage rate the lender adds to the index rate to determine the interest rate on an ARM.

**Mortgage:** A legal document that pledges a property to the lender as security for the payment of a debt.

**Offer to purchase:** A formal document in which a buyer proposes to buy a property for a specified amount and under certain conditions. Acceptance by the seller creates a contract binding on both parties, subject to any contingencies.

**PITI:** Stands for principal, interest, taxes, and insurance—the components of a monthly mortgage payment.

**Points:** A one-time charge by the lender to increase the yield of a loan. Equal to one percent of the loan amount and paid at closing.

**Prequalification:** The process of determining how large a loan a prospective home buyer can qualify for; this procedure is done before actually applying for the loan.

**Principal:** The amount originally borrowed. Also that amount of the monthly mortgage payment that reduces the outstanding balance of a mortgage.

**Private mortgage insurance (PMI):** Insurance provided by a non-government insurer to protect a lender against loss if a borrower defaults. Usually required if down payment is less than 20 percent of the purchase price.

**Real estate agent:** A person licensed to negotiate and transact the sale of real estate; works on behalf of the seller, unless designated as a buyer's broker.

**Title:** A legal document establishing the right of ownership.

**Title insurance:** Insurance to protect the lender (lender's policy) or the buyer (buyer's policy) against loss arising from disputes over property ownership.

**Title search:** A detailed examination of the title records to ensure that the seller of a property is the legal owner and that there are no liens or other claims outstanding.

## AGENCY RELATIONSHIPS IN REAL ESTATE TRANSACTIONS

1. Page 1

2. **MINNESOTA LAW REQUIRES** that early in any relationship, real estate brokers or salespersons discuss with  
3. consumers what type of agency representation or relationship they desire.<sup>(1)</sup> The available options are listed below. This  
4. is **not** a contract. **This is an agency disclosure form only. If you desire representation you must enter into a**  
5. **written contract, according to state law** (a listing contract or a buyer/tenant representation contract). Until such time  
6. as you choose to enter into a written contract for representation, you will be treated as a customer and will not receive  
7. any representation from the broker or salesperson. The broker or salesperson will be acting as a Facilitator (see  
8. paragraph IV on page two (2)), unless the broker or salesperson is representing another party, as described below.

9. **ACKNOWLEDGMENT: I/We acknowledge that I/we have been presented with the below-described options.**  
10. **I/We understand that until I/we have signed a representation contract, I/we am/are not represented by the**  
11. **broker/salesperson. I/We understand that written consent is required for a dual agency relationship.**

12. **THIS IS A DISCLOSURE ONLY, NOT A CONTRACT FOR REPRESENTATION.**

13. \_\_\_\_\_  
(Signature) (Date) (Signature) (Date)

14. I. **Seller's/Landlord's Broker:** A broker who lists a property, or a salesperson who is licensed to the listing broker,  
15. represents the Seller/Landlord and acts on behalf of the Seller/Landlord. A Seller's/Landlord's broker owes to  
16. the Seller/Landlord the fiduciary duties described on page two (2).<sup>(2)</sup> The broker must also disclose to the Buyer  
17. material facts as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and  
18. significantly affect the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to  
19. rental/lease transactions.) If a broker or salesperson working with a Buyer/Tenant as a customer is representing the  
20. Seller/Landlord, he or she must act in the Seller's/Landlord's best interest and must tell the Seller/Landlord any  
21. information disclosed to him or her, except confidential information acquired in a facilitator relationship (see paragraph  
22. IV on page two (2)). In that case, the Buyer/Tenant will not be represented and will not receive advice and counsel  
23. from the broker or salesperson.

24. II. **Buyer's/Tenant's Broker:** A Buyer/Tenant may enter into an agreement for the broker or salesperson to represent  
25. and act on behalf of the Buyer/Tenant. The broker may represent the Buyer/Tenant only, and not the Seller/Landlord,  
26. even if he or she is being paid in whole or in part by the Seller/Landlord. A Buyer's/Tenant's broker owes to the  
27. Buyer/Tenant the fiduciary duties described on page two (2).<sup>(2)</sup> The broker must disclose to the Buyer material facts  
28. as defined in MN Statute 82.68, Subd. 3, of which the broker is aware that could adversely and significantly affect  
29. the Buyer's use or enjoyment of the property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)  
30. If a broker or salesperson working with a Seller/Landlord as a customer is representing the Buyer/Tenant, he or  
31. she must act in the Buyer's/Tenant's best interest and must tell the Buyer/Tenant any information disclosed to him  
32. or her, except confidential information acquired in a facilitator relationship (see paragraph IV on page two (2)). In  
33. that case, the Seller/Landlord will not be represented and will not receive advice and counsel from the broker or  
34. salesperson.

35. III. **Dual Agency - Broker Representing both Seller/Landlord and Buyer/Tenant:** Dual agency occurs when one  
36. broker or salesperson represents both parties to a transaction, or when two salespersons licensed to the same  
37. broker each represent a party to the transaction. Dual agency requires the informed consent of all parties, and  
38. means that the broker and salesperson owe the same duties to the Seller/Landlord and the Buyer/Tenant. This  
39. role limits the level of representation the broker and salesperson can provide, and prohibits them from acting  
40. exclusively for either party. In a dual agency, confidential information about price, terms and motivation for pursuing  
41. a transaction will be kept confidential unless one party instructs the broker or salesperson in writing to disclose  
42. specific information about him or her. Other information will be shared. Dual agents may not advocate for one party  
43. to the detriment of the other.<sup>(3)</sup>

44. Within the limitations described above, dual agents owe to both Seller/Landlord and Buyer/Tenant the fiduciary  
45. duties described below.<sup>(2)</sup> Dual agents must disclose to Buyers material facts as defined in MN Statute 82.68, Subd.  
46. 3, of which the broker is aware that could adversely and significantly affect the Buyer's use or enjoyment of the  
47. property. (MN Statute 82.68, Subd. 3 does not apply to rental/lease transactions.)

48. \_\_\_\_\_ I have had the opportunity to review the "Notice Regarding Predatory Offender Information" on  
(initial) (initial)



## AGENCY RELATIONSHIPS IN REAL ESTATE TRANSACTIONS

50. Page 2

51. IV. **Facilitator:** A broker or salesperson who performs services for a Buyer/Tenant, a Seller/Landlord or both but  
52. does not represent either in a fiduciary capacity as a Buyer's/Tenant's Broker, Seller's/Landlord's Broker or Dual  
53. Agent. **THE FACILITATOR BROKER OR SALESPERSON DOES NOT OWE ANY PARTY ANY OF THE FIDUCIARY**  
54. **DUTIES LISTED BELOW, EXCEPT CONFIDENTIALITY, UNLESS THOSE DUTIES ARE INCLUDED IN A**  
55. **WRITTEN FACILITATOR SERVICES AGREEMENT.** The facilitator broker or salesperson owes the duty of  
56. confidentiality to the party but owes no other duty to the party except those duties required by law or contained in  
57. a written facilitator services agreement, if any. In the event a facilitator broker or salesperson working with a Buyer/  
58. Tenant shows a property listed by the facilitator broker or salesperson, then the facilitator broker or salesperson  
59. must act as a Seller's/Landlord's Broker (see paragraph I on page one (1)). In the event a facilitator broker or  
60. salesperson, working with a Seller/Landlord, accepts a showing of the property by a Buyer/Tenant being represented  
61. by the facilitator broker or salesperson, then the facilitator broker or salesperson must act as a Buyer's/Tenant's  
62. Broker (see paragraph III on page one (1)).

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63. (1) This disclosure is required by law in any transaction involving property occupied or intended to be occupied by  
64. one to four families as their residence.

65. (2) The fiduciary duties mentioned above are listed below and have the following meanings:

66. Loyalty - broker/salesperson will act only in client(s)' best interest.

67. Obedience - broker/salesperson will carry out all client(s)' lawful instructions.

68. Disclosure - broker/salesperson will disclose to client(s) all material facts of which broker/salesperson has knowledge  
69. which might reasonably affect the client(s)' use and enjoyment of the property.

70. Confidentiality - broker/salesperson will keep client(s)' confidences unless required by law to disclose specific  
71. information (such as disclosure of material facts to Buyers).

72. Reasonable Care - broker/salesperson will use reasonable care in performing duties as an agent.

73. Accounting - broker/salesperson will account to client(s) for all client(s)' money and property received as agent.

74. (3) If Seller(s)/Landlord(s) elect(s) not to agree to a dual agency relationship, Seller(s)/Landlord(s) may give up the  
75. opportunity to sell/lease the property to Buyer(s)/Tenant(s) represented by the broker/salesperson. If Buyer(s)/  
76. Tenant(s) elect(s) not to agree to a dual agency relationship, Buyer(s)/Tenant(s) may give up the opportunity to  
77. purchase/lease properties listed by the broker.

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78. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender  
79. registry and persons registered with the predatory offender registry under MN Statute 243.166 may be  
80. obtained by contacting the local law enforcement offices in the community where the property is located,  
81. or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections Web site at  
82. [www.corr.state.mn.us](http://www.corr.state.mn.us).

MN:AGCYDISC-2 (8/14)

## Sathers JS Realty, LLC Security Policies and Procedures

As real estate agents, we're in a unique position when it comes to on-the-job safety. The nature of this business creates unusual safety concerns like meeting unknown people, touring vacant properties, and sharing personal contact information. It's more critical than ever to rely on certain protocols when working. Our common safety procedures include:

**Initial meeting place.** We may ask to meet buyers/sellers for the first time at our office or another public location.

**Documentation.** At the first meeting, we may ask to make a copy of the buyers/sellers driver's license, mortgage approval letter, or request emergency contact details. These are common components of client records and standard safety procedures.

**Driving.** We may ask you to drive separately to tour a house.

**Touring homes.** Don't be surprised if we let you take the lead and walk behind you through a home. This allows you to not only see the rooms first to get a better view of the space, but we may decline to accompany you into basements, closets, or attics.

**Vacant properties.** We may request to show you vacant properties only during daylight hours.

**Open houses.** By welcoming complete strangers into your home, open houses present additional security risks to both your home/valuables and agents.

**Neighborhoods.** Fair Housing laws prohibit us from engaging in any behavior that could be viewed as steering people towards or away from an area. If you ask us whether a neighborhood is safe, we can happily steer you in the direction of the best resources to make your own determination. Try [spotcrime.com](http://spotcrime.com) for recent crime statistics in your area or call your local police department.

Websites like [spokeo.com](http://spokeo.com) and [pipl.com](http://pipl.com) are great references that can be used by agents and buyers/sellers for researching potential visitors entering your home.

Understanding Your Agent's Safety Policies and Procedures. (2017, September). *Today's Buyer's Rep*, 9, 7.

# Notes