

PROPERTY FINDING GUIDE



Prudential

Taos Real Estate

Tap the Power of the Rock.

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HOME FINDING GUIDE

Prepared for:

Presented by:

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Dear Buyer,

Thank you for the opportunity to help you find your next property.

I understand that buying property is a major decision. My goal is to take you through the property finding process, making it as efficient, stress-free and successful as possible.

The purpose of this property finding guide is to help you understand the process of finding and buying property, to acquaint you with the kinds of housing and financing choices that are available and to assist you throughout the property buying process. We also have included interesting information that will familiarize you to the area such as a reading list.

In order to best serve you, I will need to spend time with you learning more about your unique needs, both in property and of your real estate sales professional. My goal is that you will be delighted with your property buying experience.

Please feel free to call on me at any time, ask questions, and share your concerns with me.

Again thank you for allowing me to help you select your nest property.

YOUR NEEDS COME FIRST

Finding and buying the right home is a highly personalized process, and it all begins by identifying your needs.

As you think about finding a home, the following worksheets can help me clarify your needs.

These worksheets explore areas such as:

- The values, interests and priorities you want this move to support.
- The Features you are looking for in a home.
- How a neighborhood can best match your needs and lifestyle.
- How the home finding process will need to be tailored to fit your plans.
- The support you expect to receive from me.



Brokerage Relationships

Broker Duties

1. Honesty and reasonable care, as set forth in the provisions of this section.
2. Compliance with local, state, and federal fair housing and anti-discriminations and other applicable local, state, and federal laws and regulations.
3. Performance of any and all oral or written agreements made with the Licensee's Customer or Clients.
4. Assistance to the Licensee's or Client in completing the Transaction, unless otherwise agreed to in writing by the Custom or Client, including:
 - a. Presentation of all offers or counter offers in a timely manner.
 - b. Assistance in complying with the terms and conditions of the contract and with the closing of the Transaction.

If the License in a Transaction is not providing the service, advice or assistance described in paragraphs 4a and b, the Customer or Client must agree in writing that the Licensee is not expected to provide such service, advice or assistance, and the Licensee shall disclose such agreement in writing to the other Licensees involved in the Transaction.
5. Acknowledgement by the Licensee that there may be matters related to the Transaction that are outside the Licensee's knowledge or expertise and that the Licensee will suggest that the Customer or Client seek expert advice on these matters.
6. Prompt accounting for al monies or property received by the Licensee.
7. Prior to the time the Licensee generates or presents any written documents that has the potential to become an Express Written Agreement, written disclosure of (a) any written Brokerage Relationship the Licensee has with any other Parties to the Transaction and/or (b) any material interest or relationship of a business, personal, or family nature that the Licensee has in the Transaction.
8. Disclosure of any adverse material facts actually known by the Licensee about the property or the Transaction, or about the financial ability of the Parties to the transaction to complete the Transaction Adverse material facts do not include data from a sex offender registry or the existence or group homes.
9. Maintenance of any confidential information learned in the course of any prior Agency relationship unless the disclosure is with the former Client's consent or is required by law.
10. Unless otherwise authorized in writing, a Licensee shall not disclose to their Customer or Client during the transaction that their seller client or customer has previously indicated they will accept a sales price less than the asking or listed price of a property, that their buyer client or customer has previously indicated they will pay a sales price greater than the price submitted in a written offer, the motivation of any party for selling or buying property, that their sell client or customer or their buyer client or customer will agree to financing terms other than those offered; or any other information requested in writing by the Licensee's Customer or Client to remain confidential, unless disclosure is required by law.

DEFINING YOUR IDEAL HOME

The property you buy will be much more than a house; it will be your home. The following questions can help you describe the things that are most important to you in your ideal home and neighborhood.

1. For some people, “home” means a hub of social activity; for others it might be a place to retreat from the pressures of daily life. What does “home” mean to you?	
2. Who will be living in your household? Will you often have other family members or friends visiting for more than a few days at a time?	
3. If you will be working outside your home, what would you consider a comfortable commute (in time or distance)? Will you be working at home?	
4. What are the most important activities for the members of your household? For example, hobbies, recreation, school, entertaining, religious or cultural activities.	
5. What is one or more features you liked most about homes you have lived in previously? This might include; style, floor plan, yard, view and neighborhood.	
6. What is something you disliked about the house or neighborhood where you have lived previously, and that you would want to avoid in your next home?	
7. What are the most important “must have” features of your ideal home and neighborhood? Why are they important?	

LOCAL GLOSSARY

Acequia – Spanish word meaning irrigation ditch. System of shared management of water. Farmers that cooperatively maintain the ditch and distribute irrigation water.

Acequia Madre – the “mother ditch” main stream of irrigation waters

Adobes – Bricks made from straw and mud, designed to keep a home insulated in the winter and cool in the summer.

Bancos – Benches that are built into the wall around a fireplace, around a table, or around a window.

Casita – A small house, usually on the same property as a larger home; which often refers to a guesthouse.

Corbels – A bracket of stone, wood, brick, or other building material, projecting from the face of a wall and generally used to support a cornice or arch.

Coyote Fence – A fence made of thin pinon branches wired together.

Kiva Fireplace – Rounded fireplace in the corner of a room.

Latilla – Narrow pinon branches, usually used to form a traditional New Mexico ceiling.

Lentil – The rough wood beam used above the window to support the above wall.

Nichos – Indentations or shelves built into the walls that are traditionally used as alters.

Off The Grid – not connected to electrical grid, water, sewer, or gas mains.

P&J – pinon and juniper trees located in the foothills

Penasco Style – Style of home, historically made of adobe with a steep pitched roof made of tin. Steepness of the roof is to have snow slide off tin. The sun reflects off of the tin to melt the snow.

Portal – A deep covered porch along the house.

Pueblo Style – Adobe home, stylized after the pueblo with flat roofs, lentils, vigas, and latillas. Historically it had mud floors, extremely thick walls that remain cool in the summer and warm in the winter, it also has small windows.

Rain Catchment System – Water harvesting system that catches water and keeps it clean to supply all the water needs of a building.

Sala – entrance hallway accessible to rooms on both sides.

Salttilo tiles – Large, red-tinged clay tiles from Mexico, used for flooring.

Santa Fe/Territorial Style – Style of home historically made of adobe with a flat roof that structurally used red-fired brick. The window frames are wood with a “federal” style lentil.

Vigas- A wide, stripped beam (actual tree trunk), that supports the ceiling.

Xeriscape – water-smart gardening; using few resources. Xeriscape is a systematic concept for saving water in landscaped areas.

CONSTRUCTION



Adobe – Adobe bricks are made with dirt that has been moistened with water, sometimes with chopped straw added for strength, and then allowed to dry in the desired shape. The adobe blocks are then stacked like bricks to form internal and external walls.



Earthship – The basic Earthship design incorporates passive solar architecture. The primary retaining walls are constructed with used tires, filled with earth and stacked up like bricks. The interior surface of the tires is then plastered with adobe or cement so the tires don't normally show. Another type of wall can also be constructed through the use of empty aluminum cans mortared into lightweight, curable walls. Earthships often employ many ecological concepts, such as water catchments from the roof, reuse of rainwater, composting toilets, indoor gardening, etc.



Frame – By frame construction one is referring to 2x4 or 2x6 inch "studs" or wood construction, which is most common to the construction world. The skeleton of a house is nailed together and then insulation fills the gap between wood pieces. Plywood generally coats the outside of skeleton and dry wall the inside. Finally stucco or siding coats the exterior. Drywall, wallboard or gypsum. Is the manufactured panel made out of gypsum plaster and encased in a thin cardboard. The panels are nailed or screwed onto the framing and the joints are taped and covered with a 'joint compound'. 'Green board' type drywall has a greater resistance to moisture than regular (white) plasterboard and is used in bathrooms and other "wet areas".

ICF's (insulated concrete forms) – Insulating concrete forms (ICF's) are hollow foam blocks which are stacked into the shape of the exterior walls of a building, reinforced with steel rebar, and then filled with concrete. ICFs combine one of the finest insulating materials, Expanded Polystyrene (EPS), with one of the strongest structural building materials, steel reinforced concrete. The result is a wall system of unmatched comfort, energy efficiency, strength, and noise reduction.

Light clay – Clay is an excellent building material. It's affordable and recyclable, an excellent heat absorber, and regulates indoor temperature variations. Mixed with fibers, it provides insulation. The clay preserves and protects the fibers from insects, mice, fire, and absorbs odors, while lending itself to architectural creativity and flexibility.

Panelized Construction – Site built home. Walls and roof built off site.

Post-and-beam – A basic building method that uses just a few hefty posts and beams to support an entire structure.

Pressed earth block – It is really quite similar to adobe technique, in that the soil is mostly clay and sand. The difference is that the material is compressed or tamped into place, usually with forms that create very flat vertical surfaces. Modern rammed earth typically utilizes heavy mechanized equipment to move and compress the material. The walls are normally at least a foot thick to give enough bulk to be stable and provide the thermal mass for comfort.



Pumice-Crete – Pumice-crete is a low-density concrete made from pumice aggregate, Portland cement, and water. It is a mix that succeeds in providing structural strength and insulation in one material. Typically it is poured on site in wall thickness of 14" or greater and no additional insulation or structural components are necessary. Wall surfaces are finished by applying plaster coats on the interior and exterior, which further aid the thermal performance by trapping air within the honeycomb pumice-crete mix. The walls are very durable, fireproof, have good noise resistance, and are very aesthetically pleasing because they can be formed to fit many architectural appearances and styles. www.pumicecrete.com



Rastra Block – Rastra is a concrete form system made of a lightweight material 85% of which is recycled material mixed with concrete. The blocks are stacked like Lego's and then the cavity left inside the wall is filled with concrete and reinforcing with metal bars. (Rebar). The result is a concrete wall with foam insulation on both sides, thus combining insulation with thermal mass. The recycled insulation offers the ultimate in properties for a wall, such insulation, soundproofing, fire protection, and is resistant against frost and heat radiation. It does not entertain mold or attract nesting insects.

SIP (structural insulated panels) – SIP's are high-performance building panels for floors, walls and roofs in residential and commercial buildings. Each panel is typically made using expanded polystyrene (EPS), rigid foam insulation sandwiched between two structural skins of oriented strand boards, but other surfaces are also available to meet your needs. The result is a building system that is very strong, predictable, energy efficient, and cost effective.



Strawbale – A Strawbale house is just that: a house whose walls are composed of straw bales. Bales are placed either in a framework of posts and beams or they are "load bearing" and thus bear the weight of the roof. Straw bale houses offer excellent insulation. At R 2.7 per inch an eighteen-inch wide bale equals R-48! Some frame house (to give you a point of comparison) may have walls of R-19. Straw bale houses are non-toxic and very breathable. Some people raise concerns about mold and pests. Such concerns are unnecessary when the house is well constructed. www.strawbale.com

SOLAR ENERGY

Heating

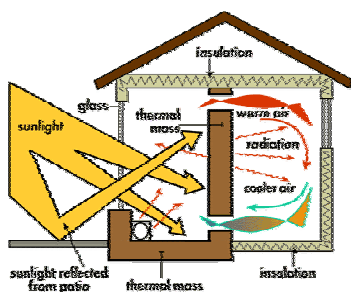
By: orienting your home facing south, toward the sun, solar energy can warm your home. When the shutters of the home are closed, heat is trapped and your home remains warm throughout the night. There are three techniques used to collect heat. They are as follows:

1. **Direct Gain**, or the construction of glass on the south wall allows the sunlight to be absorbed into the floors and walls. This is a great insulation method, but the rooms that admit light could be uncomfortably bright.
2. **Greenhouses or sunrooms** are rooms dedicated to the storage of heat. Perfect for the propagation of plants.
3. **Tombe wall, or water wall** that is sheeted on the south with thermopane glass. The sun passes through the glass and falls directly upon the storage wall. This heat is then admitted to the house by conduction, when heat radiates through the wall into the house, or convection, when a vent is placed at the top and bottom of the mass wall.

Cooling

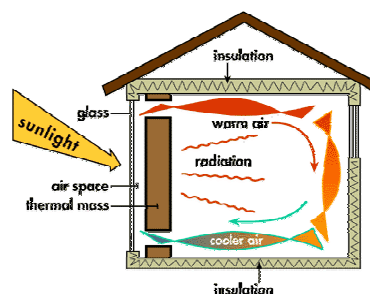
During the summer, one may notice a change in the angle of the sun. With careful design of overhangs on the south side of the solar home, the sun may be excluded at any predetermined date. When the sun is blocked, thermal gain works opposite of how it works in the winter. The house gives off heat at night, when it is cool, and absorbs heat in the day, thus keeping the interior cool.

The figures below give a general idea of the flow of cold and warm air in passive solar design.



Direct Solar Gain

Source: www.communityenergycenter.org



Indirect Solar Gain

Source: www.communityenergycenter.org

Buying Green Energy – The encouragement of wind generated electricity and it's development available in detail at Kit Carson Electric for Taos County residences.

HOME FINDING PROCESS

Finding and buying a home typically includes many of the following elements. I will be your resource and guide every step of the way.

Initial Consultation

Determine your needs and priorities
Review “agency” choices and select appropriate working relationship
Discuss Financing options

Funding the Right Home

Sales professional to show you properties based your criteria
Evaluate each property with sales professional
Choose the right home

Preparing an Offer

Review comparable sales to determine offer price
Review progress of loan pre-approval on financing
Decide on other terms (inspections, possession date, property, etc.)
Prepare earnest money deposit

Reaching an Agreement with a Seller

Present you offer
Negotiation of terms and possible counter offers
Agreed upon sales contract with seller

Completing the Settlement Process

Deposit of earnest money
Review seller’s property disclosures
Review preliminary title report
Roof, termite and other inspections
Remove any remaining contingencies
Arrange for homeowners insurance
Arrange for home warranty
Arrange for movers
Final walk-through of property with sales professional
Provide balance of down payment and closing costs
Sign documents
Loan funding
Recording of title
Receive keys from sales professional
MOVE IN

Obtaining Financing

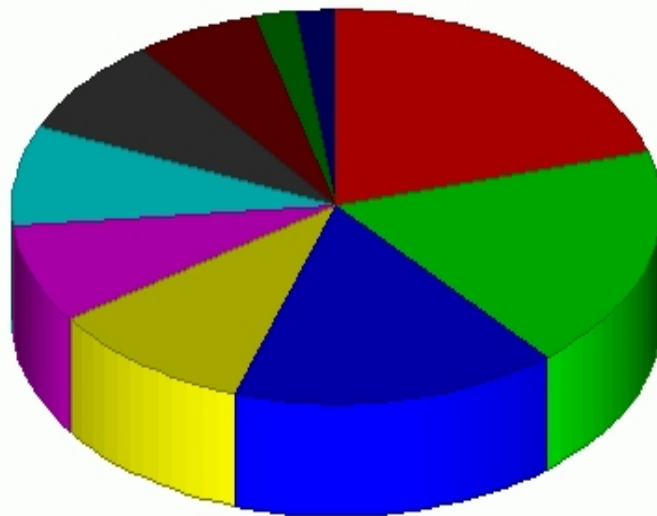
- Fund a Mortgage Company
- Consult with a loan officer
- Pre-qualification
- Complete loan application
- Obtain loan pre-approval
- Provide requested documentation

- Property appraisal
- Loan processing
- Final loan approval

How Buyers Find The Property They Purchase

Property buyers may use several information sources in their search process, but they are most likely to find the Property they actually purchase through a real estate professional

Prudential Taos Real Estate
Buyer Sources
January 1, 2008 - December 31, 2008



- | | | |
|---|---|--|
| ■ Previous Client | ■ Other real estate Referral | ■ Other |
| ■ Personal Friend/Relative Ref | ■ Office Location/Walk in | ■ Homes Magazine |
| ■ Internet | ■ Agent Self-Promotion | |
| ■ Not Specified | ■ Yard Sign | |

YOUR SINGLE SOURCE FOR PROPERTY INFORMATION

I have access to virtually every property for sale in this market, and will show you the homes that best match your requirements, including:

- All homes marketed by Prudential Real Estate Network members
- All properties listed by other brokers through the Multiple Listing Service (MLS)
- Properties not necessarily on the open market yet
- Many properties offered “For Sale By Owner”

To save you time, hassle and duplicated effort, contact me for additional information on properties you see, regardless of whether or not they are being offered by a Prudential Real Estate sales professional. I can obtain important facts about homes you see:

- Advertised in newspapers or buyers’ guides
- On the Internet
- In open houses
- Displaying “For Sale” signs



HOW TO LOOK AT HOMES

Discovering the right home should be an exciting event. As a Prudential Real Estate sales professional, my commitment is to make your home search as stress-free and efficient for you as possible.

- Identifying up-front what is affordable will save time and frustration in the home finding process. It is important to consider the financing options available and to begin the mortgage pre-approval process as soon as possible.
- From the multitude of properties currently on the market, I will select those that most closely meet your unique needs and interests. It is best to preview only a few homes at a time.
- We will schedule time to look at homes and neighborhoods. I will arrange showing appointments with the sellers or the brokers.
- If the seller or their real estate professional is at the property when we are there, it would be best for you to limit your conversation with them.
- You can use the Homefinding Worksheets I give you to evaluate each property.
- In order to help me find the right home for you, I will ask you to tell me your thoughts about each property you see – the positives and the negatives. We will continue to assess your needs and buying criteria.



HOMEFINDING WORKSHEET

Evaluation of (property address _____)

Size (number of rooms or sq. ft.): _____ HO assoc. dues \$ _____ Asking price \$ _____

Date visited _____ Most memorable feature _____

Interior

Overall condition: _____

Floor plan _____

Bedrooms/Baths _____

Living room _____

Family Room/dining _____

Kitchen/laundry _____

Heating/air _____

Other features _____

Exterior

Overall condition _____

Paint and trim _____

Roof _____

Deck/patio/pool _____

Garage _____

Landscaping fence _____

Other features _____

Location

Appearance of neighborhood _____

House value relative to area _____

Distance to employment _____

Schools, shopping, etc. _____

Summary

Favorite features _____

Least desirable _____

Comments _____

SUBMITTING AN OFFER

Once you have found the right property, the next step is to make a purchase offer to the seller.

Determine the price you want to offer.

- The price the seller is asking may or may not reflect realistic market value.
- The best way to determine market value is with a Comparative Market Analysis (CMA) showing similarly properties that sold recently, those that are currently active on the market and those that failed to sell.
- I will discuss with you an estimate of costs associated with purchasing this property.

Decide on financing.

- We will review together the status of your loan pre-approval.
- We will work together with your loan officer to explain financing options and help you determine the mortgage plan that best fits your requirements.

Decide on other issues that are important to you, such as:

- Items of personal property you want included with the house.
- Warranty, inspections, repairs or other home enhancements by the seller.
- Closing date and possession.

I will present your offer.

- The seller will have three choices: accept your offer as it is presented; reject it completely; or propose adjustments to your offer (counter offer).
- If there is a counter offer, you can choose whether to accept it, reject it or counter it.

Once you have reached agreement with the seller, you will have a firm contract to purchase the home.

IMPORTANT WAYS TO PROTECT YOUR INTERESTS

There are several ways to help support a trouble-free home purchase:

- A written **property disclosure statement** from the seller will reveal any problems with the house and the surrounding area that you need to know about.
- **Professional inspections** can reveal structural, roof, termite and other problems with the property that the seller will need to remedy.
- A **home warranty** can give you peace of mind by providing repair-or-replace coverage of major home operating systems and appliances.
- A **preliminary title report** informs you of any problems with the property's title and a policy of title insurance protects your rights to the property.
- A **walk-through** before closing will allow you to make sure all required work has been taken care of and that the property is ready to become yours.



COMPLETING YOUR HOME PURCHASE

Many details need to be taken care of in order for a home purchase to be completed. It can take 15-90 days to complete all the steps involved in a home sale, depending on the complexity of the transaction. I will work closely with everyone involved in the transaction. I will work closely with everyone involved in the transaction to help ensure that it moves ahead as smoothly as possible:

- Explain to you in detail all the steps that will occur, and answer any questions you might have.
- Work with the seller's broker to see that they fulfill their responsibilities under the contract.
- Stay in touch with the settlement officer, title officer, lender and other to help coordinate their activities and to help keep the transaction moving forward.
- Communicate with you on a regular basis so that you can stay informed and as worry-free as possible.



A SMOOTH TRANSITION TO YOUR NEW HOME

Here are some things to consider as you make the move to your new home. I can suggest local professionals for many of these services.

4 weeks before your move

- Contact and contract with a reputable moving company.
- Have school records
- Transferred.
- Arrange to transfer (or take with you) medical, dental and other important records.
- Prepare to transfer you homeowners and auto insurance to be sure you will be covered for any unforeseen disasters.
- Hold a garage sale to get rid of unneeded items, arrange to place excess items in storage.
- Keep track of moving related expenses. (Check with your account to find out what expenses will deductible).

3 weeks

- Obtain a mail change of address cards to the post office, subscription, credit car companies and important contracts.

2 weeks

- Arrange for final utility reading at your former residence the day after you move and have utilities and phone turned on at your new home the day before you move in.
- Close or transfer bank accounts.
- Terminate newspaper delivery services
- Arrange for transfer of vehicle licenses and driver's licenses.
- Have an extra supply of prescription medications for the next four weeks.
- We will schedule a final walk-through of the property to make sure everything is in order.

Weed of your move

- Keep valuable financial records and personal papers with you; do not pack them with the rest of your household goods.
- On closing day, the home purchase documents record and the home is your.
- Move in!

After you move in

- Consider plans for landscaping design, installation and maintenance.
- Review home security requirements and systems.
- New home furnishings, appliances and interior decorating will help make the house your home.

Enjoy your new home!

FINANCING YOUR HOME PURCHASE

Unless you are in a position to pay all cash for your home, you will need to obtain a home loan (mortgage) to complete the purchase. I will assist you in this process to help ensure that you obtain the financing that meets your needs.

- Being pre-approved for a loan before you submit an offer will put you in a stronger negotiating position and can save time in the loan approval process
- I can put you in touch with experienced loan officers at leading mortgages companies. Your loan officer will be your principal guide through the financing process.
- Various financing options may be available to you, including:
 - Fixed Rate Mortgage
 - Adjustable Rate Mortgage (ARM)
 - Government-assisted (FHA or VA) financing\
 - Seller assisted financing
- You can expect the lender to ask for standard information regarding you income, expenses and obligations.



GLOSSARY OF TERMS

Adjustable Rate Mortgage (ARM) – A mortgage where the interest rate is subject to change over the term of the loan as determined by market influences such as interest rates on Treasury securities.

Amortization – The process of paying debt by installments of principal and earned interest over a fixed period of time.

Annual percentage Rate (APR) – A measure of how much interest credit will cost, expressed as an annual percentage.

Appraisal – An expert judgment or estimate of the value of real estate, made by an appraiser, generally for the purpose of obtaining a real estate loan.

Balloon Loan – An amortized loan calling for one large payment for the remaining amount due at a specified time during the amortized period.

Closing Costs – All fees and charges paid at closing for services including the lender or mortgage broker, and certain other fees paid to third parties for services that the lender requires the borrower to purchase.

Credit Application – A form used by a lender to obtain personal, financial and credit information to appraise an applicant's credit worthiness.

Credit Report – Also known as consumer credit information, the report contains information about a consumer's identity, credit relationships, any court actions, consumer statements and previous inquiries into that file.

Credit Score – A number typically between 330 and 830, that let's lenders and others determine how likely someone is to pay loans and credit cards.

Debt – A specified sum of money that is legally owed from one to another.

Debt to Income Ratio – The ratio of a borrower's monthly payment obligation on long-term debt divided by the monthly income.

Discount Points – A lump sum paid to the buyer's creditor to reduce the cost of the loan. This payment can either be required by the creditor or volunteered by the seller in a loan to buy real estate.

Down Payment – Amount paid up front when arranging credit, sometimes referred as cash down.

Equity – The financial difference between the current market value and the amount owed.

Escrow – Property of money held by a third party until the agreed upon obligation of a contract are met.

Escrow Account – Monies collected from the borrower's installment payments for the purpose of paying property taxes and insurance. An escrow account is typically required when the loan is more than 80% of the property value.

Fixed Rate – the rate of interest charged for credit that does not change over the life of the loan.

Foreclosure – The legal action of the lender to take back possession of any property used to secure repayment for the loan when a debtor fails to meet the payment obligations.

Installment Loan – Debt borrowed for a specific purpose such as automobiles and real estate. The debt is paid in regularly scheduled installments over a specified period of time. The account is closed when the debt is paid.

Interest – The charge for the use or loan of money typically expressed as a percentage. The interest rate remains constant in a Fixed Rate Mortgage.

Lien – Legal document used to create a security interest in another's property. A lien is often given as a security for the payment of a debt. A lien can also be placed against a consumer for failure to pay what is owed.

Loan Origination Fee – The fee lenders charge for making a loan. Example: 1% for a \$100,000 mortgage equals a \$1,000 loan origination fee.

Market Value – The worth of something determined by a willing buyer and seller in an open market. Market value can fluctuate depending on supply and demand and other market forces.

Mortgage – A written agreement to repay a loan. The mortgage serves as proof of indebtedness and states the manner in which it shall be paid.

PITI – Refers to the combined monthly amount of "Principal, Interest, Taxes and Insurance: paid in the financing of real estate.

Principal – The original balance of money loaned. As the loan is paid over time, the principal is the remaining loan balance.

Private Mortgage Insurance (PMI) – Loan with smaller down payments involve greater risk for the lender, who requires protection in case of loan goes into foreclosure. Anything less than 20% down payment usually requires PMI.

Property Taxes – The annual real estate taxes charged to property owners based on the assessed value of the property.

Revolving Debt – Debt on an account that the borrower can repeatedly use and pay back without having to reapply every time credit is used such as credit cards.

Term – the length of time you have to pay back a loan.

UNDERSTANDING YOUR CREDIT SCORE

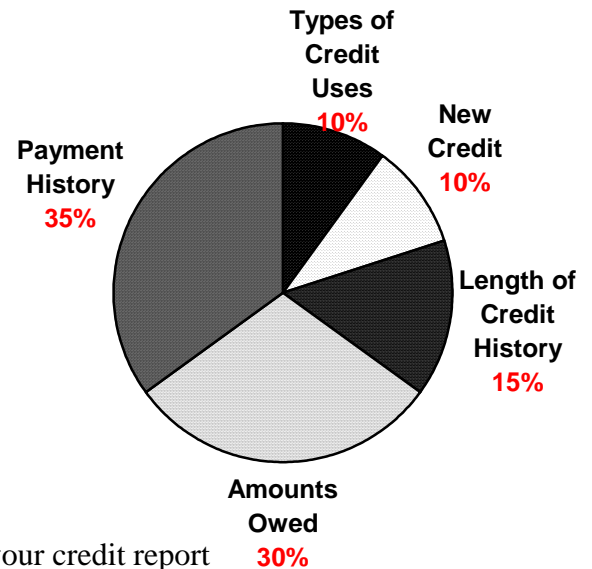
What is a credit score?

A credit score is a number that reflects your credit risk level, typically with a higher number indicating lower risk. Your credit score is a fluid number, and it changes as the elements in your credit report change. For example, payment updates or a new account could cause your score to fluctuate.

FICO scores are your **credit rating**. **Scores can range from 300-850, higher is better.**

Your Fico score is calculated based on Your rating in **five general categories**:

- **Payment History**
- **Amount Owned**
- **Length of Credit History**
- **New Credit**
- **Types of Credit Used**



What information impacts my credit score?

Generally, credit scores are affected by elements in your credit report Such as:

- Number and severity of late payments
- Type, number and age of accounts
- Total debt
- Recent inquires

What are score factors?

Score factors are the elements from your credit report that drive your credit score. For example, such elements as your total debt, types of accounts, number of late payments and age of accounts are what determine the outcome of your credit score. Score factors can have a positive or negative effect on your credit score.

How do I improve my credit score?

- Paying your bills on time is the single most important contributor to a good credit score. Even if the debt you own is a small amount, it is crucial that you make payments on time.
- Minimize outstanding debt, avoid overextending yourself and applying for credit needlessly.
- Use the credit you already have to prove your ongoing ability to manage credit responsibly. Applications for credit show up as inquiries on your credit report, indicating to lenders that you may be taking new debt.
- If you do have negative information on your credit report, such as late payments, a bankruptcy, public record item or too many inquiries, your best strategy is to pay your bills and wait. Time is often your best ally in improving credit.



Disclaimer:

Credit bureau-based scores cannot use demographics prohibited under the Equal Credit Opportunity Act, such as race, color, religion, national origin, gender, age, marital status, receipt of public assistance or exercise of rights under Consumer Credit Protection Act. Scores used by individual lenders may use such elements as income, occupation, and type of residence in determining their own custom credit score.

WHAT CAN YOU AFFORD?

Realistically assessing your finances upfront will streamline the homefinding process.

Step 1 Monthly Income

Wages, salaries, business income after expenses _____
Interest, dividends or rental income _____
Other income; alimony, child support,
pensions or Social Security _____

Total Monthly Income (Step 1) \$ _____

Step 2 Monthly Non - Housing Expenses

Food/clothing _____
Medical (include insurance premiums & prescriptions) _____
Life Insurance _____
Childcare _____
Automobile Expenses (loan, insurance, maintenance) _____
Education/student loans _____
Travel/recreation _____
Monthly bank loan payments (other than a mortgage) _____
Alimony or child support you own _____
Savings and investments _____
Income taxes _____

Total monthly Non-Housing Expenses (Step 2) \$ _____

Step 3 Amount available for Monthly Housing Expenses

Total Monthly Income (step 1) _____
Minus Total Non-Housing Expenses (Step 2) _____
Equals Amount Available for Monthly
Housing Expenses (Step 3) \$ _____

Step 4 Monthly Estimate Housing Expense

Mortgage loan payment (principal & interest) _____
Property taxes _____
Mortgage insurance _____
Homeowner's insurance (liability, flood, fire) _____
Utilities (heat, water, electricity, gas, trash removal) _____
Maintenance and repairs _____
Other (assessments, homeowners association dues) _____
Total Monthly Estimated Housing Expenses (Step 4) \$ _____

Compare Step 3 and Step 4 Totals. The Total Monthly Estimated Housing expenses (step 4 should not exceed the Amount Available for Monthly Estimated Housing Expenses (Step 3.)

ESTIMATE OF COSTS

It is helpful to have an estimate of the costs associated with purchasing a home.*

Costs required in closing the transaction

Title insurance	_____
Settlement fees	_____
Recording fees	_____
Property tax (pro-rated)	_____
Loan origination fee	_____
Appraisal	_____
Credit report	_____
Other loan fees	_____
Interest on new loan (pro-rated)	_____
Home warranty	_____
Termite inspection	_____
Other inspections (roof, property inspection, geological, etc.)	_____
Homeowners insurance	_____
Other:	_____
Other:	_____

Total estimated closing costs \$ _____

Estimated monthly payment

Principal and interest	_____
Property tax	_____
Homeowners insurance	_____
Private Mortgage Insurance (PMI)	_____
Homeowners' association dues	_____

Total estimated monthly payment \$ _____

Home Purchase Summary*

Purchase price of home	\$ _____
Down payment	\$ _____
Amount financed	\$ _____
Estimated closing costs	\$ _____
Estimated monthly payment	\$ _____

*This is a preliminary estimate only. Actual cost will vary depending on the property, the lender and other facts. You will receive a detailed breakdown of costs prior to closing of the transactions.

LOAN APPLICATION CHECKLIST

The following information is typically needed when applying for a mortgage.

- Purchase contract and property information
 - Copy of the sales contract
 - Mailing address and property description
 - Contact information for access to the property
 - Plans and specifications (new construction only)

- Personal information
 - Social Security number
 - Age
 - Years of schooling
 - Marital status
 - Number and ages of dependents
 - Current address and telephone numbers
 - Addresses for the past seven years
 - Current housing expenses (rent, mortgage, insurance, taxes)
 - Name and address of landlord or mortgage holder for past two years

Employment history and income

- Two years of employment history, with complete details of each job
- Recent pay stubs and two years of W-2 forms
- Complete tax returns and financial statements if self-employed
- Written explanation of employment gaps
- Records of dividends and interest received
- Proof of other income

Assets

- Complete information on all bank and money market accounts
- Two months of bank statements
- Vested interest in retirement funds
- Value of life insurance
- Information on real estate you own
- Information on vehicles you own
- Value of significant personal property you own

Liabilities and debts

- Itemized list of all current debts (loan, credit cards and other bills)
- Written explanation of past credit problems
- Full details of bankruptcy during the last seven years

Fees

- Credit report and appraisal fees (usually \$500 or less)

HOW I CAN HELP YOU

I will apply my knowledge and expertise to help you find the right home. Here is what you can expect from me:

- I will work with you at every stage of the homefinding process, from the initial selection of properties to view, through the presentation of a purchase offer, to obtaining financing and the completion of the transaction.
- Communication is important. We will want to agree to a system of regular contacts (whether in person, on the phone, by mail, fax or email) so that you can be kept informed at all times.
- I will give you reliable information and solid advice so that you can make informed decisions. Please don't hesitate to ask questions.

It is my hope that you will be so pleased with my service that you will turn to me for advice on your future real estate needs.

WELCOME TO TAOS

Taos is the home of...

- The Harwood Museum
- The Taos Pueblo
- The Martinez Hacienda
- Millicent Rogers Museum
- The Kit Carson Foundation
- D.H. Lawrence Ranch
- The Rio Grande Gorge
- San Geronimo Day
- Taos Fiestas
- Outdoor Adventure
- Deer Dance
- Wool Festival
- Taos Farmer's Market
- Taos Art Association
- Blumenschein Home
- Taos Film Festival
- Spring Arts Festival
- Sunsets
- Winter Wine Festival
- Taos School of Music
- Taos Balloon Rally
- Kit Carson Park

Population

Town – 6,213 County – 29,979

Elevation

Town – 6,905 feet

Taos Ski Valley – 9,207 feet

Wheeler Peak – 13,161

Climate

Taos has a fantastic four-season climate where the temperature varies from 30-40 degrees daily, year round. The extreme dry air, high desert climate makes both heat and cold more tolerable. Warmest months average 80 degrees, and coldest months average 10 degrees.

Shuttle Services

Faust's Transportation

Twin Hearts Express

Car Rental Companies

Enterprise Rent A Car – Taos Office

Please check out these local websites for more information about Taos...

www.taosorg

www.taosgov.com

www.taosnews.com

www.taospueblo.com

www.taosvacationguide.com

www.taos.unm.edu

www.kitcarson.com (electrical)

www.nmgco.com

Suggested Readings Related to Taos' Culture and History

Books By: John Nichols:
The Milagro
Beanfield War
The Magic Journey
If Mountains Die
A Fragile Beauty

Books By: Frank Waters:
Man Who Killed the Deer
To Possess the Land
Masked Gods
Woman at Ottawa Crossing

Lawrence & Brett, A Friendship
By: Dorothy Brett

The Little Lion of the Southwest
By: Marc Simmons

Taos
By: Irwin R. Blacker

A Taos Mosaic
By: Claire Morrell

Ski Pioneers
By: Rick Richards

Turbulent Taos
By: Owen Galbraith

The Great Taos Bank Robbery
By: Tony Hillerman

Death Comes to the Archbishop
By: Willa Cather

Kit Carson's Autobiography

Southern Rocky Mountain Garden
By: Native Plant Society of New Mexico

Adobe Architecture
By: Stedman, Myrtle, & Wilfred

Build with Adobe
By: Marcia Southwick

Mainstreaming New Mexico Architecture
By: Ed Paschich & Jan Zimmerman

Home Power 108 - a magazine addressing
alternate power resources.
www.homepower.com

Taos Green Guide for Sustainable Living
By: Sustain Taos

New Mexico Magazine

TIMELINE OF TAOS HISTORY

Throughout our long history, Taos has been a destination for travelers wanting the powerful experience of seeing new places and meeting new people.

6,000 years ago: Nomadic hunter-gatherers pass through the area leaving behind arrowheads, potsherds and pictographs.

900 years ago: The people of Taos Pueblo and Picuris Pueblo inhabit their villages.

1540: Conquistador Hernando de Alvarado follows the Rio Grande north to Taos Valley. When he sees the sun shining on the straw in the adobes at Taos Pueblo, he believes he has found the famed Cities of Gold.

1680: The Pueblo people unite to drive out the Spanish.

1696: Don Diego de Vargas of Spain resettles the area around Taos Pueblo, Taos Plaza and Ranchos de Taos.

Early 1800s: Taos becomes the headquarters for mountain men, such as Kit Carson, who marries Taoseña Josefa Jaramillo.

1826: Padre Antonio Jose Martinez begins serving the Taos parish. He starts the first newspaper west of the Mississippi, an offshoot of which is still in existence today.

1847: During the war with Mexico, some of the people of Taos rebel and kill U.S. Territorial Governor Charles Bent in his Taos home, as he attempts to escape through a hole he has dug in his adobe wall.

1898: Artists Bert Phillips and Ernest

Blumensheine stop to have a broken wagon wheel repaired, become enchanted with Taos and decide to stay. This event starts an immigration of artists that continues today.

1917: Socialite Mabel Dodge Luhan arrives and eventually brings to Taos creative Huxley, Carl Jung, D.H. Lawrence, Georgia O'Keefe, Thornton Wilder and Thomas Wolfe.

1955: Ernie and Rhoda Blake open Taos Ski Valley. The first lift goes up Al's Run for 300 vertical feet and is 1,000 feet long.

1965: The second highest suspension bridge in the U.S. highway system is built spanning the Rio Grande Gorge. It is called the "bridge to nowhere" while it is being built, because the funding does not exist to continue the road on the other side.

1960s & 1970s: Taos is quite the hippie hang out. Many of the hippies stay and become part of the lively modern cultural scene of Taos.

In 1970, the U.S. government returned sacred Blue Lake to Taos Pueblo in a landmark decision.

Today, you are the latest in our long history of people exploring Taos.

Source: www.taosvacationguide.com

Quick Facts of Taos Land... Approximately 60% of land in Northern New Mexico is Government owned land, which means that recreation in Taos such as fishing, hiking, biking, and hunting will remain accessible.

All titles go back to the Spanish Land Grants.

In 1848 the Treaty of Guadalupe Hidalgo is signed. The United States honors all land grant

MOVING CHECKLIST

Pre-planning is the secret to a good move. The more you do in advance the smoother your move will go. The following is a checklist of some places you'll need to contact.

Utilities/Home Maintenance	Address/Phone	Who You Talked To	Date Completed
Electric			
Gas			
Telephone			
Water			
Trash Collection			
Cable Television			
Lawn Services			
Financial			
Checking/Savings Account			
Bank Loans			
Safe Deposit Box			
Stocks/Bonds			
Credit Cards			
Insurance			
Automobile			
Homeowners			
Health/Life			
Professional Services			
Doctor			
Dentist			
Pharmacy			
Attorney			
Accountant			
Stock Broker			
Publications			
Newspapers			
Magazines			
Government Agencies			
Post Office			
City/State Auto Licensing			
Social Security Admin.			
Fraternal Organizations			
School			
Church			
Family/Friends			
Internet Provider			
Other			

Prudential Taos Real Estate

What distinguishes Prudential Taos Real Estate from the others?

A. A Rich Heritage:

Prudential Taos Real Estate (formerly Realty World – The Schantz Co.)

Owner/Broker: Joel K. Schantz

Owner/Manager: Marny E. Schantz

- Has been serving the Taos real estate community since June, 1987
- Starting with just 4 agents, our growth has been progressive.
- The Schantz Co., Inc has enjoyed both local and franchise awards since 1992.
- Award Winning Agents annually since 1992 in Realty World and Prudential Real Estate Affiliates at national and international level.

B. Strong Local Presence:

- #1 Real Estate Company in Taos MLS (2008)
- #1 Total Listings Sold in Taos MLS (2008)
- # Total Buyers Sold in MLS (2008)
- #1 Single Family Listings Sold in MLS (2008)
- #1 Single Family Buyers Sold in MLS (2008)
- #1 Fine Homes Listing Sold in MLS (2008)
- #1 Total land Listings sold in MLS (2008)
- #1 Total Land Buyers Sold in MLS (2008)
- #1 <5acre Building Volume Sold in MLS (2008)
- Locally, Prudential Taos Real Estate is proud to have: Taos County Association of Realtors 2001 Top Producer (Diane Enright). President of Taos County Association of Realtors 2003 Top Listing Sold 2003 (Joel Schantz). President of Taos County Association of Realtors 2005: Lisa Davis. Three of the Top 5 agents in The Taos County Association of Realtors 2006/2007 and 2008: Diane Enright, Joel Schantz, and Lisa Davis.

C. Community Connections (examples)

- 4H and Girl Scouts USA
- Taos Feeds Taos
- Taos Sports Association
- Habitat for Humanity
- Taos Search and Rescue
- American Red Cross
- Lions Cub
- Taos High School Scholarship Fund
- Taos Community Foundation
- Taos School of Music
- Millicent Rogers Museum
- Taos Historic Museum

- Holy Cross Hospital Foundation

Specific Advertising Needs: (examples)

- Wall Street Journal
- Dream Homes International Magazine
- Prudential Fine Homes Magazine
- Santa Fe Real Estate Guide (Santa Fe New Mexican)
- Albuquerque Journal North
- Enchanted Homes (Taos News)

Websites: (examples)

- www.BedandBreakfastforsale.com
- www.Greenhomes.com
- www.Restmart.com
- www.Realtor.com

General Advertising:

- Phone Books
- Individual Agent Promotions
- KTAO
- Taos News: Tempo and El Mercado
- New Mexico Magazine

CORE VALUES

Prudential Real Estate and Relocation Services are guided by these core values:

Worthy of Trust

Our heritage reinforces the need to safeguard our customers' interest. We keep our promises and behave with integrity at all times.

Customer Focused

We believe the best way to win customers is to earn them. Our goal is not to simply attract them, but to gain them as customers for life.

Respect for Each Other

We maintain an environment where innovative, service oriented associates work collaboratively to exceed our customers; expectations.

Winning Attitude

We strive to anticipate our customers' needs and proactively provide them with the best possible advice and solutions.



Prudential Real Estate

Who We Are

Dating back to 1875, the Prudential Financial name, along with the “Rock” ® logo, has stood for strength, stability, integrity and trust. Prudential Financial has a presence worldwide with 15 million customers in more than 30 countries. The strength of the Rock® was evident when Prudential Financial sold 110 million shares during its Initial Public Offering (IPO) in December, 2001, making it the largest IPO ever in the insurance industry at that time, and the ninth largest in the history of the New York Stock Exchange, based on gross proceeds.

Prudential Real Estate companies benefit from this recognition and are able to leverage the “Rock Solid® “ reputation of Prudential Financial. When home buyers and sellers see our yard signs, they link the “Rock® “ logo with the notion of remarkable service quality and exceptional value, backed by a name that has been trusted for more than 130 years.

Network Strength

The Prudential Real Estate Network is one of the largest real estate brokerage franchise networks in North America, with nearly 2,110 member offices. Its network of approximately 64,000 sales professionals can satisfy your home selling and buying needs virtually anywhere in the United States, Canada and Mexico.

High Standards

When you consider buying or selling a home, potentially the largest financial commitment and most important investment in your life, there are no more powerful and important words than reliability and trust. Each and every Prudential Real Estate sales professional carries this responsibility and commitment with them day in and day out – it is what separates Prudential Real Estate from all other real estate organizations. When Prudential Real Estate sales professionals hang their yard sign at a listing or present their business car to a prospect, they are representing an organization that consistently strives to provide the most effective homeownership experience possible, through innovative uses of technology, marketing and key business initiatives.

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Homefinding Services

COMMITMENT

I understand that buying a home is a major decision for you that can be filled with apprehension and concerns. My job is to help you find the home that meets your needs and to make the homebuying process efficient, stress-free and successful. As your Prudential Real Estate sales professional, my goal is to help you find the right home. I commit to you that I will:

- **Communicate with you in a timely and efficient manner.**
- **Plan a home search based on your needs.**
 - Consult with you to discover your needs, interest and concerns before developing a planned home search.
 - Discuss buyer, seller and dual agency alternatives and explain to you the benefits of an Exclusive Representation Agreement.
- **Introduce you to properties and neighborhoods that meet your requirements based upon your plan.**
 - Pre-select properties that match your criteria.
 - Present your property search criteria to Prudential Real Estate sales professionals in my office, to gain access to properties that may not yet have reached the open market.
 - Save time by pre-scheduling showing appointments.
 - Provide sources of information on questions of interest to you, such as schools, neighborhoods and transportation.
 - Prepare a preliminary estimate of the costs associated with buying a property.
- **Help you obtain the financing you may need for a home purchase.**
 - Provide you with information on becoming pre-qualified or pre-approved for a mortgage.
 - Help you find a reliable financial institution
- **Assist in preparing a purchase offer on the property of your choice**
 - Review information on sales of comparable homes to help you decide on the price and financing terms that you want to offer.
- Provide you with advice information on terms for you're to consider, such as possession, date and personal property.
 - Recommend that you obtain professional home, termite or other inspections. I will review the inspection reports with you.
 - Where appropriate recommend that the purchase be contingent on a professional appraisal of value.
 - Explain to you the option of a home warranty, which can reduce your liability.
- **Represent you in the transaction with the seller.**
 - Present your offer to the seller, through their real estate professional.
 - Negotiate in your best interest, including handling of counter offers, to reach an agreement that is acceptable to you..
- **Work to protect your interests during the completion of the transaction.**
 - Review with you the seller's written disclosure statement, preliminary title report and other documents pertaining to the condition and status of the property
 - Work with the seller's broker, the lender and others to see that all requirements of the purchase agreement are satisfied and to help keep the transaction on schedule.
 - Keep you informed on the progress of the transaction..
 - Accompany you on a comprehensive walk-through of the property before closing (if provided for in the agreement), and assist you in managing any problems discovered during the walk-through.
 - Follow up on any remaining details after the close of sale, and provide you with information on additional services that you may need.
- **Other Services**

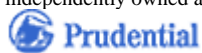
This is my commitment to you to ensure that I meet all of your expectations and assist you in finding and obtaining the home of your dreams.

Prepared for (Buyer name) _____

Prepared by (Seller Professional Name) _____

Company Name: _____ Date: _____

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