



**NIT**

**NORTH IDAHO TITLE**  
A MOTHER LODE COMPANY

HOMEBUYER'S

**HANDBOOK**



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**NORTH IDAHO TITLE (NIT)** provides title searches and examinations, issues title insurance policies, handles commercial and residential escrows and other real estate related services. North Idaho Title continues to extend its commercial and residential services by empowering talented, innovative people to make the decisions necessary to satisfy customers on the spot and by utilizing technology that delivers measurable improvement of service to our most valuable end user – our customer.

**MOTHER LODGE HOLDING COMPANY (MLHC)** provides title insurance, underwriting and transaction support services to the nation's real estate industry. With the founding of its principal subsidiary, Placer Title Company in 1973, Mother Lode has since expanded outside of its original California market to provide title and title related products and services throughout the United States. The Mother Lode family of companies includes Placer Title Company, North Idaho Title, Montana Title & Escrow, Wyoming Title & Escrow, Texas National Title, Premier Title Agency, Washington Title & Escrow, Centric Title & Escrow, Premier Reverse Closings, and our National Lender Services Division – PTC/National Closing Solutions. Mother Lode continues to extend its commercial and residential services by empowering talented, innovative people to make the decisions necessary to satisfy customers on the spot and by utilizing technology that delivers measurable improvement of service to the end user – our customer.

[WWW.NORTHIDAHOTITLE.COM](http://WWW.NORTHIDAHOTITLE.COM)

**Today, tomorrow or five years from now...  
We can make a difference for you.**



As President of North Idaho Title, I would like to invite you to experience peace of mind during your transfer of real property. We listen, we care and we respond!

Our outstanding team of Escrow Closers and Title Officers are qualified to handle all types of transactions from land and home sales, to business and large ranch acquisitions. It is the goal of our Customer Service and Marketing Departments to provide our customers with the most current and beneficial tools available to assist our customers in being successful, and ultimately helping others become successful as well.

At North Idaho Title, we recognize the purchase of real estate as one of the most important investments your clients will make. Therefore, we have aligned ourselves with the nation's top underwriters, most respected title insurers in the nation to assure you a worry-free transaction.

We have a saying: *"If we don't take care of the customer, someone else will."* You have my personal commitment to do all that I can to give you the very best service available in our industry. North Idaho Title will appreciate your business and we look forward to handling your next real estate transaction.

Sincerely,  
President

North Idaho Title

*Rick Brown*

# HOMEBUYER'S HANDBOOK

## CUSTOMER SERVICE

Welcome and thank you for choosing North Idaho Title. We understand that purchasing a home can be both exciting and stressful. At North Idaho Title, we have been working with buyers since 1993, but our roots go much deeper, so you can rest assured that your transaction is being handled with experience and care.

### TAKE A LOOK

For your convenience, North Idaho Title has created this Homebuyer's Handbook to assist you during your transaction with NIT. We suggest that you carefully read through this booklet, paying special attention to the following sections:

- › The Purchase Process
- › Understanding the Escrow Process
- › Supplemental Real Property Taxes
- › Methods of Holding Title
- › Helpful Reminders & Sources of Assistance

After the close of your transaction, we suggest that you keep this page for reference. The easiest way for our team to assist you is by knowing your escrow number.

Real Estate Agent: \_\_\_\_\_

Phone: \_\_\_\_\_

Lender: \_\_\_\_\_

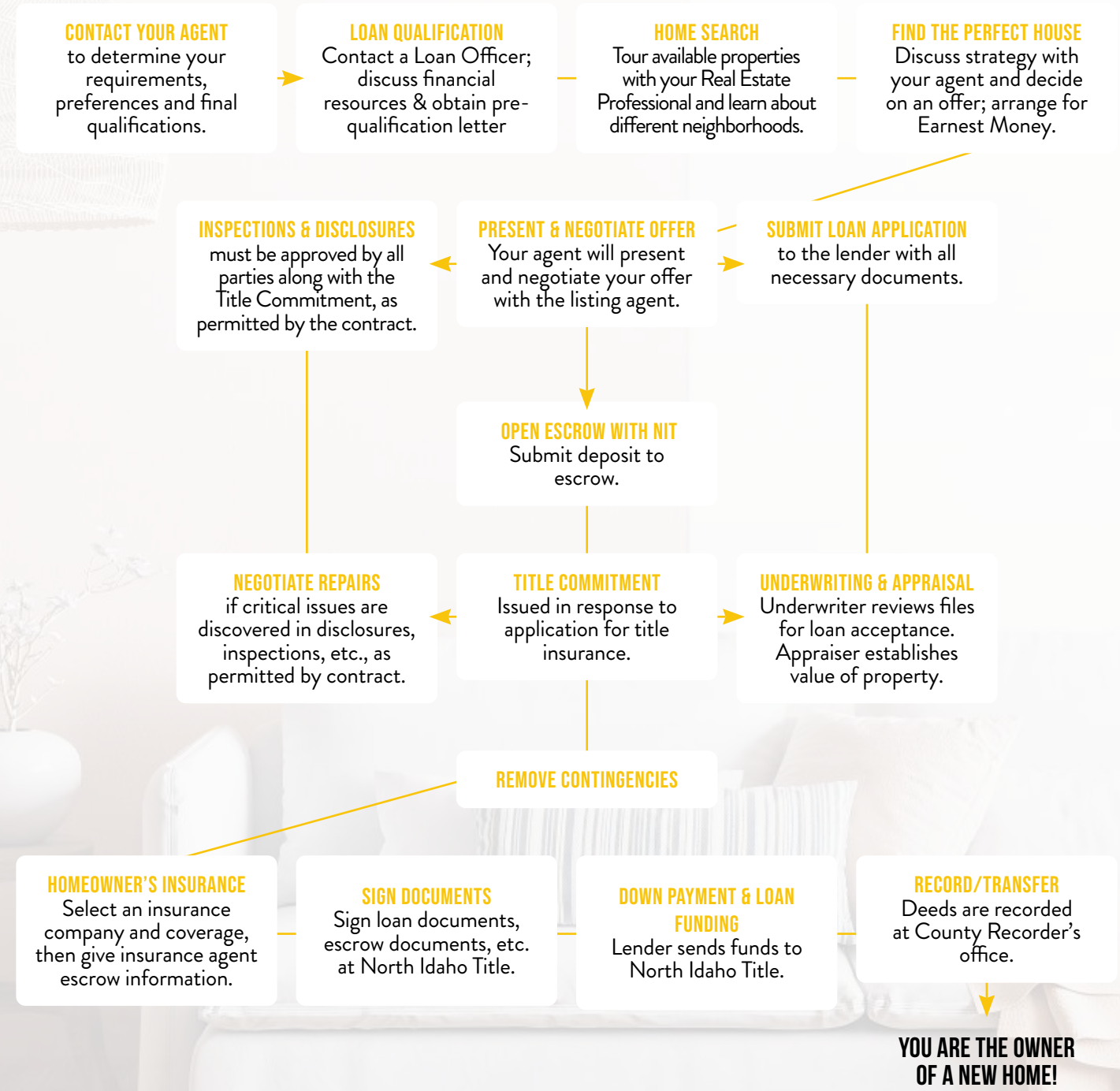
Phone: \_\_\_\_\_

Escrow Officer: \_\_\_\_\_

Email: \_\_\_\_\_

Escrow Number: \_\_\_\_\_

# THE PURCHASE PROCESS



# FINDING YOUR DREAM HOME

Finding the perfect home starts with determining exactly what you are looking for, and also what you can realistically afford. Your real estate professional and lender will work with you to accomplish both of these goals, but the worksheet below can help you get your home search off to the right start. Good luck!

In what areas are you interested in purchasing a home?  
(City/Zip)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Please complete the following:

Desired Square Footage \_\_\_\_\_

Bed/Bath Minimums \_\_\_\_\_

Age of Home Desired \_\_\_\_\_

Number of Stories \_\_\_\_\_

Are there any other special features you would like?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Please check all the features that you desire:**

- Basement
- Fireplace
- Central Heating/Air
- Wood Floors
- Gated Community
- Laundry Room
- Office/Den
- Spa/Hot Tub/Sauna
- Attached Garage
- City View
- Water View
- Mountain View
- Golf Course
- Senior Community
- One Story
- Two Story
- Storm Windows
- Separate Dining Room
- Backyard Patio
- Landscaping

*Your real estate professional can assist you in narrowing your dream home search!*

# DREAM HOME FINDER NOTES

Please use this page to keep notes of the homes that you have toured with your real estate professional. You may photo copy this page to make notes on more than 4 properties.

1

Address: \_\_\_\_\_  
MLS#: \_\_\_\_\_  
Likes: \_\_\_\_\_

Dislikes: \_\_\_\_\_  
\_\_\_\_\_

2

Address: \_\_\_\_\_  
MLS#: \_\_\_\_\_  
Likes: \_\_\_\_\_

Dislikes: \_\_\_\_\_  
\_\_\_\_\_

3

Address: \_\_\_\_\_  
MLS#: \_\_\_\_\_  
Likes: \_\_\_\_\_

Dislikes: \_\_\_\_\_  
\_\_\_\_\_

4

Address: \_\_\_\_\_  
MLS#: \_\_\_\_\_  
Likes: \_\_\_\_\_

Dislikes: \_\_\_\_\_  
\_\_\_\_\_

# WHAT IS ESCROW?

An escrow is a deposit of funds, a deed or other instrument by one party for the delivery to another party upon completion of a specific condition or event. It is an independent neutral account by which the interests of all parties to the transaction are protected.

When opening an escrow, the buyer and seller of a piece of property establish terms and conditions for the transfer of ownership of that property. These terms and conditions are given to a third, impartial party known as the escrow holder. The escrow holder has the responsibility of seeing that the terms are carried out.

The escrow is a "storehouse" for all monies, instructions and documents necessary for the sale of your home. This includes the buyer providing funds for a down payment, and the seller depositing the deed and any other necessary papers.

## Why Do I Need an Escrow?

An escrow will provide you with a guarantee

that no funds or property will change hands until ALL of the terms and conditions have been followed. The escrow holder has the responsibility to watch over the funds and/or documents and then pay out the funds and/or transfer the title only when all requirements of the escrow have been completed.

## How Does the Escrow Process Work?

The buyer, seller, lender and/or borrower cause escrow instructions to be created, signed and delivered to the escrow officer. The escrow officer will then process the escrow, in accordance with the escrow instructions. When all conditions required in the escrow are met, the escrow is "closed".

Prior to close of escrow, the buyer deposits the funds required with the escrow holder. The buyer instructs the escrow holder to release the money to the seller when:

- › The deed records
- › A policy of title insurance will be prepared and delivered to the buyer

The escrow holder acts for both parties and protects the interests of each within the power of the escrow instructions. Escrow cannot be completed until the instructions have been fully satisfied and all parties have signed escrow documents. The escrow holder takes instructions based on the terms of the purchase agreement and the lender's requirements.

The duties of the escrow holder include:

- › Managing the funds and/or documents in accordance with instructions
- › Paying all bills as authorized
- › Responding to requests from the principals
- › Closing the escrow only when all terms and conditions have been met
- › Distributing the funds accordingly

## How Do I Open an Escrow?

Generally, the buyer or seller's real estate agent will open the escrow. As soon as you complete the purchase agreement, the agent will place the buyer's initial deposit, if any, into the escrow account at a title company or into the real estate broker's account.

## What Do I Need to Do Before My Appointment to Sign Escrow Papers?

All parties signing the documents must bring proper identification. Bring either a valid driver's license, state identification card or current passport with you to the title company. This item is needed to verify your

identity by a notary public. This is a routine, but necessary step for your protection.

## What's the Next Step After I've Signed the Closing Escrow Papers?

After both parties have signed all the necessary instructions and documents, the escrow officer will return the buyer's loan documents to the lender for final review. After the review is completed, the lender is ready to fund the buyer's loan and informs the escrow officer.

## How Long is an Escrow?

The length is determined by the terms of the purchase agreement and can range from a few days to several months.

## What is an "Escrow Closing"?

An escrow closing is the climax of the transaction. It signifies legal transfer of title from the seller to the buyer. Generally, the Grant Deed is recorded within one working day of the escrow holder's receipt of loan funds. This completes the transaction and signifies the "close of escrow." Once all the conditions of the escrow have been satisfied, the escrow officer informs you or your agent of the date escrow will close and takes care of the technical and financial details. The final closing papers are disbursed upon close of escrow, when the escrow officer verifies with the County Records Office that the documents have recorded and legal transfer has occurred.

# THE LOAN PROCESS

Unless you are paying cash for your property, you will need to apply for a mortgage loan. Your lender can explain current financing options and help you select the right type of loan for your situation.

## 1 PRE-QUALIFICATION/INTERVIEW

- › Application interview
- › Lender obtains all pertinent documents to avoid delays
- › The lender opens the transaction with North Idaho Title

## 2 ORDER DOCUMENTS

*Within 24 hours of the application, the lender will request:*

- › Credit report, appraisal of property, verification of employment, mortgage or landlord ratings, funds to close
- › Title Commitment and a Preliminary Good Faith Estimate of your costs and loan details from North Idaho Title
- › Picture ID, W2s (2 years), a Certificate of Eligibility, DD214 (VA only), and any other necessary supporting documentation

## 3 LOAN SUBMISSION

- › Loan package is assembled by the Loan Officer and submitted to the underwriter for approval

## 4 LOAN APPROVAL

- › Generally takes 24-72 hours
- › Parties are notified of approval and conditions to the loan

## 5 DOCUMENTS PREPARED BY THE LENDER

*Within 1-3 days after loan approval*

- › Loan documents are completed and sent to North Idaho Title
- › Borrower is notified of how much money is necessary to close the loan
- › Borrower will come to North Idaho Title to sign all final documents

## 6 FUNDING

- › Lender reviews the loan package
- › Funds are wired to North Idaho Title

## 7 RECORDING DOCUMENTS

- › North Idaho Title records the Deed of Trust at the County Recorder's Office securing the lien against the property
- › Funds are disbursed to the appropriate parties
- › Escrow is officially closed

# CLOSING COSTS

Below are some typical closing costs you may incur during the home buying process. North Idaho Title will review and explain your closing statement during your signing appointment.

## TITLE INSURANCE PREMIUM

Fee paid by an individual to insure a marketable title or, in the case of a lender, to insure the lien position.

## TRANSFER AND ASSUMPTION CHARGES

Fees charged by a lender to allow a new purchaser to assume the seller's existing loan.

## RECORDING FEES

Fees assessed by a County Recorder's Office for recording legal documents of a real estate transaction.

## LOAN FEES

Fees charged by a lender in connection with the processing of a new loan. These may include points, origination fee and credit report.

## PREPAID INTEREST

Depending upon the time of month a loan closes, the per diem charge may vary from a full month's interest to a few day's interest.

## INSPECTION FEES

The cost for inspections performed.

## ESCROW FEES

Fees charged by a title and/or escrow company for services rendered in coordinating the closing and preparing documents necessary to close a real estate transaction.

## TAXES

The buyer may be required to reimburse the seller for property taxes, depending upon the month in which the transaction closes.

## REAL ESTATE COMMISSION

Fee paid to a real estate broker for services rendered in listing, showing, selling and consummating the transfer of property.

## HOMEOWNER'S INSURANCE

Lenders typically require the first year of fire and hazard insurance be paid by escrowing funds.

# IMPORTANT REAL PROPERTY TAX DATES

**DECEMBER 20**

First Installment Due

**JANUARY 1**

Calendar Year Begins

**JUNE 20**

Second Installment Due

# METHODS OF HOLDING TITLE

	JOINT TENANCY	TENANCY IN COMMON	PARTNERSHIPS	TRUST ARRANGEMENTS
PARTIES	Any number of persons, but cannot be artificial entity such as corporation, LLC or trustee of trust.	Any number of persons or entities may hold title as tenants in common.	Only partners/shareholders/members of the artificial entity.	Trustee and beneficiaries of trust may be individuals, trusts or any legally created entity.
DIVISION	Ownership interests must be equal (can have equal interests in undivided interest).	Ownership can be divided into any number of interests, equal or unequal.	Single legal entity, partners/shareholders/members own interest in entity, not property held.	Interests in trust are personal property and are in accordance with terms of trust.
TITLE	Each joint tenant has separate legal title to undivided interest, subject to right of survivorship.	Each owner has a separate legal title to undivided interest.	Title is in the artificial entity.	Held in name by the trustee(s).
POSSESSION	Equal right of possession.	Equal right of possession.	Entity has sole right of possession. Entity's organizational documents determine individual partner's/shareholder's/member's rights, if any.	In accordance with terms of trust.
CONVEYANCE	Each owner's interest may be conveyed or encumbered individually, but conveyance or encumbrance without joinder of other joint tenants severs joint tenancy.	Each owner's interest may be conveyed separately.	Conveyance authority determined by organizational documents and applicable statutes.	Trustee has authority to convey in accordance with terms and limitations of trust agreement.
DEATH	On co-owner's death, interest passes to surviving joint tenants. Interest may not be disposed of by will.	Interest passes by will or intestate if no will. Interest must be probated.	Entity not capable of dying. Impact, if any, of death of partner/shareholder/member on affairs of entity determined by organizational documents and applicable statutes.	Upon death of trustee, successor trustee, if any, holds title on behalf of trust. Effect of interests in trust upon death of a beneficiary determined by terms of trust agreement.
SUCCESSOR STATUS	Last survivor owns property.	Devise or heir becomes tenant in common with other owners.	Interest, but not management authority, of partner/shareholder/member in the entity passes by will or, if no will, by intestate succession.	Defined by terms of trust agreement.
CREDITOR'S RIGHTS	Involuntary lien of creditor or deed of trust terminates on death of joint tenant. If creditor executes on lien prior to death and acquires title, becomes tenant in common with remaining joint tenants.	Owner's interest may be sold on execution sale to satisfy creditor. Creditor becomes tenant in common with remaining owners.	Creditor of partner/shareholder/member may obtain order attaching interest in entity, but not property held by entity.	Creditor with lien/judgement against beneficiary may execute on beneficiary's interest in trust, not property held by trust. Lien against individual trustee may not attach to trust. However, if trustee is settler or revocable trust, lien may attach.
PRESUMPTIONS	Creation of joint tenancy must be in writing.	Joint ownership presumed to be as tenants in common, unless title acquired by "husband and wife".	Property must be expressly vested in partnership.	Property must be expressly vested in trustee of trust. Trust is created by executed trust agreement.



# TITLE INSURANCE

## WHY DO I NEED TITLE INSURANCE?

Many homeowners assume that when they purchase a piece of property that possession of a deed to the property is all they need to prove ownership, but title insurance serves as basic risk elimination. A Preliminary Report outlines the conditions under which a title will be insured. Once the new deed and loan documents are recorded, a title insurance policy is issued to the new owner and lender. This protects both parties against loss due to title defects. Any undisclosed claim (covered by the owner's policy of title insurance) that threatens ownership of the home will be dealt with or will be reimbursed exactly as the policy of title insurance provides.

## WHAT PROTECTION IS OBTAINED WITH A TITLE POLICY?

Title insurance offers protection against claims resulting from various defects (as set out in the policy) which may exist in the title to a specific parcel of real property, effective on the issue date of the policy. For example, a person might claim to have a deed or lease giving them ownership or the right to possess your property. Or perhaps a person claims to hold an easement giving them a right of access across your land, or claims to have a lien on your property securing repayment of a debt. A title insurance policy contains provisions for the payment of the legal fees in defense of a claim against the property covered under the policy. It also contains provisions for indemnification against losses which result from a covered claim.

## WHAT DOES A TITLE COMPANY DO?

Simply put, whenever someone decides to buy or refinance property, title companies have the ability to check public records regarding the history of that property. Looking for unclear liens, claims or easements is part of what we do. Sometimes distant relatives may have a claim on the property without the seller's knowledge. People have even fraudulently sold houses that do not belong to them. A title company performs a vital, yet hidden role in guaranteeing the security of your home. Just like car insurance, you never realize how important it is until the unexpected happens. This is why lenders require title insurance — to protect the lender against loss due to unknown title defects.

Many title companies also offer escrow services. When buying, selling or refinancing real estate, a neutral third party is needed to handle all deposits of funds, documents, special reports and other important papers. It is also the Escrow Officer you will meet with to sign all the documents prior to your property closing escrow.

## WHAT PROTECTION WILL I RECEIVE FROM MY TITLE POLICY?

A Title Insurance Policy pays for legal fees in defense of a claim against property covered under your policy. It also contains provisions for indemnification against losses that result from a claim. The title insurance premium is paid at the close of escrow and no additional premiums are paid as long as you own the property.

# COMPARISON OF TITLE POLICIES

COVERAGE: SUBJECT TO YOUR POLICY'S EXCEPTIONS, EXCLUSIONS, CONDITIONS AND STIPULATIONS	STANDARD POLICY	EXTENDED POLICY	HOMEOWNER'S POLICY
1 Someone else owns an interest in your property	Yes	Yes	Yes
2 A document is not properly executed	Yes	Yes	Yes
3 Forgery, fraud or duress	Yes	Yes	Yes
4 Defective recording of any document	Yes	Yes	Yes
5 There are restrictive covenants	Yes	Yes	Yes
6 There is a lien on your title because there is: • a deed of trust • a judgment, tax or special assessment • a charge by homeowner's association	Yes Yes Yes	Yes Yes Yes	Yes Yes Yes
7 Title is unmarketable	Yes	Yes	Yes
8 Mechanic's lien protection	No	Yes	Yes
9 Forced removal of structure because it: • Extends onto other land or onto an easement • Violates a restriction in Schedule B • Violates an existing zoning law	No No No	Yes Yes Yes	Yes Yes Yes
10 Can't use land for a single family dwelling because the use violates a restriction in Schedule B or a zoning ordinance.	No	Yes	Yes
11 Pays rent for substitute land or facilities	No	Yes	Yes
12 Unrecorded lien by a homeowner's association	No	Yes	Yes
13 Unrecorded easements	No	Yes	Yes
14 Rights under unrecorded leases	No	Yes	Yes
15 Enhanced continuing coverage	No	No	Yes
16 Building permit violations	No	No	Yes
17 Compliance with Subdivision Map Act	No	No	Yes
18 Restrictive covenant violations	No	No	Yes
19 Forgery occurring after policy date	No	No	Yes
20 Encroachment occurring after policy date	No	No	Yes
21 Damage from minerals or water extraction occurring after policy date	No	No	Yes
22 Coverage continues after transfer to your Living Trust	No	No	Yes
23 Enhanced access, vehicular and pedestrian	No	No	Yes
24 Attached map not consistent with legal description	No	No	Yes
25 Potential increase in policy limit up to 150% due to inflation	No	No	Yes
26 Adverse possession occurring after policy date	No	No	Yes
27 Cloud on title occurring after policy date	No	No	Yes
28 Prescriptive easement occurring after policy date	No	No	Yes
29 Covenant violation resulting in reversion	No	No	Yes
30 Boundary, walls and fence encroachment	No	No	Yes
31 Violations of building setbacks	No	No	Yes

The additional coverage is subject to a deductible and a maximum indemnity liability, which may be less than the policy amount. For more details on all coverages, including the coverages outlined above, please refer to the terms of the policy itself. Copies are available from your local North Idaho Title office. The Homeowner's and the Extended policies are designed for issuance on certain subdivided residential properties and are not available for all properties. Check with your title representative for availability.

# IDAHO'S GOOD FUNDS LAW

Idaho's "Good Funds Law" enacts the requirements that checks are deposited prior to disbursement. In addition, the actual day title companies disburse funds is governed by the type of funds received by escrow and that are deposited into the trust accounts.

All escrow and title companies are required to follow the disbursement schedule of the "Good Funds Law" and the guidelines set forth by said laws and their underwriters as follows:

1. Disburse-funds the same day as deposited, if escrow received:
  - **Wired funds** (receipt of wire is verified with receiving bank).
2. Disburse-funds the following day after check is deposited into the trust account, if escrow received:
  - **Cashier's checks;**
  - **Certified checks and Teller's checks.** (Escrow may request the bank's phone number to verify the issuance of the check.)

*Note: Official checks are not cashier's checks. Official checks are reviewed for which bank the check is drawn on and at what time period. The minimum hold time for an official check is 2 days; it could be longer depending on the bank the check is drawn on.*
3. Disburse-funds 5-8 days after the date of deposit if escrow received:
  - **A personal check** from any source. The variable in days is based on clearance of the check and bank location.

*NOTE: Customers depositing multiple cashier's checks, bank drafts, traveler checks and money orders to close an escrow in which the aggregate total is greater than \$10,000 may be required to sign and complete an IRS Form 8300, acknowledging possible IRS cash reporting.*

## THIEVES LOVE WIRE TRANSFERS. HERE ARE A FEW TIPS ON COMBATING WIRE FRAUD.

1. **CALL, DON'T EMAIL.** Obtain your Escrow Officer's phone number at the **BEGINNING** of the transaction. Confirm your wiring instructions by phone before transferring funds. **DO NOT EVER WIRE FUNDS PRIOR TO CALLING YOUR ESCROW OFFICER TO CONFIRM WIRE TRANSACTION.**
2. **CONFIRM EVERYTHING.** Ask your bank to confirm the name, bank routing number, account number and other codes prior to sending a wire.
3. **VERIFY IMMEDIATELY.** Within four to eight hours, call the title company to confirm they received your money.

# HOMEOWNER'S EXEMPTION INFORMATION

KOOTENAI COUNTY ASSESSOR'S OFFICE  
ADMINISTRATION BUILDING • 451 GOVERNMENT WAY • COEUR D'ALENE, ID

## WHAT IS THE HOMEOWNER'S EXEMPTION?

The Homeowners Exemption is an exemption provided by state law that saves the property owner money on their property taxes. This happens because the exemption *deducts 1/2 of the assessed value of the buildings & the one acre home site, up to a maximum of \$100,000 or 50%, whichever is less.*

## WHO QUALIFIES?

*A property owner who occupies the home as their primary residence and is an Idaho resident.*

## HOW DO YOU QUALIFY?

- › **A valid Idaho drivers license (if you drive)**
- › Vehicle is licensed in Idaho (if you own a vehicle)
- › If the property is in a trust, bring the **entire** trust with you
- › If you file federal income tax, you are required to file Idaho State Income Tax as a full year Idaho Resident, at the appropriate time.
- › You reside in Idaho for a majority of the year
- › Registered Idaho voter (if you vote)

## WHEN DO I FILE?

- › On **new construction** the Assessors' office encourages you to apply as soon as possible.
- › On **existing homes** the Assessors' office encourages you to apply as soon as possible. There is no deadline to file for the exemption, however, when you receive the exemption is dependent upon when you file.

## WHERE DO I FILE?

The Homeowners Exemption Applications are available and must be filed in the Assessor's Office at 451 Government Way on the main floor of the Administration building, next to the information desk.

# HELPFUL REMINDERS & SOURCES OF ASSISTANCE

## PAYING OFF YOUR EXISTING LOANS

Unless the buyers assume an existing loan on the property, all loans must be paid off at the close of escrow. The seller must furnish complete debt information to the Escrow Officer and real estate agent. The seller must be prepared to provide the name, the loan number, and address and phone number of each lender. The Escrow Officer will need this information to order a loan payoff demand and subsequently pay off the loan or other encumbrances.

Homeowner's Association information may also be required if you are selling a condominium, townhouse or property located in a planned unit development. All of this information will help assure a timely closing of the escrow.

## TRANSFERRING ESCROW FUNDS

If you wish to transfer or wire transfer funds to another escrow, bank or investment account, arrangements must be made in advance with your Escrow Officer.

## POWER OF ATTORNEY

In the event that you wish to use a Power of Attorney, arrangements must be made one to two weeks in advance with the Escrow Officer. If North Idaho Title does not draft the Power of Attorney, our legal staff must approve it. These arrangements should be made as early as possible.

## IDENTIFICATION

Please bring appropriate identification with you to North Idaho Title so the Notary Public can verify your identity. There are several acceptable forms of identification that may be used. These include:

- A current driver's license
- Passport
- State of Idaho Department of Motor Vehicles ID Card

## TAX DEFERRED §1031 EXCHANGE

If the property you are selling is an investment property and the proceeds from the sale are going to be used to purchase other "Like-Kind" investment real estate, you should consider a tax-deferred exchange. Exchanging is an Internal Revenue Service (IRS) recognized approach to the deferral of capital gains taxes. The IRS recognizes the use of an Accommodator or Qualified Intermediary throughout your transaction as a Safe Harbor.

To accurately approach an exchange, become familiar with the rules and regulations underlying such a tax-deferred or tax free transaction. We suggest you see your tax lawyer or tax professional.

# HELPFUL REMINDERS & SOURCES OF ASSISTANCE *continued*

## BEFORE YOUR MOVE...

- Post Office: Give forwarding address
- Change accounts, credit cards
- Subscriptions: Notice requires several weeks
- Friends and relatives

### Bank

- Transfer funds, arrange check-cashing in a new city
- Obtain cashier's check necessary for closing real estate transactions; be sure to ask your bank if this check is drawn on an Idaho institution
- Arrange credit references

### Insurance

- Notify company of new location for coverages: Life, Health, Fire and Auto

### Utility Companies

- Gas, light, water, telephone, fuel
- Get refunds on any deposits made

### Delivery Service

- Laundry, newspaper, milk: changeover of services

### Medical Histories

- Ask doctor and dentist for referrals; transfer needed prescription, eyeglasses, X-rays.
- Obtain birth records, medical records, etc.

## Church, Club, Civic Organization

- Transfer memberships; get letters of introduction

## Pets

- Ask about regulations for licenses, vaccinations, tags, etc.

## MORE HELPFUL DOS...

- Empty freezer; plan use of foods
- Defrost freezer and clean refrigerator; place charcoal to dispel odors
- Have appliances serviced for moving
- Remember arrangements for TV and antenna
- Clean rugs or clothing before moving; have them moving wrapped
- Check with your Moving Counselor: insurance coverage, packing and unpacking labor, arrival day, various shipping papers, method and time of expected payment
- Plan for special care needs of infants

## THE BIG DAY...

- Carry enough cash or traveler's checks to cover cost of moving services and expenses until you make banking connections in new city
- Carry jewelry and documents yourself, or use registered mail

- Plan for transporting pets; they are poor traveling companions if unhappy
- Carry traveler's checks for quick available funds
- Let close friend or relative know route and schedule you will travel, including overnight stops
- Double check closets, drawers, shelves to be sure they are empty
- Leave all old keys needed by new tenant or owner with real estate agent

## THEN, AT YOUR NEW HOME

- Check on service of telephone, gas electricity, and water
- Check pilot light on stove, hot water heater, incinerator, and furnace
- Have appliances checked
- Ask Postal Worker for mail he/she may be holding for your arrival
- Have new address recorded on driver's license
- Visit city offices and register for voting
- Register car within five days after arrival in state or a penalty may have to be paid when getting new license
- Register family in your new place of worship
- Register children in school
- Arrange for medical services: doctor, dentist, etc.

# IMPORTANT PHONE NUMBERS

## CITY AND COUNTY INFORMATION

<b>Athol</b>	451 N Government Way, Coeur d'Alene, ID 83814 .. 446-1000
City Hall 30355 3rd St, Athol, ID 83801 .....	683-2101
<b>Bayview</b>	Assessor .....
P.O. Box 1, Bayview, ID 83803.....	446-1500
<b>Coeur d'Alene</b>	Clerk/Auditor .....
City Hall 710 Mullan Ave, Coeur d'Alene, ID 83814.....	446-1650
Building Department.....	446-1480
Electrical & Plumbing Inspection.....	446-1600
City Planning & Zoning Department .....	446-1500
City Clerk/L.I.D. ....	Development Services
Utility Services .....	Planning & Zoning .....
City Engineer .....	Building, Engineering & Inspections.....
Street Numbers & Names.....	Voter Registration/Elections
<b>Dalton Gardens</b>	1808 N 3rd St.....
City Clerk 6360 N 4th St, Dalton Gardens, ID 83815 .....	446-1030
<b>Harrison</b>	Treasurer & Tax Collector.....
City Clerk .....	446-1005
<b>Hauser</b>	
11837 N Hauser Lake Rd. ....	
<b>Hayden</b>	
City Hall 8930 Government Way, Hayden, ID 83835 .....	
<b>Hayden Lake</b>	
9545 N Strahorn Rd, Hayden Lake, ID 83835 .....	
<b>Post Falls</b>	
City Hall 408 N Spokane St, Post Falls, ID 83854.....	
Building Division .....	
Planning Division.....	
Engineering Division.....	
<b>Rathdrum</b>	
City Hall 838 Main, Rathdrum, ID 83858 .....	
<b>Spirit Lake</b>	
City Hall 409 E Maine St, Spirit Lake, ID 83869 .....	
<b>Worley</b>	
City Hall.....	

## Kootenai County

451 N Government Way, Coeur d'Alene, ID 83814 ..	446-1000
Assessor .....	446-1500
Clerk/Auditor .....	446-1650
Recorder .....	446-1480
County Commissioners.....	446-1600
County Engineer.....	446-1500
Development Services	
Planning & Zoning .....	446-1070
Building, Engineering & Inspections.....	446-1040
Voter Registration/Elections	
1808 N 3rd St.....	446-1030
Treasurer & Tax Collector.....	446-1005

## HIGHWAY DISTRICTS

Eastside Highway District	
Coeur d'Alene .....	765-4714
Cataldo.....	682-2770
Harrison .....	689-3418
Lakes Highway District .....	772-7527
Post Falls Highway District.....	765-3717
Worley Highway District.....	664-0483

## FIRE PROTECTION DISTRICTS

Timberlake Fire Protection District.....	683-3333
Coeur d'Alene Fire Department.....	769-2340
East Side Fire District .....	769-4269
Hauser Lake Fire Protection District .....	773-1174
Kootenai County Fire Protection District.....	676-8739
Mica Forest Protection District.....	769-1577
Northern Lakes Fire Protection District.....	772-5711
Post Falls Fire Department.....	773-3517
Spirit Lake Fire Protection District .....	623-5800

# IMPORTANT PHONE NUMBERS

## POLICE DEPARTMENTS

Coeur d'Alene Police Department.....	769-2320
Idaho State Police Headquarters.....	772-6055
Kootenai County Sheriff's Office .....	446-1300
Post Falls Police Department .....	773-3517
Rathdrum Chief of Police .....	687-0711

## DEPARTMENT OF MOTOR VEHICLES

Coeur d'Alene	
451 N Government Way .....	446-1580
Post Falls	
120 E Railroad .....	446-1590

## SCHOOL DISTRICTS

Coeur d'Alene School District #271.....	664-8241
Lakeland School District #272.....	687-0431
Post Falls School District #273 .....	773-1658
Kootenai School District #274 .....	689-3631
Plummer/Worley Joint School District #44 .....	686-1621
Coeur d'Alene Charter Academy.....	676-1667

## HEALTH DISTRICTS

Panhandle Health District Administration .....	415-5100
Childcare Resource Center.....	415-5130
Environmental Health.....	415-5200
Home Health Program .....	415-5160
WIC Program .....	415-5130

## UTILITIES

Gas & Electricity	
Avista Utilities.....	800-227-9187
Kootenai Electric Cooperative.....	765-1200
Utility Locating Service .....	811
Garbage Collection	
Rural Sanitation (Athol, Bayview & Spirit Lake).....	765-5233
Coeur d'Alene.....	769-2300
Coeur d'Alene Garbage Service/Post Falls Sanitation (Hayden, Hayden Lake, Dalton Gardens, Rathdrum, Fernan Village, & Rural Coeur d'Alene) .....	457-1820
Waste Management (Coeur d'Alene, Hayden, Hayden Lake, Dalton Gardens).....	877-466-4668

## WATER COMPANIES & IRRIGATION DISTRICTS

Alpine Meadows Water & Sewer District .....	772-5313
Athol.....	683-2101
Avondale Irrigation District.....	772-5657
Bar Circle S Ranch Water Association .....	665-9200
Bayview Water & Sewer District .....	683-3948
Coeur d'Alene (Water).....	769-2210
Coeur d'Alene (Sewer).....	769-2241
Dalton Gardens .....	772-5639
East Greenacres Irrigation District .....	773-7579
Greensferry Water & Sewer District .....	773-5510
Hayden.....	772-4411
Hayden Lake.....	772-2161
Hayden Lake Irrigation District .....	772-2612
Holiday Acres Water & Sewer Association .....	687-1402
North Kootenai Water District.....	772-3619
Honeysuckle Hills.....	772-3605
Kidd Island Bay Water Users Co-op Leisure Park .....	772-9617
Post Falls .....	773-3511
Rathdrum .....	687-0261
Ross Point Water District.....	773-1120
Spirit Lake .....	623-2131

## WATER COMPANIES & IRRIGATION DISTRICTS

Kootenai County Airport .....	446-1860
HUD-FHA	
Acquired Property Sales.....	334-1367
General Information .....	334-1990
Mortgage Credit (Buyer Qualifications) .....	334-1338
Valuations (Property Qualifications) .....	334-1514
Veterans Administration (VA)	
General Information .....	334-1367
Appraisals & Inspections.....	334-1367
Repossessions (Computer Access).....	334-1900
North Idaho Building Contractors Association.....	765-5518
Flood Plain Information (Mapping).....	769-4400
Idaho Association of Realtors.....	667-0664
Idaho Housing Agency, Boise .....	331-4882
Idaho Housing Agency, Coeur d'Alene.....	667-3380
Idaho Department of Lands .....	769-1535

# GLOSSARY

These definitions are to acquaint the homebuyer with terms commonly used in real estate transactions. The terms are intended to be general and brief and are not complete and wholly accurate when applied to all possible uses of the term. Please consult your real estate agent for more information or questions regarding specific terms.

**Adjustable Rate Mortgage (ARM)** A mortgage instrument with an interest rate that is periodically adjusted to follow a pre-selected published index. The interest rate is adjusted at certain intervals during the loan period.

**Adjustment Period** The length of time between interest rate changes on an ARM. For example, in the case of an ARM loan with a one-year adjustment period, the interest rate may change once each year.

**Agency** Any relationship in which one party (agent) acts for or represents another (principal) under the authority of the principal. Agency involving real property should be in writing, such as listing, trust, powers of attorney, etc.

**American Land Title Association (ALTA)** A national association of title insurance companies, abstractors, and agents. The association adopts standard policy forms.

**Amortization** Repayment of a mortgage debt with periodic payments of both principal and interest, calculated to retire the obligation at the end of a fixed period of time.

**Annual Percentage Rate (APR)** A term defined in section 106 of the Federal Truth in Lending Act (15 USC 1606), which expresses on an annualized basis the charges imposed on the borrower to obtain a loan (defined in the Act as “finance charges”), including interest, discounts and other costs.

**Appraisal** An opinion or estimate of value. Also refers to the process by which a value estimate is obtained.

**Assignment** The transfer of ownership, rights, or interests in property, as in a mortgage, lease, or deed of trust. Mortgages and other security instruments are regularly assigned from one investor to another and commitments by HUD/FHA to insure mortgages may be assigned by one originating lender to another before insurance.

**Beneficiary** The person who is entitled to receive funds or property under the terms and provisions of a will, trust, insurance policy or security instrument. In the case of a mortgage loan, the beneficiary is the lender.

**Broker or Agent** One who is licensed by the state to carry on the business of dealing in real estate. A broker/agent is employed on a fee or commission basis to bring together buyers and sellers, landlord and tenant, or parties to an exchange, and assist in negotiating contracts between them.

**Cap** The limit on how much an interest rate or monthly payment can change, either at each adjustment or over the life of the mortgage.

**Certificate of Reasonable Value (CRV)** A document that establishes the maximum value and loan amount for a VA guaranteed loan.

**Closing Costs** The costs incurred to purchase real estate. These may include loan fees, title fees, appraisal fees, etc.

**Closing Statement** The financial disclosure statement that accounts for all of the funds received and expected at the closing, including deposits for taxes, hazard insurance, and mortgage insurance.

**Commission** An agent’s compensation for negotiating a real estate or loan transaction, often expressed as a percentage of the selling price.

**Contingency Clause** A provision in some ARMs to a fixed rate loan, usually after the first adjustment period. The new fixed rate is generally set at the prevailing interest rate for fixed rate mortgages. This conversion feature may cost extra.

**Deed** The document by which title to real property is transferred or conveyed from one party to another.

**Deed of Trust** Type of security instrument in which the borrower conveys title to real property to a third party (trustee) to be held in trust as security for the lender, with the provision that the trustee shall reconvey the title upon the payment of the debt, and, conversely, will sell the land and pay the debt in the event of a default by the borrower.

**Deposit** A sum of money given to (1) bind a sale of real estate, or (2) assure payment or an advance of funds in the processing of a loan. Also called Earnest Money.

**Discount Points** A negotiable fee paid to the lender to secure financing for the buyer. Discount points are up front interest charges to reduce the interest rate on the loan over the life, or a portion, of the loan’s term. One discount point equals one percent of the loan amount.

**Due on Sale Clause** An acceleration clause that requires full payment of a mortgage or deed of trust when the secured property changes ownership.

**Earnest Money** A deposit made to bind the conditions of a sale of real estate.

# GLOSSARY

**Easement** A limited right of interest in land of another that entitles the holder of the right to some use, privilege or benefit over the land.

**Escrow** The process in which a neutral third party holds money and documents for delivery to the respective parties in a transaction on performance or established conditions.

**Federal National Mortgage Association** Commonly known as Fannie Mae. A privately owned corporation created by Congress to support the secondary mortgage market. It purchases and sells residential mortgages insured by FHA or guaranteed by VA, as well as conventional home mortgages.

**Finance Charge** The total cost a borrower must pay, directly or indirectly, to obtain credit according to Regulation Z.

**Foreclosure** The legal process by which property is sold to satisfy an unpaid debt in the event of default on terms or payments of a mortgage.

**Good Faith Estimate (GFE)** A document that tells borrowers the approximate costs they will pay at or before settlement, based on common practice in the locality. Under requirements of the Real Estate Settlement Procedures Act (RESPA), the mortgage banker or mortgage broker, if any, must deliver or mail the GFE to the applicant within three business days after the application is received.

**Graduated Payment Mortgage** A residential mortgage with monthly payments that start at a low level and increase at a predetermined rate.

**Grant Deed** One of many types of deeds used to transfer real property.

**Hazard Insurance** Real estate insurance protecting against loss caused by fire, some natural causes, vandalism, etc., depending upon the terms of the policy.

**Homeowner’s Association** (1) An association of people who own homes in a given area, formed for the purpose of improving or maintaining the quality of the area. (2) An association formed by the builder of condominiums or planned developments and required by statute in some states.

**Impound Account** An account held by a lender for the payment of taxes, insurance or other periodic debts against real property.

**Index** A measure of interest rate changes used to determine changes in an ARM’s interest rate over the term of the loan.

**Joint Tenancy** A means of ownership in which two or more persons own equal shares in real property. Upon the death of one tenant, his/her share passes to the remaining tenant(s) until title is vested in the last survivor.

**Legal Description** A description by which real property can be definitely located by reference to surveys or recorded maps. Sometimes referred to simply as “the legal.”

**Lien** A legal hold or claim on property as security for a debt or charge.

**Loan Commitment** A written promise to make a loan for a specified amount on specific terms.

**Loan to Value Ratio** The relationship between the amount of the appraised value of the property and the loan, expressed as a percentage of the appraised value.

**Lock-in** A guarantee by the lender of a particular loan rate. The loan must fund before the lock expiration in order to receive the guaranteed or “locked” rate.

**Margin** The number of percentage points the lender adds to the index rate to calculate the ARM’s interest rate at each adjustment.

**Market Value** An appraisal term denoting the highest price that a buyer, willing but not compelled to buy, would pay, and the lowest a seller, willing but not compelled to sell, would accept.

**Mortgage Payment** A payment that is owed to the bank/lender each month toward repayment of the loan. The amount is determined by the terms of the loan: principal, interest rate, length of the loan, and periodic adjustments, if applicable.

**Multiple Listing Service** An exclusive listing, submitted to all members of an association, so that each may have the opportunity to sell the property.

**Negative Amortization** Occurs when monthly payments fail to cover the interest cost. The interest that isn’t covered is added to the unpaid principal balance, which means that even after several payments you may owe more than you did at the beginning of the loan. Negative amortization can occur when an ARM has a payment cap that results in monthly payments that aren’t high enough to cover the interest.





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THE *choice* IS *yours!*  
DEMAND THE *best!*