

Seller Resource Library

Prepared for:
Date:

Different viewpoints establish different values!



You



Your Friend



Your Lender



Your Buyer



Your Tax Assessor

Determining a correct view of value is the starting point when it comes time to sell Money Manor!



Your Anchorage real estate professional with over 40 years professional experience!

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Real Estate Brokers of Alaska

1. Selling Realities - Outline:

1. Swimming with sharks

2. Selling your home successfully

3. Hidden Costs

4. Myths & Realities of selling cost

5. Key components to selling

6. 4-things buyers don't want to hear



Selling your home is like swimming with sharks. Using the services of a discount brokerage is like using Ed's Discount Shark Cages. To represent you to the fullest, and protect your interests, you need to team up with an experienced professional who is **highly skilled, knowledgeable, licensed, bonded** and **carries Errors & Omissions Insurance**. If you want to shark proof your selling experience, you can count on the experience and market knowledge offered by -

Rod Stone!

Selling your home successfully

is an exercise in understanding and mastering three key elements:



1. Determining current market values correctly,
2. Understanding current market trends/conditions and absorption rate,
3. Formulating & exercising a game plan!



Hidden closing costs can be a **“SHOCKING”** experience:

In selling your home, there are selling costs to consider, understand and control! The following list is just a short over-view of closing costs that can/will affect your bottom line:

- **Taxes** – Capital gains, incorporation ownership, inheritance considerations?
- **Financing** – how will my bottom line be affected?
- **Home Inspection** – what repairs are necessary/can seller choose/who pays?
- **Appraisal** – how much, when, and who will establish/defend my price?
- **Title Insurance** – what is it, who pays, when and why?
- **Marketing fees** – commissions, exposure, who pays?
- **Lawsuits** – who's on my side / are my assets protected?
- **Security** – is my family physically safe?
- **Reality** – do I really have the time, knowledge and patience?

Hidden costs abound and sellers need to arm themselves with some basic resource information. That being said, let's explore the above list in order to equip you with important information:

TAXES:

In the past, there was a capital gains tax on all real estate sales to include homes used as a primary residence. So, is there a capital gains tax today? If you are selling rental property, there is a capital gains to consider and this is something you need to talk over with your tax accountant. If you own a home and used it entirely as your primary residence, there is no capital gains tax up to a defined value. Let's say though, you owned a home as your primary residence and later turned it into a rental - will there be a capital gains tax due when the property is sold? The answer is - Yes, No, Maybe! The answer, in a roundabout way, is defined by IRS regulations. Briefly, the IRS has established a limit as to how many years you can rent out, a property that was previously your primary residence. If you go beyond this defined time limit, then you will have a capital gains tax on any gain you make when the property is sold. For a brief, more in-depth review of this subject, go to - <https://tinyurl.com/y3vbprijr>. Here you will find some interesting twists and turns in the IRS regulations. In the final analysis, you should seek out your accountant or tax lawyer for his / her guidance in such matters.

FINANCING:

One of the least understood, most over looked expense in selling a home is buyer's financing as it relates to your (seller) closing costs. One local bank is charging double for the appraisal (normally paid by seller) and is discovered at the closing table. Closing costs are dictated by the purchase contract. Additionally, each loan program used by the buyer differs as it allocates cost of doing business and determines who pays. In the final analysis, it is important to note that some closing costs are negotiable and some closing costs are not negotiable. Knowing this can substantially affect seller's net return.

HOME INSPECTIONS:

This is one of the biggest, least understood areas of seller costs. Let's start with – every buyer should get a home inspection! In some cases, I will suggest to my selling clients that they have a home inspection done before we place the home on the market. In our local market it is customary for the buyer to order and pay for a home inspection, which on average, is around \$550. Buyer will choose a home inspector to conduct the home inspection. I wish it could be said that this is a consistent, fair process, but it's not! Some inspection services are better than others and some reports are not worth the paper they are written on.

Let's understand the purpose of a home inspection. A home inspection report is a representation of the physical condition of the property, listing any adverse defects that may be present. Cosmetic issues are one thing and are not a concern to the lender. Cosmetic issues can be negotiated between the buyer and the seller and should be noted in the original offer. On the other hand, any noted health, safety or code issues will have to be dealt with or corrected **by the seller** before financing can be obtained. The trick here is to know what are and are not health, safety or code issues.

Just because the buyer wants all the repairs of issues noted in the home inspection report to be addressed and fixed by the seller - it is often true these issues are not health, safety, or code related issues and can be negotiated separately between the buyer and the seller. The biggest exception to this is the AHFC first time buyer program. The AHFC program will demand all the noted home inspection issues be addressed by the seller at seller's cost, regardless the seriousness of the noted issue. At any rate, having a working knowledge of how all this works can save the seller hundreds / thousands of dollars. Down through the years, I have seen example after example where people did not know how to fight a negative home inspection report and therefore ended up shoveling out hundreds / thousands of dollars, when in fact it wasn't necessary. Even worse, a lot of so-called real estate professionals do not know what I have just shared with you and are unable to give their client wise advice. As a result, I have seen sellers lose out big time because the home inspection made a big deal out of nothing.

APPRAISAL:

The appraisal process is totally a subjective exercise and the final evaluation could reflect a wide range of values, all depending on the view of one so-called expert – the randomly chosen fee appraiser. What happens if the so-called expert is just lazy, or doesn't appreciate the property/price range, or is just having a bad day and misses an important comparable? Having a good understanding of current properties being offered, sales/pending activity, past/closed sales and market trends will go a long way in defending a seller's price/value. Value determined by fee appraiser can be challenged if one has a firm grasp of the facts. Not in possession of this knowledge and knowhow could mean leaving thousands of dollars on the table.

SECURITY:

Here's a question that needs to be asked at this point - who is screening the strangers, posing as interested buyers, who want to come into your home? In this day and age, you are only kidding yourself if you think they are all legitimate buyers. Who has walked this potential buyer through the pre-qualifying process to insure this buyer is qualified? Who is on your side in case of legal action in which you stand to lose everything? A professional, experienced real estate professional can stand in the gap and give you security that can and will protect your every move.

Reality:

In truth, there are many disciplines that come into play when a home is placed on the market. The whole selling process takes on a life of its own. There are three critical areas that need to be considered. The **first** area to be understood and managed is "Time". A great amount of time is invested in preparing the home. A huge amount of time is invested in showing the home. Critical time is invested in the negotiation process. And lastly, large amounts of time are invested in the closing process. The **second** area to be understood is knowledge. Knowledge plays a major role in not only making sure the sellers receive all that is rightfully coming to them, but at the same time ensures that the process follows the legal protocol governing such transactions. The **third** area to be appreciated is experience. It goes without saying, when facing a critical medical decision, if one has the option of speaking with a doctor who just got out of med school, or a doctor who has many years of experience, experience wins out every time!

The Myths and Realities of Cost!

Some believe that by cutting the real estate commission, one saves a bunch of money. ***In fact*** – the opposite is true! Not only do you stand a good chance to lose money, you're taking on a number of huge, unnecessary risks. A true real estate professional will ***in fact*** save you money, time and represent/protect your assets. Controlling and understanding cost is the real secret to savings!

Cost will always be a part of the selling process. Here's a short list of reasonable, selling costs:

- **Taxes** – any special considerations to note, or advantage to explore?
- **Buyer's Financing** – how will my bottom line be affected?
- **Home Inspection** – what repairs are necessary, can seller choose?
- **Appraisal** – how much, when, and who will defend my price?
- **Title Insurance** – who pays, when and why?
- **Real Estate marketing fees** – what's best and who pays?
- **Security** – is my family and assets at risk?
- **Convenience** – do I really have the time, knowledge and patience?

FSBO hidden costs – more expensive than most have been led to believe! Consider the following:

- ✓ Ad programs – who pays the bill?
- ✓ Buyers – who's screening and qualifying them?
- ✓ Process – who's protecting my interest?
- ✓ Sale – who's in charge, who's running the show?
- ✓ Reliable Information – who's in the know, who can I can trust?
- ✓ Law suits – who's on my side and defends me if I'm sued?

What's the value of my professional real estate services?

- 3% to 5% increase in sales price.
- 29% shorter marketing time.
- 86% of all FSBO's list.
- 93% of all buyers use a realtor.
- 100% peace of mind!

There are closing cost and then there are closing costs. The trick is not to eliminate costs - that simply is not possible. Managing & understanding the cost is the secret! Why do you think my lawyer, doctor, and professional clients call on me when it comes time to upgrade, sell or find a home for one of their kids or friends?

Over the years, I have asked some of these folks why, with their background and professional experiences, do they entrust me with the privilege of servicing their real estate needs? In order of importance, they have said my services saves them money, protects their interest, saves them valuable time, and gave their spouse peace of mind. If the truth were known, I think giving the spouse peace of mind might be foremost.

I would be privileged to work with you and produce these same results for you!

FIVE key components to be considered and understood when it comes time to sell your home:

LOCATION - CONDITION - MARKET -

TERMS & PRICE

LOCATION

Pricing your home must reflect its location. The better the location, the higher the value. School districts, high or low traffic, highSAy accessibility, all need to be considered in determining market value. When it comes to location – it is what it is - **You** have no control!

CONDITION

Pricing your home must accurately reflect its condition. The condition of your home reflects on the value you can get. Condition of the roof, plumbing, carpets, and paint all relate to condition which translates to value. **You** can control condition and create eye appeal but as for the overall condition – What you see is what you get!

MARKET

Recession, inflation, interest rates, mortgage availability, competition, and the public's perception of the general economy, all make up the market. A value placed on your home must reflect the current nature of the market because you cannot influence or alter its reality. **You** are in a sense, in control of the market as long as you know & respect your current market! Knowing and understanding your current market will allow you to take advantage of your market!

TERMS

The more financing terms and options you are open to, the more potential buyers there will be for your home. The easier the terms, the more buyers will come knocking. Knowing financing opportunities and exploring additional options puts You in charge of your destiny!

PRICE

The most important, # 1 factor in the sale of your home is pricing. When it comes to placing a listing value on your home, You are completely in charge. Always keep in mind though, your buyers are not stupid. They have multiple resources available to them through the inter net, that enables them to compare your home with other like homes. Guess what? If we place an unrealistic starting asking price on your home, your potential buyers will go somewhere else!

The consequences of making a wrong decision is expensive. If you price your home too low, you will literally give away thousands of dollars that could have been in your pocket.

Price it too high, and your home will sit unsold for months, developing the reputation of a problem property (everyone will think that there is something wrong with it).

Failure to understand market conditions and properly price your home can cost you thousands of dollars and cause your home not to sell... fouling up all of your plans.

Setting the proper asking price for your home is the single biggest factor that will determine the success or failure of your home sale.

My primary job at the beginning is to make sure you receive and understand the information you need and help you correctly address the issues at hand!

You can't afford any "guesswork"- not understanding the 5 issues noted above will cost you dearly!

My experience causes me to believe there's one fundamental truth about house hunters: You can never fully escape the haters. That's right. The haters. The only way to live a 100 percent hater-free life is to never stick your neck out, and never do anything, because, as the saying goes, you simply cannot please all of the people all of the time.

4 things buyers don't want to hear



And this is particularly true with real estate and putting your listings on the market — because homes, locations, aesthetics and such are so much a matter of personal preference, some people will find something to criticize about even the most perfectly staged, priciest properties on the market.

As your listing licensee, it is not my job to make your listings be all things to all people — but you do want it to appeal to enough buyers that you get one great offer (and multiple offers never hurt anybody, either). That said, you don't want *your* listing to be the house that nearly every buyer and broker sees, rolls their eyes at and utters the same few, predictable, deal-killing criticisms.

Fortunately, what is predictable is avoidable. Unfortunately, many of the things that make a listing susceptible to haters are issues on the *seller's* side of the property preparation responsibilities. Let's explore the most common things buyers hate about listings they see. In the process, you'll get equipped with things you can say to your sellers to help sidestep those issues and, in large part, hater-proof your own listing.

House-hater complaint No. 1: odors

You might think I'm beating a dead horse, here, or even preaching to the choir. But as long as house hunters keep emailing me to ask why, in the name of all that is sacred, they keep seeing homes that smell like all sorts of madness and mayhem, I'm going to keep repeating this message.

Viewing a home, sounds like it's all about the visual of the experience. And visuals are critical — your listing should be in its Sunday best, so to speak, when it's being shown, in terms of being spruced, staged and clutter-free. But when a buyer comes to see your listing, they don't turn off the rest of their senses. And there is nothing that can turn a buyer off from a home they'd otherwise like more quickly than a powerfully bad odor.

In particular, cigarette and pet odors in a house that seems to have been well-cleaned create the concern that they might be permanent and that the buyer might not be able to get rid of them without dropping some serious cash on cleaning or even removing wall, window and floor coverings.

If you are listing a home and you know that someone has been habitually smoking in it or that the seller has had a “challenge,” let’s say, with pet accidents, do not ignore the problem. And do not think that because you had the carpet shampooed or the drapes cleaned, or because YOU can’t smell anything, that the problem is gone. The human sense of smell very quickly gets used to smells that it lives with or is surrounded with on a regular basis. One of my tougher jobs as a real estate licensee, is to point out bad smells and odors, no matter how painful the conversation, and to make sure they are eradicated by any means necessary before you place your listings on the market.

House-hater complaint No. 2: glaringly extreme overpricing

There’s the kind of overpricing that makes a buyer say, “Hmmm, seems a bit high. Let’s go see it, but we might have to offer a little less than the asking price if we like it.” Then there’s the kind of overpricing that makes buyer say, “I’ll wait until a price reduction,” or worse, hold their sides from laughing.

When overpricing is glaring, many buyers and buyer’s brokers will comment on it or inquire about it. What they are less likely to do is actually come out and see the place, especially if they weed it out online after comparing its specs to all the other homes in the area and the price range. Often, homes this severely overpriced simply don’t sell, or not until after they’ve had some serious price cuts or have been on the market so long buyers begin to feel confident about making lowball offers.

In fact, the goal is the opposite — you want your listing to stand out as a property that is not dirt cheap, but does present a good value for the money — that’s what motivates buyers to get out of their chairs and into the property for a viewing. Obviously, you don’t set the price of your listings. It’s also obvious that the agent-seller conflict about overpricing is one of those battles that have been fought since Adam and Eve sought to list the Garden of Eden.

Here’s how to hater-proof your home’s listing against this issue: **Fixate on the comps**. Smart sellers deactivate their emotional attachment and very human tendency to overvalue their precious homes by poring over the sales prices (not list prices) of similar, nearby homes that have recently sold.

House-hater complaint No. 3: dirty and messes

Possibly the single largest source of house-hater complaints I’ve ever heard are the dirt, messes, piles and personal belongings that buyers find so distracting when they walk into a home for a viewing or open house. Obviously, homes that are filthy from floor to ceiling are fertile fodder for haters. What is underestimated is how often even savvy home buyers are distracted (and disgusted) by relatively clean homes that just have a few outstanding messes, like piles of dirty dishes in the sink, piles of dog poo in the yard, or even piles of papers, mail, books or clothes lying out in plain view. Give your home a chance and address these issues before showing.

Will one or two such items ruin the sale of your home? Perhaps not. But a few of them (or more) can certainly distract a buyer enough that they fixate on the home’s messes and, in the process, fail to see what is so great about your home. As I see it, cleaning up before every single showing is free — so it makes no sense to even run the risk of turning off a prospective buyer by letting messes get in the way of their ability to visualize themselves and their families flourishing in your home.

House-hater complaint No. 4: lots of little malfunctions

All sellers tend to think their home is flawless and in fantastic condition. After all, the sellers have had the furnace maintained regularly, they’ve installed new, dual-paned windows, and maybe they even had the floors refinished or the walls painted in preparation for putting the place on the market. And that’s all fantastic — all the non-cosmetic work that’s been done to maintain and improve the home should also be trumpeted in the marketing materials, and the cosmetic items will or should speak for themselves. **But here’s the thing**, house hunters, for the most part, won’t be running the dishwasher or testing the furnace (at least not until inspections), so make available all recent reports (furnace inspection, recent plumbing repairs or additions, electrical work or general repair reports), allowing your would-be buyers see your attentiveness in addressing any issues concerning the well-being of your home. A home inspection is usually the responsibility of the buyer, but in some cases — depending on age and history of your home, I might suggest you conduct a home inspection even before we place your home on the market.

In viewing your home, what buyers will do — almost unconsciously they will:

- Flick light and fan switches.
- Open or close window coverings, closet, room and entry doors.
- Open and close drawers, cupboards, gates and fences.
- Hold the handrails as they walk up and down the stairs.
- Check for squeaky floors.
- Check the door-bell.
- Observe and note age and any and all wear & tear on carpet / flooring.
- Notice closets and storage areas that are over-stuffed.
- Notice if the home seems to be overly stuffed with furnishings.
- Note that the walls are covered with family or Alaska pictures – most likely resulting in a need to repaint walls.
- Notice that all interior doors are level and close correctly.

They will hear & see leaky faucets and notice water spots from long-ago-repaired leaks, and they will notice (or potentially trip on) uneven exterior tiles, paths and walkways. And even though these items might be vastly less expensive to fix than the roof or sewer line you had replaced, they are much more visible and noticeable to a buyer. In fact, buyers don't always even know that the little malfunctions and repairs that need doing are little or inexpensive. And when they notice a bunch of the little things in a home, they tend to jump to the conclusion that the whole place is rickety. Since little fixes tend to be inexpensive to make, have them completed before your listing goes active, if at all possible. I would be available to walk through your home, and give you a third, disinterested point of view, point out all the little fixes you might consider addressing. Additionally, I can offer you a list of professionals you might considering using for any project you may want to undertake.

2. Market Value - Outline:

1. Correctly Determining Market Value
2. How is market value established
3. Pricing Guidelines
4. Drawbacks of Over Pricing
5. Benefits of Proper Pricing

Establishing a “correct”
view of market value is
the first big step in
marketing your home!

Value as seen by:



You



Your Friend



Your Lender



Your Buyer



Your Tax Assessor

Selling your home begins with a realistic determination of current, fair market value which is based solely on sales of comparable properties. Keep in mind, as we move forward to establishing your fair market value, we will analyze current, active listings, but only for the purpose of being able to size up your competition. In this day and age, home buyers have access to a tremendous amount of information. It's easy for buyers to see if a property is priced appropriately. If a listing is priced at fair market value, chances are, a prospective buyer will make an appointment to view the home in person. If the property is obviously overpriced, your would-be buyer will most likely focus in on other properties that are not overpriced. Wouldn't you do the same thing if you were the buyer?

How is market value established?



Who determines the value of your home?

Real estate value is not based on how much one paid or how much has been invested in remodeling. Value is not established by how much the seller needs out of said sale. Value is not set by the seller, the buyer, the real estate Professional, the lender or even the appraiser. In reality, value of your home is set by the market. The market is your neighborhood or like subdivisions. Sales in comparable subdivisions that are comparable in size, age, style, and settings are analyzed and compared. From a lender's view, the value of your home should correspond to and fall into the range of like sold properties.

Is it advisable to obtain an appraisal before placing our home on the market?

In most cases it is not advisable to pay for an appraisal at the start of the selling process. Chances are, the lender will not accept your appraisal. One of the reasons is that each loan program has its own set of requirements. For example; say you hire an appraiser to appraise your home. He will ask, "Which guidelines should be used"? You and your appraiser agree to use FHA standards and it will cost \$550. That seems reasonable, after all, a lot of people use FHA to finance a home. It turns out though, your buyer is a veteran and he intends to use his VA eligibility. In short, the \$550 you spent for the FHA appraisal is now no good and you will have to spend another \$550 for an VA appraisal.

How can I determine the best/most realistic price for my home?

You can pick up the fliers from properties being offered for sale in your neighborhood. If a neighbor has a home on the market, you might just ask him what he got for his home. The only problem is that you already know what he was asking; the question is, "what did you receive"? Most of the times there is a big difference. To save face, the seller, in most cases, is only going to discuss with you what he was asking, not what he received.

Value for your home could be determined by how much you need to make this move, or how much money you have to put into your home. This will, in most cases, assist you in determining an unrealistic, above market value for your property. The outcome will be your property will sit, being overlooked by the buying public. The homes around you that are being offered at a fair market value will have sold long ago.

As your real estate professional, I am equipped with the knowhow, experience and resources to help you analyze the market place and help you come up with a reasonable, fair market value for your property. By exposing you to current MLS, computer data of sold properties, we can formulate a realistic price range for your property. You will be exposed to the same source of information an appraiser will use in formulating his view of value. Determining a true, fair market value for your property is more than a stroll around the block or a quick glance at the newspapers for sale notices. Simply put, too much is at stake. By using my professional real estate services, in the long run, you will save money and time and gain peace of mind knowing an experienced professional is there to counsel, guide and protect your every step!

PRICING GUIDELINES

- What you paid for your property does not affect its current value.
- The amount of money you need to get out of the sale of your property does not affect its value.
- What you think it should be worth has no effect on value.
- What another Realtor says your property is worth does not affect its value.
- And lastly - assessed values imposed on your home for tax purposes do not represent your current, market value.

The value of your home is determined by what a **ready, willing and able buyer** will pay for your home. Regardless of what a buyer is willing to pay though, the agreed upon sales price between buyer and seller has to be justified by a fee-appraisal and meet the requirements of the loan program being used by the buyer. The basis of your home's value is determined by the nearby, recently closed sales of comparable homes.

In short:

**BUYERS AND THE MARKET PLACE DETERMINE
VALUE – supported by a fee-appraisal!**

***A word to the wise - DO NOT
automatically list with the agent
that gives you the highest value!
Most likely, that will be a waste of
valuable time and money!***

Consumer Reports, July 2014 offers some sound advice:

“Expect the Realtor to suggest a price range, but don’t let that frame you in. Be aware that some Realtors will, at first, suggest an unreasonable, high value for your home, much higher than the market will support. This is done to get the listing. Then, after they have the listing and the house hasn’t sold, they’ll come back with some kind of excuses that the market is suggesting an adjustment in listing price is necessary.

DRAWBACKS OF OVERPRICING

- **REDUCES ACTIVITY:** Agents won't show the property if they feel it is priced too high.
- **LOWER ADVERTISING RESPONSE:** Buyer excitement will be with other properties that offer better value.
- **LOSS OF INTERESTED BUYERS:** The property will seem inferior in amenities to other properties in the same price range that are correctly priced.
- **ATTRACTS THE WRONG PROSPECTS:** Serious buyers will feel that they should be getting more for their money.
- **HELPS THE COMPETITION:** The high price makes the others look like a good deal.
- **ELIMINATES OFFERS:** Since a fair priced offer will be lower than asking price and may insult the seller, many buyers will just move on to another property.
- **CAUSES APPRAISAL PROBLEMS:** Appraisers must base their value on what comparable properties have sold for.
- **LOWER NET PROCEEDS:** Most of the time an overpriced property will eventually end up selling for less than if it had been properly priced to begin with, not to mention the extra carrying costs.

BENEFITS OF PROPER PRICING

- **FASTER SALE:** The proper price gets a faster sale, which means you save on mortgage payments, real estate taxes, insurance, and other carrying costs.
- **LESS INCONVENIENCE:** As you may know, it takes a lot of time and energy to prepare your home for showings, keep the property clean, make arrangements for children and pets, and generally alter your lifestyle. Proper pricing shortens market time.
- **INCREASED SALESPERSON RESPONSE:** When salespeople are excited about a property and its price, they make special efforts to contact all their potential buyers and show the property whenever possible.
- **EXPOSURE TO MORE PROSPECTS:** Pricing at market value will open your home up to more people who can afford it.
- **BETTER RESPONSE FROM ADVERTISING:** Buyer inquiry calls are more readily converted into showing appointments when the price is not a deterrent.
- **HIGHER OFFERS:** When a property is priced right, buyers are much less likely to make a low offer, for fear of losing out on a great value.
- **MORE MONEY TO SELLERS:** When a property is priced right, the excitement of the market produces a higher sales price in less time. You NET more due to the higher sales price and lower carrying costs.

3. General Seller

Information - Outline:

1. Fred

2. Steps in the Selling processes

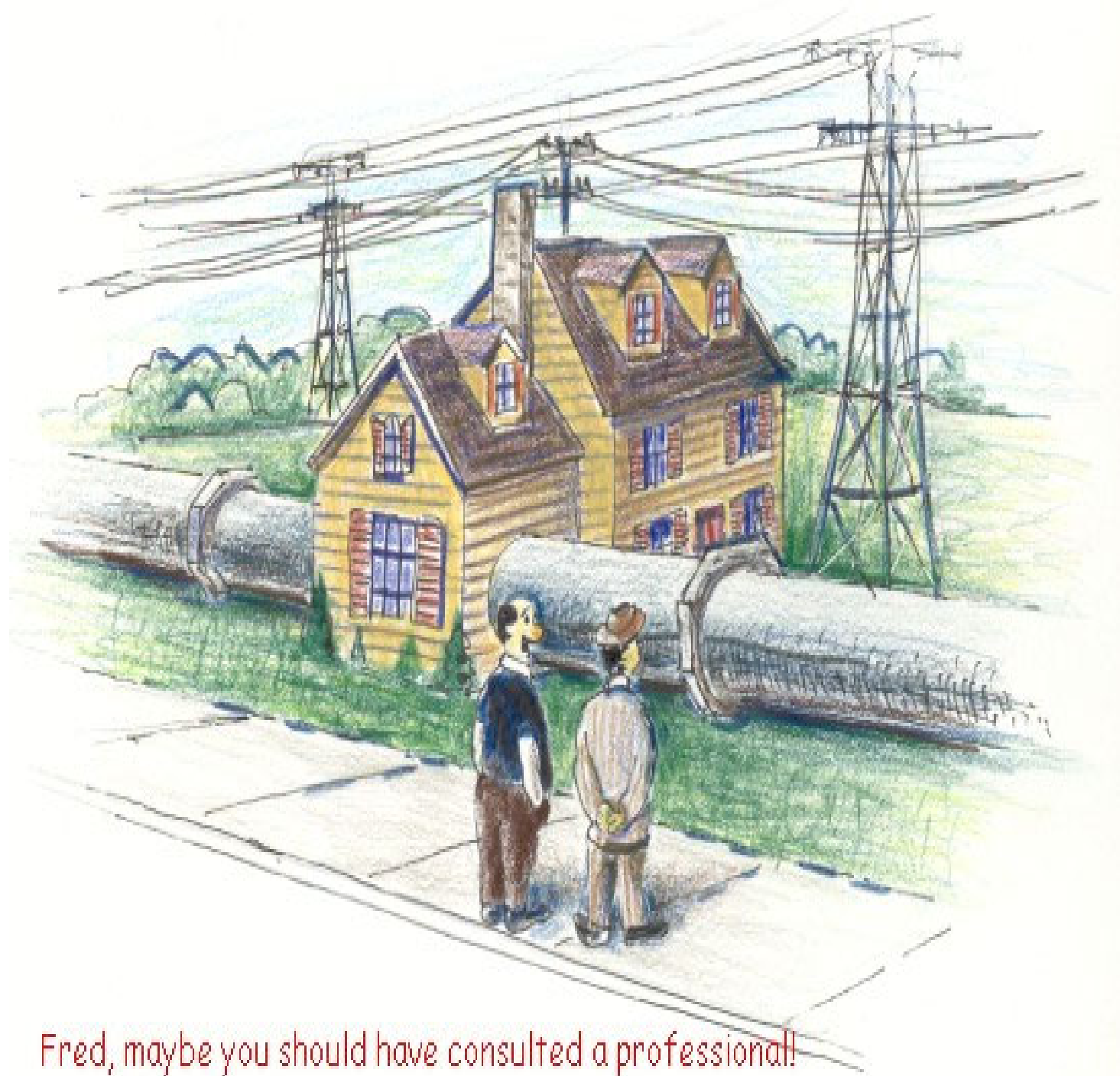
3. The 8 Top Seller Mistakes

4. Estimated Seller Net-sheet

5. Contractor List

6. Anchorage Services

7. Agent Profile

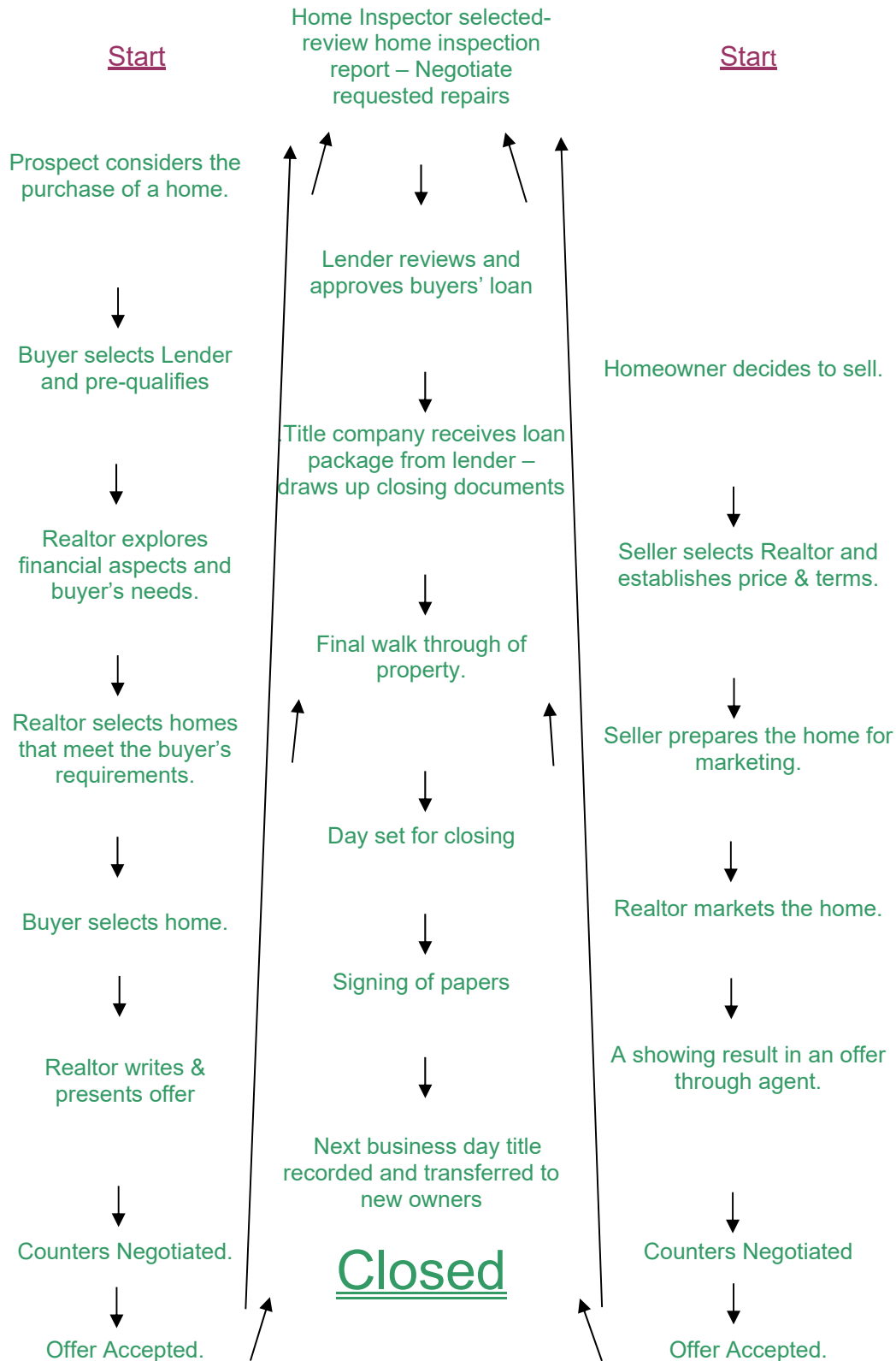


Fred, maybe you should have consulted a professional!

Steps in the Buyer/Seller Process

BUYERS

SELLERS



The 8 Top Home-Selling Mistakes You Should Avoid

Over the years I have observed many mistakes made by sellers. The following is a collection of the top 8 most glaring home-selling mistakes, mistakes you would do well to avoid.

1. Don't ... ask for too much money.

Yes, you know what you paid for the house. But that doesn't mean that it's still worth that amount—or that it's appreciated in value since you bought it. "Your house is only worth what the market is willing to pay you," says certified financial planner Ellen Derrick of [Learn Vest Planning Services](#), who has bought and sold at least eight homes, including investment properties. "It doesn't matter what's in it. And it doesn't matter what your mortgage is." Your realtor has an eye on the market and knows what kind of prices homes—just like yours—are garnering now. Pricing your home too high will discourage interested parties from making an offer, and your property could sit for months, which isn't your goal.

What to do: Let a real estate professional work up a comparative market analysis for you. Keep in mind that even if you've made pricey improvements to the home (granite countertops, stainless steel appliances, gold plated faucets), you may not get your money back if you're the only home on the block with such upgrades. If comparable kitchens in the neighborhood don't have similar upgrades, buyers aren't expecting fancy perks in yours, and may not be willing to pony up for the difference.

2. Don't ... skip the marketing.

You may think that all you have to do is take one photo of the house, stick a "For Sale" sign in your yard and buyers will come pouring in the door. Au contraire. "The only way to guarantee that you're going to get the highest price for the house is to use all of the marketing options available to you. "This means Internet advertising making use of professional pictures of your house, public open houses and even postcards." The more people who see your house, the better your chances are of selling it. In an age when buyers start their searches online, counting on drive-bys and word of mouth isn't enough anymore.

What to do: Don't wait until the last minute to notify your real estate professional that your house is going up for sale. Give your real estate professional two – three weeks lead time to research comparable homes and help you set-up a good listing price. Give them time to book a professional photographer to take professional pictures. This time may include bringing other professionals that might assist in preparing your home for the market.

3. Don't ... go it alone, unless you know what you're doing.

If you are not a seasoned real estate pro, and you're not familiar with all the pit-falls that can devastate your selling experience, team up with a seasoned pro. As a real estate professional, I give you the added luxury of legal protection you can't afford to be without. As a 40+ year seasoned real estate professional, my experience and market knowledge is priceless! When it comes to selling your home, there's a lot at stake. The laws and disclosure acknowledgements that govern the selling process are constantly changing. Understanding of current tax laws will keep you out of trouble! Last, but certainly not least, the wellbeing of your family should be upper-most.

What to do: Team up with a seasoned, real estate professional you are comfortable with – don't leave your financial well-being to chance!

4. Don't ... neglect to fix things that are broken.

If sellers walk through your house and spot a handful of items that need immediate repair, they're going to wonder how well you've maintained the things they *can't* see. The entry way is a big tip-off. Got a loose hand rail on the steps, sagging screen door or jiggly door knob? Fix them. Clear your gutters, patch holes in your walls and address dripping faucets.

What to do: Do a walk-through of your own home, pretending that you're a buyer, seeing it for the first time. What things have you always meant to fix? Now is the time. Spend a few weekends dealing with all of those niggling projects to get your home in show-worthy shape.

5. Don't ... get emotionally involved.

Yes, it's your house. Yes, you sweated blood and tears to get it just the way you wanted it. But, no, that does not make it someone else's "perfect," particularly when you've made some unique decorating decisions. You want the space to look as neutral as possible, so buyers can envision themselves in the space. So even if those teal walls in the bedroom look knock-out great with your duvet, they probably won't match anyone else's things. Let go of the features you love, and make it a house *most* people could love—and that might mean painting all of the walls a soft, neutral color.

What to do: I would be willing to walk through your home with you, and make some suggestions you might want to consider to make it more marketable. As you consider selling your home, start thinking about your house as a commodity, not an extension of your identity. If buyers don't love it, it's not a personal insult. It's simply a deal that didn't work out.

6. Don't ... leave your stuff everywhere.

You want buyers to feel like they could move into your house tomorrow—with *their* things. Take notice of the fact that your collectibles, knick-knacks, photos and utility bills make the space feel a little too personal. First impressions are extremely important! If your prospective buyer is greeted with a huge collection of personal items - pictures, knick-knacks, and books and the like, you are allowing your things to become a distraction and not aiding in the presentation of your home. This sends the wrong message – this is my house, not yours.

What to do: Before you put the home on the market, get a few boxes and grab every extraneous thing you see: photos, knick-knacks, books. If it helps, take a few pictures of each room, and try to view them through a buyer's eyes. What could you remove from each room to make the space feel bigger? You want it to look like a hotel room, comfortable, clean and inviting. This will allow your prospective buyer to work through placing their furniture and belongings into your home. Also, unrelated but important! Don't hang out at showings. While you may want to tell prospective buyers about all of the things you've done to the house, it's best to leave them be. If there's some information you think is important for them to know, leave a flyer on the kitchen counter.

7. Don't ... get offended by a lowball offer.

Just because someone came in with a really low bid is no reason to walk off in a huff. Now's your chance to negotiate. Buyers are trying to buy your house for the lowest price possible, that's only natural. Don't get upset and blow them off. They might *love* your house. You can't blame them for trying. In other words, it's not personal, and it's not a slam on your housekeeping. It's a business transaction.

What to do: Come back with a counteroffer. Typically, most buyers will come back with a second offer, which is a better indication of what they're really willing to pay.

8. Don't ... lose your sale over minor issues.

It's possible to get 99% of the way through a home sale, only to stall out at the end over a minor detail. Don't be that seller. I've seen people throw away getting a \$450,000 house sold over the seller wanting to take the mantle at the last minute instead of leaving the mantle over the fireplace.

What to do: Unless it's an heirloom that's been in your family for generations, remember that you can probably find another one—but you may not find another buyer at that price. To be safe, if there are things, you're feeling like you can't live without, such as the curtains you found at a crazy flea market or the light fixture you discovered at an antiques store, replace them with something else *before* you start showing your home.

Estimated Seller Proceeds:

Sales Price: _____

Property Type: _____

Loan Type: _____

Lender Processing

Fee \$150.00

Survey (If needed) \$550.00

Appraisal \$850.00

Owners Title _____

Insurance

Doc. Prep \$147.50

Real Estate Fee (%) _____

Escrow Closing Fee \$500.00

Flood Certification \$75.00

Recording Fee \$100.00

Attorney's Doc Prep

Fee \$50.50

Home Warranty \$550.00



Additional cost you might consider:

- 1.Home Inspection \$550.00
- 2.Heating Inspection \$275.00
- 3.Carpet/General cleaning \$750.00

Estimated Net Closing Costs: \$ _____

Existing Mortgage Pay-Off: \$ _____

Estimated Net Proceeds \$ _____

Contractor list for the Greater Anchorage area!

As a real estate professional, I constantly rely on list of contractors I can depend on to assist my clients in preparing their home for marketing or remodeling projects they may want to undertake. When asked by clients for assistance in finding a contractor, I view my suggestions as an extension of my over-all service. So obviously, I want to be able to refer my clients to contractors that can and will perform to the highest degree possible. Therefore, I only recommend contractors who have proven they can be trusted, reliable, experienced, and reasonable in their pricing. For offering this list of top-notch contractors, I receive nothing in return except the satisfaction of knowing, I have helped my client by providing a contractor they can count on and get the job done!

Here are my suggestions:

At the top of my recommended list of those who can assist you is our own in-house company - Roy Briley Property Services which is experienced, licensed & bonded, able to handle multiple tasks in a professionally manor with a high degree of efficiency. They can take your punch list (remodeling, cleaning, flooring, lawn care, and all your general maintenance needs) and get the job done – all with one phone call! Time is important when it comes to getting things done, so it's important to note, they typically will have a service technician show up in person within 24 hours, to evaluate your needs and make suggestions. Check them out and see what they can do for you. They can be reached at 907-343-8914.

Home Inspection services:

<u>HomeTeam Inspection Service</u>	<u>907-694-8326 (Mike Hanneman)</u>
<u>HouseMaster</u>	<u>907-346-9190 (Karan)</u>

Roofing:

<u>T&M Enterprises</u>	<u>907-250-8446 (Matt Loewe)</u>
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General Handyman:

<u>David Christensen</u>	<u>907-310-6459</u>
<u>84th Street Construction</u>	<u>907-250-0084 (Dylan / Ryan)</u>
<u>Home Handyman Carpentry Service</u>	<u>907-830-6002 (Jim Langland)</u>
<u>Bruce Rhein Construction</u>	<u>907-982-7460 or 907-746-4991</u>
<u>Handyman Home Repairs & Painting</u>	<u>907-223-1168 (Chad Rodriguez)</u>

Plumbing:

<u>Turner Maintenance</u>	<u>907-310-4005</u>
<u>Alkota Plumbing & Heating Inc.</u>	<u>907-332-5325</u>

Electrical:

<u>M & M Electric Inc.</u>	<u>907-205-4919</u>
<u>AC – DC Electric</u>	<u>907-745-4108</u>
<u>Able Electric</u>	<u>907-373-7574</u>
<u>Raven Electrical Inc.</u>	<u>907-349-9668</u>
<u>Alaska Advanced Electrical</u>	<u>907-357-8550 or 907-355-8556</u>

Heating:

<u>Mountain Mechanical</u>	<u>907-344-0700</u>
<u>Moore Heating & Air Conditioning</u>	<u>907-561-1500</u>

Painting, Drywall & Carpentry:

<u>M.D.J. Contractors (all around jobs)</u>	<u>907-240-6564</u>
<u>Glen's Drywall Company</u>	<u>907-745-4787</u>

Windows:

<u>Denali Windows & Doors</u>	<u>907-677-2000</u>
<u>A.K. Window cleaners</u>	<u>907-343-9227</u>
<u>Denali Clearview LLC</u>	<u>907-231-1001</u>

House Cleaning:

<u>Affordable Cleaning by Diane's Service</u>	<u>907-248-3909 or 907-341-4649</u>
<u>Spruce Cleaning Service</u>	<u>907-344-8315</u>
<u>Merry Maids</u>	<u>907-290-7221</u>
<u>Klondike Cleaning Services</u>	<u>907-301-1151</u>
<u>Great Bear Cleaning Services</u>	<u>907-232-5600</u>

Well & Septic:

<u>Garness Engineering Group Ltd.</u>	<u>907-337-6179 or 907-338-3246</u>
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Surveyor:

<u>Shan Holt (375@gci.cet)</u>	<u>907-223-8615</u>
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Garagedoor Services:

<u>Boretide Garagedoor Services (Ryan Dodson)</u>	<u>907-917-9911</u>
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Asphalt:

<u>Precision Asphalt</u>	<u>907-744-9598</u>
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Concrete:

<u>Anders Construction</u>	<u>907-744-8458</u>
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<u>GMC General, Inc</u>	<u>907-349-7854</u>
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Chimney Sweep/Cleaners:

<u>Southwick Chimney Cleaners</u>	<u>907-745-2723</u>
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Rain Gutters:

<u>Denali Rain Gutters</u>	<u>907-854-2244</u>
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<u>AK Curb Appeal</u>	<u>907-350-9226</u>
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<u>Precision Guttering</u>	<u>907-272-2150</u>
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Moss Removal:

<u>Revive Home Detailing</u>	<u>907-891-3771</u>
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<u>Home Guard Services</u>	<u>907-344-8273</u>
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<u>Last Frontier Roof Clearing</u>	<u>907-519-4192</u>
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If there is any additional information you may need, please let me know. I would be honored to assist you further.

rod@rodstone.com

Anchorage Borough Services

(Anchorage, Eagle River, Chugach, Peters Creek, Indian, Girdwood)

Utilities:

Electricity –

Chugach Electric	(www.Chugachelectric.com)	907-563-7366
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MEA	(www.mea.coop)	907-694-2161
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Gas –

Enstar	(www.enstargas.com)	907-277-5551
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Water & Sewer –

AW&WU	(https://tinyurl.com/3a3hrkac)	907-564-2700
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Communications:

ACS	(www.alaskacommunications.com)	907-561-1221
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GCI	(www.gci.com)	907-265-5400
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MTA	(http://www.mea.coop/)	907-745-3211
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Garbage Collection:

Alaska Waste	(https://tinyurl.com/mr2ctk3p)	907-563-3717
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Blue Arctic Waste	(https://www.bluearcticak.com/)	907-343-6262
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Cable / TV:

GCI Cable	907-265-5400
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MTA E.R.	907-694-3211
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Dish Network	907-722-6216
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Directv	855-802-3473
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Services:

Hospitals –

<u>Alaska Native Medical Center</u>	<u>907-563-2662</u>
<u>Alaska Regional</u>	<u>907-276-1131</u>
<u>Providence</u>	<u>907-562-2211</u>
<u>St. Elias</u>	<u>907-561-3333</u>
<u>Poison Control</u>	<u>907-213-3193</u>

Libraries –

<u>Anchorage</u>	<u>907-343-2975</u>
<u>Eagle River</u>	<u>907-343-1530</u>
<u>Heritage Library Museum</u>	<u>907-265-2834</u>

Newspapers –

<u>Alaska Dispatch</u>	<u>907-257-4400</u>
<u>Anchorage Press</u>	<u>907-561-1773</u>
<u>The Alaska Star</u>	<u>907-694-2727</u>

Police –

<u>Anchorage</u>	<u>907-786-8900</u>
<u>Alaska State Troopers</u>	<u>907-269-5511</u>
<u>Road Conditions</u>	<u>511</u>
<u>Humane Society</u>	<u>907-344-8808</u>
<u>DMV</u>	<u>907-269-5559</u>
<u>UMV</u>	<u>844-373-3681</u>

Education:

<u>Anchorage School District</u>	<u>907-742-400</u>
<u>UAA (University of Alaska Anchorage)</u>	<u>907-786-1800</u>
<u>APU (Alaska Pacific University)</u>	<u>907-564-8343</u>
<u>Mountain City Christian Academy</u>	<u>907-337-9575</u>

Transportation:

<u>People Mover Bus Line</u>	<u>907-343-6544</u>
<u>Yellow Cab</u>	<u>907-222-222</u>
<u>City Taxi</u>	<u>907-744-9604</u>
<u>Independent Taxi Dispatch</u>	<u>907-555-500</u>

Golf Courses:

<u>Moose Run</u>	<u>907-428-0056</u>
<u>O'Malley's On The Green</u>	<u>907-522-3363</u>
<u>Fox Hollow</u>	<u>907-345-4600</u>

Ski Areas:

<u>Alpenglow Arctic Valley</u>	<u>907-428-1208</u>
<u>Alyeska Ski Resort</u>	<u>800-880-3880</u>
<u>Hilltop Ski Area</u>	<u>907-346-1446</u>

If you need additional information, please allow me to get this to you. You can call or text me at 907-727-9379 or email me at rod@rodstone.com. I would count it a privilege to assist you further!

Agent Profile:



Your Anchorage real estate professional with over 40 years professional experience!

Rod Stone (907)-727-9379

Real Estate Brokers of Alaska

www.YourAnchorageAKHomeSearch.com

rod@rodstone.com

Experience:

****Licensed in the State of Alaska as a Broker or Associate Broker since 1978.**

****Served as manager/broker of Century 21 Krenik Realtors.**

****Owner/broker -ERA Gold Panner Realty.**

****Successfully trained hundreds of real estate sales agents.**

****Over the years personally assisted thousands of buyers/sellers with their real estate needs.**

As your real estate professional, I will take great pride in delivering service that exceeds your expectations! I know where the fish / buyers are and I know how to reel them in!



4. *HSA Home Warranty - Outline:*

Coverage

Protection

Service

Benefits of A Home Warranty

As a seller, offering a home warranty may prove to be one of the best investments you can make in selling your home. For one thing, it is a great selling tool, an extra benefit to entice a would-be buyer to seriously consider your home. At the same time, it also protects you from any unexpected, last-minute problems that could come up between the time you place your home on the market with me, and the time your buyer takes over as the new owner. Your home owners' insurance policy will protect you from major events like fire, wind & ice storm damage to include roof damage. In addition, your home owners' insurance policy insurance provides liability coverage and insures your personal belongings.

On the other hand, your home owners' insurance policy does not cover you if any of your major appliances, to include the heating system malfunctions and needs fixing or replaced. Additionally, you're not covered if there are extensive electrical, plumbing problem that may come up. Here's where home warranty insurance comes into play. With a home warranty policy, for the most part, all the mechanical parts of your home are covered.

Time and space here do not allow me to give you examples where a home warranty insurance policy has proven to be a lifesaver for many of my clients. If you need additional related information, please let me know – rod@rodstone.com. This truly has been a lifesaver for many of my clients including myself.

Starting with the next page, you have a full copy the HSA information pamphlet. Let me know if you have any questions or if you need additional information.



13
mo. WARRANTY

888-492-7359

HWAHomeWarranty.com

WE'VE GOT YOU COVERED

NATIONAL



COVERAGE THAT GIVES YOU REAL-LIFE ASSURANCE

- Coverage for More Than 120 Items
- 13 Months of Initial Coverage
- No Age Restrictions on Appliances and Systems
- Free Listing Coverage
- Trusted for Over 25 Years
- Home Title Monitoring & Identity Theft Protection Included! See more inside.



HOW DOES A HOME WARRANTY PROTECT YOU?

You're covered for life's big emergencies—fire, theft, severe weather damage—by your homeowners insurance policy. But can you relax when it comes to everyday disasters? Your appliances and plumbing, electrical and heating/cooling systems have limited lifespans due to normal wear and tear. A Home Warranty of America plan **helps reduce your out-of-pocket repair and replacement costs** for essential home systems—and gives you **peace of mind**.

WHY CHOOSE HWA?

For over two decades, Home Warranty of America has helped homeowners like you stay safe and feel comfortable when buying, selling or just living in their homes.

When you choose HWA, you're choosing:

- 13 months of initial coverage
- A fully customizable plan that meets your unique needs
- Easy-access customer service via phone, email or web
- Coverage of more than 120 items
- Protection against unknown pre-existing conditions
- FREE Seller's Coverage on active listings for up to 180 days (\$3,000 limit)
- No age restrictions on your home
- Discounted multi-year plans
- 1 Year of free Home Title Monitoring included with Diamond plan
- Optional coverage available for Mobile Phone Protection and Homeowners Deductible Reimbursement
- Coverage for townhomes, condos and investment properties and new construction plans
- Dependable service from a national network of independent qualified service technicians

REAL-LIFE ASSURANCE

Trusted for Over 25 Years

Enhanced seller's coverage

No age restrictions on your home

Additional Protection for Home Title, Mobile Phones, and more

WE'RE HERE WHEN YOU NEED US

Request Service / File a Claim / Ask Questions



Visit [HWAHomeWarranty.com](https://www.HWAHomeWarranty.com) or
call (888) 492-7359



We're available to take your call
24 hours a day, 7 days a week

FAQS

Q. What's the difference between a home warranty and homeowners insurance?

A. A home warranty is designed to apply when your home's covered appliances and systems break down due to normal wear and tear. That's different from homeowners insurance, which pays for damages and losses caused by unexpected events such as fire and weather damage—but won't help if your washing machine breaks down. The product being offered is a service contract and is separate and distinct from any product or service warranty which may be provided by the home builder or manufacturer.

Q. Are there dollar coverage limits on covered items?

A. Yes—these are clearly outlined in your contract. You'll find limits on covered items such as heating and cooling systems, water heaters, alarm systems, etc.

Q. Are the service technicians licensed?

A. Yes! The network of servicers are a fully vetted and background screened group of service companies.

Q. Is there a wait period to file a claim?

A. No! HWA real estate plans do not include a waiting period.

Q. How do I file a claim?

A. Filing a claim is easy. Go to HWAHomeWarranty.com and click the File a Claim button on the home page, or call (888) 492-7359 and select option 2.

Q. When do I pay my Trade Call Fee?

A. The fee is payable directly to the technician that comes to your home.

Q. Do I need a home inspection before ordering a home warranty?

A. No, although it is a good idea to get your home inspected to make sure all items are in good working order. Consequently, the contract does not cover any known pre-existing conditions.

SCAN THE QR CODE TO VIEW THE
TERMS AND CONDITIONS



Protect your home AND financial assets with a
Diamond Plan from HWA.

IDENTITY THEFT PROTECTION & HOME TITLE MONITORING...

NOW INCLUDED IN HWA'S DIAMOND PLANS!

A new era of technology has ushered in a massive proliferation of data that has redefined our personal, social, and financial identities. While the digitization of core activities in our lives has a wealth of benefits, it also creates security risks to our personal information that require safe and intentional navigation. Financial Shield uses near real-time monitoring, alerts, and tools to help protect your financial assets from identity thieves.



With HWA's
Diamond Plan,
Receive
1 Year FREE with
Financial Shield –
a \$120 Value*



Over
47 MILLION
Customers
Protected!

YOUR FINANCIAL SHIELD MEMBERSHIP INCLUDES:

- Home Title Monitoring
- Financial Transaction Monitoring
- Monthly Credit Score
- Bank & Financial Account Monitoring
- High Risk Transaction Monitoring
- Authentication Alerts
- Fictitious Identity Monitoring
- \$1,000,000 Identity Theft Insurance
- Dark Web Monitoring
- Credit Security Freeze Assistance
- Credit Monitoring & Alerts
- Lost Wallet Protection
- Spend Tracking by Category
- Customer Support & Victim Assistance

*Email, Telephone, & Enrollment Required. Promotional offer currently valid through 12/31/25. Scan the QR code for full details.



GET THE MOST OUT OF YOUR HOME WARRANTY OF AMERICAN COVERAGE WITH **ORANGE PLUS COVERAGE** Included with all Diamond plans!

Orange Plus coverage enhances coverage for standard covered items that are otherwise excluded. Your Orange Plus Coverage includes:

- Increased limits on **Professional Series Appliances** – up to \$5,000!
- Up to \$250 to correct **Building Code Violations**
- Up to \$250 per occurrence for required **Building Permits**
- **Haul Away Services** for covered items when replacing such item
- Up to \$750 to correct **Improper Installation/Repair/Modification** of covered items
- **NEW – Homeowners Insurance Deductible Reimbursement** up to \$1,000!

HOMEOWNERS INSURANCE DEDUCTIBLE REIMBURSEMENT from Home Warranty of America

If you need to file a claim on your Homeowners Insurance policy, HWA has your back! In the event of a claim on an item covered by your home warranty policy, get up to \$1,000 reimbursed for your deductible payment with our Homeowners Insurance Deductible Coverage.

**Now included with our
Orange Plus coverage!**

Orange Plus and Homeowners Insurance Deductible Reimbursement are included in all Diamond buyer plans, and available optionally for \$160 in Gold and Platinum buyer plans. See Terms and Conditions for more details.

MOBILE PHONE PROTECTION

NOW AVAILABLE FOR \$180 ON ALL 3 PLANS!*

Tired of replacing cracked screens or faulty mobile devices? With Mobile Phone Protection from HWA, any active cellular phones for residents of your covered home are protected. For any damage due to accidental damage, such as a cracked screen, or defective workmanship, you will be reimbursed for the cost to repair or replace the device when a claim is filed.



Unlimited Devices per Home



Cracked Screen Repair



Reimbursement for Repair or Replacement



Water Damage Coverage



Covers Equipment Defects



Easy Claim Filing via the Online Portal



* Maximum liability under this plan is \$800 per claim. Each claim is subject to a service call fee in the amount set forth in your coverage details. Coverage is limited to two claims per plan per 12-month period. Coverage starts 31 days after receipt of your Home Warranty of America policy fee. See the full terms and conditions for a complete description of coverage, limitations and exclusions by scanning the QR code below.

YOUR HOME SERVICE AGREEMENT SHOULD YOU NEED SERVICE

PLEASE READ THIS AGREEMENT CAREFULLY and then place Your claim at www.HWAHomeWarranty.com or by calling 1-888-492-7359.

Have Your Contract Number, make and model of the Covered Item, and Covered Item's complete street address available. You must pay the Service Fee, stated on Your Coverage Details, in advance of any services being scheduled.

A. DEFINITIONS

1. **"Agent"** refers to the real estate agent or representative that is assisting You on the purchase or sale of Your home.
2. **"Agreement"** refers to this Home Warranty of America Service Agreement.
3. **"Agreement Fee"** refers to the amount listed as Your "Rate" on Your Coverage Details and the amount You paid for this Agreement.
4. **"Annual Monthly Agreement Fee"** refers to the Agreement Fee for each respective 12-month period beginning on the Order Date or Your coverage effective date (whichever is later).
5. **"Common Systems"** refers to systems or appliances that are utilized by multiple apartments, multiple units, multiple units of townhomes, multiple single-family homes, or multi-family homes.
6. **"Commercial Grade Equipment"** refers to air-conditioners, furnaces, and other systems and appliances not intended for residential sale or residential use.
7. **"Coverage Details"** refers to the page preceding Your Agreement that is headed "Coverage Details" at the top of the page and lists Your name, contract number, covered property address, Agreement Fee, and Service Fee.
8. **"Covered Item"** refers to each numbered item listed in Sections D1 to D14, and when an applicable fee is paid, as modified by Sections D15 and D16; and Sections E1 to E19, if applicable. Some Covered Items require payment of additional fees. See Your Coverage Details for a list of Covered Items included in Your policy.
9. **"Fixed-Term Plan"** refers to a plan with a fixed term of 1 year or greater.
10. **"Home Buyer"** refers to a purchaser of a home which would be the subject of coverage under this Agreement.
11. **"Home Seller"** refers to a seller of a home which would be the subject of coverage under this Agreement.
12. **"Monthly Plan"** refers to a plan with a monthly recurring term of coverage.
13. **"Order Date"** refers to the date that You submitted Your Agreement Fee for processing by Us.
14. **"Primary Purpose"** refers to a Covered Item's primary operating function. An example of a failure that does not affect the primary operating function is a failed light bulb or ice maker in a refrigerator.
15. **"Replace" or "Replacement"** of a Covered Item means for clothes dryer, clothes washer, built-in microwave, oven/range/cooktop, dishwasher, refrigerator, and garbage disposal, We are responsible only for replacement equipment of similar features, capacity, and efficiency, but not for matching dimensions, brand, or color. For all other Covered Items, We will replace with builder's standard grade equipment that is the basic option that typically comes in standard sizes, colors, and standard configurations designed to fit most homes. We shall not be responsible for costs of equipment or labor in excess of builder's standard grade equipment.
16. **"Service Costs"** refer to any costs incurred by Us for access, diagnosis, repair and/or Replacement during the term of Your Fixed-Term Plan or, in the case of Monthly Plans, each respective 12-month period beginning on the Order Date or Your coverage effective date (whichever is later).
17. **"Service Fee"** refers to the amount You will have to pay to a Service Provider when You make a request for service.
18. **"Service Provider"** refers to a qualified service contractor within Our network that completes work under this Agreement. Service Providers are third parties, not employees of Ours.
19. **"You" or "Your"** refers to the Agreement holder(s).
20. **"We", "Us" and "Our"**, throughout this Agreement, refer to American Global Obligor, Inc., 90 Washington Valley Road, Bedminster, NJ 07102, the Obligor of this Agreement, except in Alabama, Arizona, Arkansas, Florida, Hawaii, Illinois, Iowa, Kentucky, Louisiana, Massachusetts, Minnesota, Nevada, New Hampshire, New Mexico, New York, Oklahoma, South Carolina, Texas, Utah, Vermont, Virginia, Washington, Washington, D.C., Wisconsin, and Wyoming. In Alabama, the company obligated under this Agreement is Home Warranty Administrator of Alabama, Inc. (HWA-AL). In Arizona, the company obligated under this Agreement is Home Warranty Administrator of Arizona, Inc. (HWA-AZ). In Arkansas, the company obligated under this Agreement is Home Warranty Administrator of Arkansas, Inc. (HWA-AR). In Florida, the company obligated under this Agreement is Home Warranty Administrator of Florida, Inc. (HWA-FL). In Hawaii, the company obligated under this Agreement is Home Warranty Administrator of Hawaii, Inc. (HWA-HI). In Illinois, the company obligated under this Agreement is Home Warranty Administrator of Illinois, Inc. (HWA-IL). In Iowa, the Company obligated under this Agreement is Home Warranty Administrator of Iowa, Inc. (HWA-IA). In Kentucky, the company obligated under this Agreement is Home Warranty Administrator of Kentucky, Inc. (d/b/a/ HWA). In Louisiana, the company obligated under this Agreement is DMM Results of LA, Inc. (DMM-LA). In Massachusetts, the company obligated under this Agreement is Home Warranty Administrator of Massachusetts, Inc. (HWA-MA). In Minnesota, the company obligated under this Agreement is Home Warranty Administrator of Minnesota, Inc. (HWA-MN). In Nevada, the company obligated under this Agreement is Home Warranty Administrator of Nevada, Inc. (HWA-NV). In New Hampshire, the company obligated under this Agreement is Home Warranty Administrator of New Hampshire, Inc. (HWA-NH). In New Mexico, the company obligated under this Agreement is Home Warranty Administrator of New Mexico, Inc. (HWA-NM). In Georgia and New York, the company obligated under this Agreement is Home Service Club Warranty Corp. (HSC). In Oklahoma, the company obligated under this Agreement is Home Warranty Administrator of Oklahoma, Inc. (HWA-OK). In South Carolina, the company obligated under this Agreement is Home Warranty Administrator of South Carolina, Inc. (HWA-SC). In Texas, the company obligated under this Agreement is HWAT, Inc., dba Home Warranty Administrators (HWA-TX). In Utah, the company obligated under this Agreement is Home Warranty Administrator of Utah, Inc. dba Choice Home Warranty (HWA-UT). In Vermont, the company obligated under this Agreement is Home Warranty Administrator of Vermont, Inc. (HWA-VT). In Virginia, the company obligated under this Agreement is HWA of VA, Inc. (HWA-VA). In Washington, the company obligated under this Agreement is Home Service Club of Washington Corp (HSC-WA). In Washington D.C., the company obligated under this Agreement is Home Warranty Administrator of DC, Inc. (HWA-DC). In Wisconsin, the company obligated under this Agreement is Home Warranty Administrator of Wisconsin, Inc. (HWA-WI). In Wyoming, the company obligated under this Agreement is Home Warranty Administrator of Wyoming, Inc. (HWA-WY). HWA, HWA-AL, HWA-AZ, HWA-AR, HWA-FL, HWA-HI, HWA-IL, HWA-IA, HWA-MA, HWA-MN, HWA-NH, HWA-NV, HWA-NM, HWA-OK, HWA-SC, HWA-TX, HWA-UT, HWA-VA, HWA-VT, HWA-DC, HWA-WI, and HWA-WY are located at 90 Washington Valley Road, Bedminster, NJ 07921. DMM-LA is located at 1 Gateway Center, Ste. 2600, Newark, NJ 07102. HSC and HSC-WA are located at 305 Broadway, 7th Floor, New York, NY 10007. Warranty Administration Services, Inc., 90 Washington Valley Road, Bedminster, NJ 07921 (WASI) is the administrator of this Agreement. Our obligations under this Agreement are backed by the full faith and credit of the Obligor.

B. CUSTOMER SERVICE

1. You or Your Agent must request service as soon as the malfunction is discovered and prior to the expiration of Your Agreement term.
2. Upon request for service, We will begin contacting Service Provider(s) within 4 hours. You will receive the name, phone number, appointment date and time upon acceptance of the request by a Service Provider. In some circumstances, it could take more than 48 hours for a Service Provider to accept the request.
3. We will not reimburse for services performed without prior approval.
4. You will pay a Service Fee for each Covered Item service request You submit to Us.
5. If work performed under this Agreement should fail within 30 days, We will correct the failure without a Service Fee.
6. We have the sole right to select the Service Provider.

C. COVERAGE TIME & PAYMENT

During the coverage period, Our sole responsibility will be to arrange for a qualified Service Provider to repair or Replace, at Our option and expense, items listed as "covered" and not for items listed as "excluded" in accordance with the terms and conditions of this Agreement. It is important to review this Agreement in its entirety. Capitalized terms, not otherwise defined, are defined in [Section A](#).

1. The term Your Agreement is in effect, Your Agreement Fee, Your Service Fee, and Your equipment, systems, and appliances covered under this Agreement, are set forth in Your Coverage Details. Additional costs may apply in accordance with other sections of this contract.
2. All systems (a) must become inoperative due to normal wear and tear; (b) with the exception of pool/spa, well pump, septic tank pumping, irrigation system, external water line, external sewer, septic line, outdoor kitchen and air conditioner, must be located inside the main foundation or detached garage; (c) except as specifically described for Home Buyer's coverage, must be in proper working order on the effective date of this home warranty Agreement.
3. This Agreement covers occupied homes under 5,000 square feet unless additional fees are paid.
4. Except for Home Buyer's coverage - which provides coverage for unknown/ undetectable pre-existing conditions so long as the malfunction could not, or would not, have been detected by a visual inspection or simple mechanical tests - known or unknown pre-existing conditions are not covered.
5. Home Buyer's Coverage: Home Buyer's coverage under this Agreement is only available to a Home Buyer, not a Home Seller. Home Buyer's coverage is effective upon close of sale for the term set forth in Your Coverage Details. The Agreement Fee must be received no later than 14 days after close of sale. If You take possession prior to close of sale (or obtain possession through rental or lease agreement), the Agreement Fee is due upon occupancy and coverage will begin as of the date of occupancy upon Our receipt of the Agreement Fee. You may only add optional coverage within 30 days of the close of sale.
6. Home Seller's Coverage: Home Seller's coverage is available only in conjunction with the purchase of coverage for a Home Buyer and is limited to \$3,000 in the aggregate during the Agreement term. Coverage becomes effective on the day We receive the Home Seller coverage application, and continues until the expiration of; the initial home listing period, up to a maximum of 180 days; close of sale; or listing termination, whichever occurs first. Requests to extend Home Seller's coverage beyond the initial 180-day listing period, may be granted or denied at Our sole discretion. Optional Coverage for Air Conditioning/Heating/Ductwork, external water line, external sewer and septic line may only be added or removed within 24 hours of Your Order Date.

7. Homes Not Going Through a Real Estate Transaction: Coverage starts 30 days after receipt of Agreement Fee. Your coverage may begin before 30 days if We receive proof of prior coverage showing no lapse, through another carrier.

8. For the initial purchase of an annual plan, the 12-month annual term is extended to 13-months and all references herein to a 12-month period are, accordingly, extended to 13-months for such initial 13-month period only.

D. HOMEOWNER'S COVERAGE

With the exception of Air Conditioning/Heating/Ductwork, Ceiling Fan/Exhaust Fan/Attic Fan, and Garage Door Opener, coverage is for no more than 1 Covered Item unless additional fees are paid.

GOLD COVERAGE

The following coverages are included in the **Gold Plan**.

1. Built-in Microwave

✓ Covered - All components and parts.

2. Dishwasher (built-in only)

✓ Covered - All components and parts.

3. Garbage Disposal

✓ Covered - All components and parts.

4. Range/Oven/Cooktop

✓ Covered - All components and parts.

5. Trash Compactor

✓ Covered - All components and parts. **We will pay up to \$500 per 12-month period for access, diagnosis, and repair and/or Replacement.**

EXCLUDED (may be modified by purchase of Platinum or Diamond Plan):
lock and key assemblies, buckets.

6. Plumbing System/Stoppage/Sump Pump

✓ Covered - Leaks and breaks of water, drain, gas, waste, or vent lines. Clearing of sink, bathtub, shower, and toilet stoppages, mainline drain and sewer stoppages, lateral drain line stoppages, provided that all such stoppages are within 125 feet from access point including accessible cleanout, p-trap, drain or overflow access points. Built-in bathtub whirlpool motor, pump, and air switch assemblies. Angle stops. Risers. Gate valves. Interior hose bibs. Basket strainers. Permanently installed sump pump for ground water in a sump pit/basin.

EXCLUDED (may be modified by purchase of Platinum or Diamond Plan):
Stoppages caused by collapsed, damaged or broken drain, vent, or sewer lines outside the home's main foundation. Lines broken, infiltrated, or stopped by roots or foreign objects, even if within the home's main foundation. Toilets, including lids and seats. Bathtubs. Sinks. Showers. Shower enclosures and base pans. Jets. Faucets. Shower heads. Shower arms. Valves for shower or tub and diverter. Ejector/grinder pumps. Exterior hose bibs. Slab leaks. Caulking or grouting. Septic tanks. Water softeners, filtration, or purification systems. Holding or storage tanks. Saunas or steam room equipment. Costs to locate or access cleanouts not found or inaccessible, or to install cleanouts. Access through roof vents. Portable sump pumps. Sump pump backflow preventers and check valves. Failures caused by excessive or inadequate water pressure. Pressure regulators.

7. Water Heater

✓ Covered - All components and parts, including tankless water heaters and circulating pumps. We will pay up to \$1,000 per 12-month period for access, diagnosis, and repair and/or Replacement for Tankless Water Heaters.

EXCLUDED (may be modified by purchase of Platinum or Diamond Plan):
Insulation blankets. Pressure reducing valves. Damage from sediment build-

up. Solar water heaters. Solar components. Fuel tanks. Secondary holding or storage tanks. Vents. Flues. Expansion tanks. Energy management systems. Units exceeding 75 gallons.

8. Electrical System

✓ Covered - Electrical panels, light switches, electric outlets, direct current wiring, and wiring from the electrical panel to any Covered Item.

EXCLUDED (may be modified by purchase of Platinum or Diamond Plan): Light fixtures. Smoke detectors. Rerunning of new wire for broken wiring. Wire tracing. Doorbells associated with intercom systems and battery-operated doorbells. Video and/or monitors. Circuit overload. Face plates. All components and wiring to or from a solar power system, generator, or an energy management system. Power surge or lightning.

9. Air Conditioning/Heating/Ductwork

✓ Covered - All components and parts of the following systems: ducted, central, electric, split and package units, forced air (gas, electric, oil), heat pumps, floor furnace, hot water or steam circulating heat and electric baseboard. Ducts (unless collapsed or clogged) from unit to point of attachment at registers or grills. If Replacing, only the failed components and parts will be upgraded to meet government mandated guidelines. **Our maximum liability is \$5,000 per 12-month period for access, diagnosis, and repair or Replacement for each (i) air conditioning system, (ii) heating system, and (iii) ductwork.**

EXCLUDED (may be modified by purchase of Platinum or Diamond Plan): Valves. Disposable filters. Line dryers and filters. Heat lamps. Condensate drain pumps. Drain pans. Window units. Mini-splits. Electronic air cleaners. Humidifiers. Cost related to refrigerant recapture, reclamation and disposal when required for diagnosis, repair, or Replacement. Cost of cranes to complete an air conditioning/heating repair and or Replacement. Outside or underground piping. All components and parts relating to geothermal, water source heat pumps. Well pump and well pump components for geothermal and/or water source heat pumps. Solar heating systems. Water towers. Chillers and water lines. Refrigerant line sets. Portable units. Fuel storage tanks. Chimneys. Pellet stoves. Cable heat. Wood stoves (even if only source of heating). Insulation. Collapsed/clogged ductwork. Damper motors. Labor, refrigerant, and other costs related to failure of components that are covered under manufacturer's warranty. Legally mandated diagnostic testing when Replacing heating or cooling equipment. Leak testing. We will not pay for any modifications or upgrades necessitated by the repair of existing equipment or the installation of new equipment including, but not limited to, the required Replacement of air handlers when Replacing condensers, and condensers when Replacing air handlers.

10. Ceiling Fans/Exhaust Fan/Attic Fan

✓ Covered - All components and parts.

11. Central Vacuum

✓ Covered - All components and parts.

EXCLUDED: Ductwork. Hoses. Blockages. Accessories.

12. Garage Door Opener

✓ Covered - All components and parts of the garage door opener.

EXCLUDED (may be modified by purchase of Platinum or Diamond Plan): Hinges. Springs. Remote transmitters. Keypads. Door. Door track assemblies.

13. Burglar and Fire Alarm Systems

✓ Covered - All components and parts. **We will pay up to \$500 per 12-month period for access, diagnosis, and repair and/or Replacement.**

EXCLUDED: Wiring or parts located outside the main confines of the home. Batteries, video and/or monitors, sprinkler alarms and systems.

14. Instant Hot Water Dispenser

✓ Covered - All components and parts. **We will pay up to \$500 per 12-month period for access, diagnosis, and repair and/or Replacement.**

15. PLATINUM PLAN – UPGRADE. All coverage included in the Gold Plan plus the following:

Premium Coverage adds certain coverage to the heating, cooling, plumbing, and kitchen appliances, that are otherwise excluded, and other coverage specified below:

1. Kitchen Refrigerator

✓ Covered - All components and parts including integral freezer unit.

EXCLUDED: Audio/Visual equipment and internet connection components.

2. Clothes Washer

✓ Covered - All components and parts.

3. Clothes Dryer

✓ Covered - All components and parts.

4. Re-Key

✓ Covered - Re-key of up to 6 locks for standard cylinder door locks and deadbolts. Provide a total of up to 4 copies of the new keys.

EXCLUDED: Non-standard cylinder door locks; Sliding doors; Garage door openers; Replacement of deadbolts, door handles/knobs or associated hardware. Broken or damaged locks. Padlocks. Gate, window, file cabinet, safe, desk or mailbox locks. Doors or any other services provided by locksmith. **NOTE:** Re-Key service cannot be used in conjunction with a free Service Fee.

5. Garage Door Opener - Enhancement

✓ Covered - Hinges. Springs. Remote transmitters. Keypads.

6. Air Conditioning/Heating/Ductwork - Enhancement

✓ Covered - Valves. Disposable Filters. Line dryers and filters. Heat lamps. Condensate drain pumps. Drain pans. Window units. Mini-splits. Electronic air cleaners. Humidifiers. Cost related to refrigerant recapture, reclaim and disposal when required for diagnosis, repair and/or Replacement. Labor related to failure of components that are covered under manufacturer's warranty. Cost for use of required cranes to complete a heating repair and/or Replacement. **Our maximum liability is \$5,000 per 12-month period for access, diagnosis, and repair or Replacement for each (i) air conditioning system, (ii) heating system, and (iii) ductwork and \$1,500 for access, diagnosis, and repair or Replacement for any geothermal, water sourced heat pump.**

7. Water Heater - Enhancement

✓ Covered - Unlimited units. Insulation blankets. Pressure reducing valves. Damage from sediment build-up. Vents. Flues. Units greater than 75 gallons; provided they are residential water heaters and not commercial.

8. Electrical System - Enhancement

✓ Covered - Exterior facing outlet receptacles and panels. Smoke detectors.

9. Plumbing System/Stoppage - Enhancement

✓ Covered - Toilets including lids and seats up to \$600 per toilet per 12-month period for access, diagnosis, and repair and/or Replacement. Faucets. Shower heads. Shower arms. Valves for shower or tub, and diverter. Ejector/grinder pumps. Exterior hose bibs. Slab leaks up to \$500 per 12-month period for access, diagnosis, and repair. Internal and external pressure regulators.

10. Trash Compactor - Enhancement

✓ Covered - Lock and key assemblies and buckets.

16. DIAMOND PLAN – UPGRADE. All coverage in the Platinum Plan plus the following:

1. Clothes Washer - Enhancement

- ✓ Covered - Unlimited units.

2. Clothes Dryer - Enhancement

- ✓ Covered - Unlimited units.

3. Built-In Microwave - Enhancement

- ✓ Covered - Unlimited units.

4. Dishwasher - Enhancement

- ✓ Covered - Unlimited units.

5. Air Conditioning/Heating System/Ductwork - Enhancement

- ✓ Covered - When Replacement is required for either indoor or outdoor system that requires an upgrade for compatibility of capacity/efficiency in order to ensure system's operational functionality, We will cover the cost of the upgraded system, including labor, up to a maximum liability is \$5,000 per 12-month period for access, diagnosis, and repair or Replacement for each (i) air conditioning system, (ii) heating system, and (iii) ductwork. All components and parts relating to geothermal, water source heat pumps. **We will pay no more than \$1,500 per 12-month period for access, diagnosis and repair or Replacement of any geothermal, water source heat pump.**

EXCLUDED: Outside or underground piping, redrilling of wells for geothermal and/or water source heat pumps.

6. Homeowners Insurance Deductible Coverage

- ✓ Covered - Reimbursement of Your homeowners insurance deductible for secondary or consequential damages solely as a result of a covered failure of a Covered Item.

Excluded: Reimbursement of Homeowners Insurance deductible for damages unrelated to a covered failure of a Covered Item not covered under this Agreement. **We will pay up to \$1,000 per 12-month period upon receipt of an acceptable proof of Your payment of Your homeowners' insurance deductible for secondary or consequential damages solely as a result of a covered failure of a Covered Item.**

7. Other Diamond Enhanced Coverage

- ✓ Covered - When required to render a covered repair or Replacement, we will:
 - Provide up to \$250 per occurrence for required permits.
 - Provide up to \$250 under this Agreement to correct code violations.
 - Provide haul away of a Covered Item when Replacing such Covered Item.
 - Provide up to \$750 under this Agreement to correct an improper installation/repair/modification of a Covered Item to correct any mismatch condition in terms of capacity/efficiency in order to ensure system operational compatibility and functionality. All other terms and conditions of this Agreement apply. If the improper installation/repair/modification or mismatch condition is also a violation of a code requirement, only the Other Diamond Enhanced Coverage under the second bullet point of this [Section D\(16\)7](#) above applies.

E. OPTIONAL COVERAGE

Coverage is for no more than 1 Covered Item unless additional fees are paid. **Unless otherwise indicated in this Section D, We will pay up to \$500 for access, diagnosis and repair and/or Replacement of any optional Covered Item.**

1. Pool and/or SPA Equipment

- ✓ Covered - Above ground components and parts of the heating, pumping,

and filtration system including pool sweep motor and pump, pump motor, blower motor and timer, plumbing pipes and wiring, plumbing, and electrical. Both pool and built-in spa equipment are covered if they utilize common equipment (if they do not utilize common equipment, then only the pool is covered unless an additional fee is paid). **We will pay up to \$1,500 for access, diagnosis and repair and/or Replacement.**

EXCLUDED: Portable pools or spas. Solar equipment. Grids. Cartridges. Lights. Liners. Jets. Ornamental fountains, waterfalls, and their pumping systems. Auxiliary pumps. Pool covers and related equipment. Fill line and fill valves. Built-in or detachable cleaning equipment including, without limitation, pool sweeps, pop-up heads, turbo valves, skimmers, chlorinators, and ionizers. Fuel storage tanks. Disposable filtration mediums. Heat pumps. Multi-media centers.

2. Well Pump

- ✓ Covered - All components and parts of well pump utilized for main dwelling only.

EXCLUDED: Above or underground piping, cable or electrical lines leading to or from the well pump, including those that are located within the well casing. Well casings. Pressure switches not located on the pump. Holding, storage or pressure tanks. Booster pumps. Redrilling of wells. Well pump and all well pump components for geothermal and/or water source heat pumps.

3. Limited Roof Leak

- ✓ Covered - Repair of shake, shingle, and composition roof leaks over the occupied living area. **We will pay up to \$1,000 per 12-month period for access, diagnosis, and repair and/or Replacement and if roof must be partially or completely replaced to effect repair, this coverage does not apply.**

EXCLUDED: Porches. Patios. Cracked and/or missing material. Foam roofs. Tar, gravel, tile or metal roofs. Cemwood or Permatek shakes. Masonite shingles. Flat or built-up roofs. Structural leaks adjacent to or caused by appendages of any kind. Downspouts. Flashing. Gutters. Skylights. Decks. Patio covers. Solar equipment. Roof jacks. Antennae. Satellite components. Chimneys. Partial roof replacement.

4. Stand Alone Freezer/Additional Refrigerator

- ✓ Covered - All components and parts, including integral freezer unit. **We will pay up to \$1,000 per 12-month period for access, diagnosis, and repair and/or Replacement.**

EXCLUDED: Audio/Visual equipment and internet connection components. Ice maker and all components of ice and/or water dispenser.

5. Septic Tank Pumping/Septic System

- ✓ Covered - Tank Pumping: Main line stoppages/clogs. If a stoppage is due to a septic tank back-up into the home, We will pump the septic tank one time during each 12-month period starting from the start date of Your original Agreement. **We will pay up to \$300 per 12-month period for access, diagnosis and pumping.**

- ✓ Covered - Septic System: Sewage ejector pump. Control box. Jet pump. Aerobic pump. **We will pay up to \$500 per 12-month period for access, diagnosis and repair and/or Replacement.**

EXCLUDED: Leach lines. Field lines. Lateral lines. Tile fields and leach beds. Insufficient capacity. Clean out. Pumping.

6. Irrigation System

- ✓ Covered - Control box. Outside or underground piping. Sprinkler heads.

7. Water Softener

- ✓ Covered - All components and parts.

EXCLUDED: Leased or rented units. All treatment, purification, odor control, iron filtration components and systems. Discharge drywells. Resin bed replacement. Salt. Replacement of filters, water filters, pre-filters, filter components. Replacement membranes.

8. Beverage/Wine Refrigerator

✓ Covered - All components and parts. **We will pay up to \$1,000 per 12-month period for access, diagnosis, and repair and/or Replacement.**

9. Stand Alone Icemaker

✓ Covered - All components and parts, including integral freezer unit. **We will pay up to \$1,000 per 12-month period for access, diagnosis, and repair and/or Replacement.**

10. Geothermal/Water Sourced Heat Pumps

✓ Covered - All components and parts relating to geothermal, water source heat pumps. **We will pay no more than \$1,500 per 12-month period for access, diagnosis and repair or Replacement of any geothermal, water source heat pump.**

EXCLUDED: outside or underground piping, redrilling of wells for geothermal and/or water source heat pumps.

11. Smart Home

✓ Covered - Replacement of one of each of the following per contract year: Smart and/or Wi-Fi enabled switch, outlet, thermostat, door lock, doorbell, or garage door opener. **We will pay up to \$1,500 per 12-month period for access, diagnosis, and repair and/or Replacement.**

EXCLUDED: Smart and/or Wi-Fi enabled router and/or home hub.

12. Outdoor Kitchen

✓ Covered - Components that affect the primary functional operation of the following outdoor kitchen elements: Ceiling fan. Outdoor refrigerator. Dishwasher. Electrical wiring and outlets. Garbage disposal. Faucets. Plumbing water, drain, or gas lines (except caused by freezing). **We will pay up to \$1,000 per 12-month period for access, diagnosis, and repair and/or Replacement.**

EXCLUDED: All failures caused by freezing.

13. Guest House/In-Law Suite

✓ Covered - All components and parts of 1 of each of the following: Clothes Dryer. Clothes Washer. Built-In-Microwave. Oven/Range/Cooktop. Dishwasher. Garbage Disposal. Kitchen Refrigerator. Ceiling Fan. Bathroom Fan. Attic Fan. **For each Covered Item located in the covered unit, We will pay up to \$1,500 for access, diagnosis, and repair and/or Replacement.**

EXCLUDED: Audio/Visual equipment and internet connection components.

14. Subterranean Termite Treatment (Only available in AK, CO, FL, ID, MT, OR, TX, UT, WA)

✓ Covered - Spot treatment of preexisting infestation of subterranean termites in the infested area of the main foundation of the home and attached garage. Non-preexisting partial treatments of termite infested area of the main foundation of the home and attached garage. **YOU WILL PAY THE AUTHORIZED REPAIR TECHNICIAN ALL FEES DUE AT THE TIME OF SERVICE AND SUBMIT ELIGIBLE EXPENSES TO US FOR REIMBURSEMENT. IF COVERED, AND TREATMENT IS PROVIDED, WE WILL REIMBURSE YOU FOR THE COSTS OF ANY COVERED AMOUNTS THAT EXCEED \$200 UP TO \$500.**

EXCLUDED: Infestation in decks, fencing or any area outside the confines of the main foundation of the home or attached garage, repairs caused by damages from subterranean termites.

15. External Water Line Repair

✓ Covered - Leaks or breaks due to normal wear and tear of portion of the water service line that You own between the utility's point of responsibility or from Your well pump discharge line (excluding casement/pit less adapter) up to the inlet side of the water meter or shut-off valve of Your Home. **We will pay up to \$1,500 per 12-month period for access, diagnosis, and repair and/or replacement.**

EXCLUDED: Relocating any water meter at the time of repair. Clogs or blockage of Your external water line. Pressure switches, meter vaults, shared or branch lines, storage or pressure tanks, and main shut-off valves that are not leaking. Moving any section of Your external water line unless necessary to complete a covered repair. Removal of debris or obstacles needed to access and repair Your external waterline. Repairs required by any local, state, or federal agency. Inspection or updates to non-leaking portion of Your external water line to meet requirements of applicable law. Movement or repair of buried wells above ground. Well equipment or well-related components. Repairing private paved, asphalt and/or concrete surfaces or structures. Costs associated with opening and closing any portion of Your home's foundation or slab to access Your external water line. Thawing any frozen section of the external water line. Repairs to public sidewalks, streets, or landscaping.

16. External Sewer & Septic Line Repair

✓ Covered - Leaks, blocks or breaks due to normal wear and tear or tree roots of the portion of the sewer service line You own from the utility's point of responsibility or from Your septic tank to the point where Your sewer or septic tank enters the Your Home at the foundation. **We will pay up to \$1,500 per 12-month period for access, diagnosis, and repair and/or replacement.**

EXCLUDED: External sewer or septic line not connected to a public sewer system or Your septic tank. Common waste branch lines. External sewer or septic line not owned by You or damage related to the backup of sewers and drains caused by main sewer lines. Devices connected to Your external sewer or septic line. Moving any section of Your external sewer or septic line unless necessary to complete a covered repair. Removal of items necessary to access Your external sewer or septic line, such as debris or obstacles, non-conforming drain line, such as basement or storm drain systems, connected to Your external sewer or septic line. Repairs required by any local, state, or federal agency inspection. Updates to non-leaking portion or any free-flowing section of Your external sewer or septic line to meet requirements of applicable law. Interior pipes, private paved, asphalt and/or concrete surfaces or structures, and thawing any frozen section of Your external sewer or septic line. Repairs to public sidewalks, streets, or landscaping.

17. Pest Control (Not available in AZ, HI, NM, NV, TX)

✓ Covered - One-time treatment for infestation of roaches, ants, silverfish, black widow spiders, earwigs, brown recluse spiders, millipedes, centipedes, mice, crickets, ground beetles, pillbugs, sowbugs, and clover mites.

EXCLUDED: Fire, pharaoh and carpenter variety ants, termites, fungus, wood boring beetles, rats, flying insects, fleas, ticks, bees, wasps, hornets, and any other pest not specifically listed as Covered.

18. Premium Appliance Upgrade

✓ Covered - The reduced limitations on professional series or like appliances set forth in Section G(17) shall not apply to purchasers of this Premium Appliance Upgrade; provided that each professional series or like appliances remain subject to the \$5,000 limit set forth in [Section G\(1\)](#).

F. MULTIPLE UNIT INVESTMENT PROPERTIES

1. No coverage is allowed for separate in-law/guest suite, duplex, triplex, or fourplex dwellings, unless the particular unit within such dwelling is covered by this Agreement with applicable optional coverage for coverage to apply to Common Systems.

2. If this Agreement is for a particular unit within a multiple unit dwelling with 5 or more units, then only items contained within the confines of Your individual unit are covered. Common Systems are excluded.

3. Except as otherwise provided in this section, Common Systems are excluded.

G. LIMITS OF LIABILITY

1. Except where lower limits apply, Our maximum liability is \$5,000 per 12-month period starting from the start date of Your original Agreement for each Covered Item for access, diagnosis, and repair or Replacement. Coverage limit applies in the aggregate when multiple items are listed in the same numbered section. **ADDITIONAL LIMITATION FOR HOME SELLER'S COVERAGE:** Notwithstanding the foregoing, You agree that, in no event, will Our liability exceed \$3,000 in the aggregate for Home Seller's coverage during the applicable coverage period.

2. Subject to [Section G\(1\)](#), We will pay up to \$500 to provide access to Covered Items through roofs, unobstructed walls, ceilings or floors, concrete covered, embedded, encased or otherwise inaccessible Covered Items. We will return the access opening to a rough finish condition, subject to the \$500 limit. We are not liable for service involving hazardous or toxic materials such as mold, lead paint, or asbestos. Except as specifically described in the Platinum Plan Upgrade under [Section D\(15\)](#) for purchasers of the Platinum or Diamond Plan, We are not liable for the costs or expenses associated with refrigerant recovery, recycling, reclaiming or disposal.

3. We reserve the right to offer cash or cash equivalent in lieu of repair or Replacement in the amount of Our available wholesale cost (which is less than retail) to repair or Replace any Covered Item. Cash or cash equivalent offered in lieu of repair or Replacement does not include the cost of shipping, tax, or installation. When cash or cash equivalent is issued to Replace a Covered Item, You may not make subsequent claims on such Covered Item for 1 year from the date of issue.

4. We reserve the right to obtain a second opinion at Our expense.

5. Except during the 12 calendar months following the closing date of a real estate transaction, We will not pay for repairs or failures of a Covered Item that results from Your failure to perform normal or routine maintenance. This Agreement does not cover cosmetic defects or malfunction due to misuse, abuse, neglect, or physical damage, accidents, fire, freezing, water damage, electrical failure, or surge, or excessive or inadequate water pressure.

6. If parts required to repair a Covered Item are not reasonably available, and the Covered Item continues to perform its Primary Purpose, we will not repair or Replace the Covered Item, such as a failed ice-maker where parts are unavailable in a working refrigerator.

7. Except as specifically described in [Section D\(16\)](#) for purchasers of the Diamond Plan, We are not responsible for upgrades, modifications, components, parts, or equipment required to complete a repair or Replacement of a Covered Item due to incompatibility with existing equipment including, but not limited to, differences in technology, chemical and refrigerant requirements, or efficiency as mandated by federal, state, or local governments. We will disclose the cost of such non-covered charges, in aggregate, but will not itemize such charges.

8. We are not responsible for any repair, Replacement, installation, or modification of: 1) any Covered Item arising from a manufacturer's recall or defect of said Covered Items; 2) except for labor cost on appliances and as specifically described in the Platinum Plan Upgrade under [Section D\(15\)](#) for purchasers of the Platinum or Diamond Plan, any Covered Item while still under an existing manufacturer's or distributor's warranty; or 3) any Covered Item lacking a visible model or serial number.

9. Except as specifically described in the Diamond Plan Upgrade under [Section D\(16\)](#) for purchasers of the Diamond Plan, We are not responsible for service to meet current building or zoning code requirements or to correct for code violations including when the Replacement of a Covered Item is necessary.

10. Except as specifically described in the Diamond Plan Upgrade under [Section D\(16\)](#) for purchasers of the Diamond Plan, We are not responsible for service to meet current building or zoning code requirements or to correct for code violations including when the Replacement of a Covered Item is necessary.

11. Except as specifically described in the Diamond Plan Upgrade under [Section D\(16\)](#) for purchasers of the Diamond Plan, We are not responsible for the cost to obtain permits.

12. We are not responsible for electronic or computerized energy management, lighting and appliance management systems, or solar systems and solar equipment.

13. Except as specifically described in the Diamond Plan Upgrade under [Section D\(16\)](#) for purchasers of the Diamond Plan, We are not responsible for the cost to dispose of a Covered Item or one of its components.

14. You agree that We are not liable for the negligence or other conduct of the Service Provider, nor are We an insurer of Service Provider's performance. You also agree that We are not liable for damages caused by the Service Provider, including, but not limited to, consequential, incidental, indirect, secondary, or punitive damages. You expressly waive the right to all such damages.

15. We are not liable for: any failure to obtain timely service or delays in obtaining parts, equipment, or for delays due to conditions beyond Our control, including, but not limited to, labor difficulties, strikes, riots, pandemic, war, acts of war, fire, floods, embargoes, insurrections, or acts of god.

16. You hereby waive all rights to claim attorneys' fees, indirect, punitive, incidental, consequential, and/or multiplied or otherwise increased damages, and any other damages, other than for actual out-of-pocket expenses.

17. Coverage is not for commercial property or residences used as businesses, or for the repair or Replacement of Commercial Grade Equipment. Except for purchasers of the optional Premium Appliance Upgrade, which shall be subject to the limits set forth in [Section E\(19\)](#), We shall pay no more than \$2,000 in aggregate per system for professional series or like appliances such as Sub Zero, Viking, Wolf, Bosch, Jenn-Air, Monogram, Thermador, etc.

18. If coverage is denied, and You seek to have Us review that denial, We have the right to request routine maintenance records and/or home inspection reports in reviewing Our decision.

H. TRANSFER OF AGREEMENT AND RENEWALS

1. YOU MAY TRANSFER THIS AGREEMENT AT ANY TIME WITHOUT ADDITIONAL COST.

2. UNLESS YOU CANCEL THIS AGREEMENT, YOU WILL AUTOMATICALLY BE RENEWED TO A MONTHLY PLAN AT THE END OF YOUR AGREEMENT TERM AT YOUR CURRENT COVERAGE LEVEL. FOR FIXED TERM PLANS, WE WILL NOTIFY YOU, IN WRITING, AT LEAST 30 DAYS (OR SUCH OTHER TIME PERIOD REQUIRED BY LAW) PRIOR TO THE END OF YOUR AGREEMENT TERM WITH THE RATE AND TERMS FOR THE AUTOMATIC RENEWAL.

3. FOR MONTHLY PLANS, YOU WILL BE AUTOMATICALLY RENEWED EACH MONTH AT YOUR CURRENT COVERAGE LEVEL AND AT YOUR CURRENT RATE. WE WILL NOTIFY YOU, IN WRITING, AT LEAST 30 DAYS (OR SUCH OTHER TIME REQUIRED BY LAW) PRIOR TO ANY CHANGE IN RATE OR TERMS OF YOUR MONTHLY PLAN.

I. CANCELLATION (See [Section L](#) For State Specific Details)

1. This Agreement may be cancelled by Us for:

- nonpayment of Agreement Fee by You;
- nonpayment of Service Fee by You;
- fraud or misrepresentation by You of facts material to the issuance of this Agreement; or
- mutual agreement of Us and You.

2. You may cancel this Agreement at any time for any reason.

- If You cancel within the first 30 days of the Order Date, We will refund the paid Agreement Fee less any Service Costs incurred by Us (unless prohibited by law).

b. If You cancel at any time after the first 30 days from the Order Date, We will pay You a pro rata refund of Your paid Agreement Fee for the unexpired term at the end of the month of which You cancelled less any Service Costs incurred by Us (unless prohibited by law). If Our Service Costs are greater than the prorated refund, You shall pay us the lesser of the difference between (A) Our Service Costs; and (B) any unpaid Agreement Fees or unpaid Annual Monthly Agreement Fees.

c. In addition, You shall be responsible for an administrative fee of the lesser of \$50, or such amount as is permitted by law.

3. To cancel Your Coverage, contact us at 1-888-492-7359 or visit your customer portal at <https://my.hwahomewarranty.com/accountservices>.

J. RESOLUTION OF DISPUTES (See Section L For State Specific Details)

1. BINDING ARBITRATION: Any claim, dispute or controversy, regarding any contract, tort, statute, or otherwise, arising out of or relating to this Agreement or the relationships among the parties hereto shall be resolved by one arbitrator through binding arbitration administered by the American Arbitration Association (“AAA”), under the AAA Commercial or Consumer, as applicable, Rules in effect at the time of the filing. Arbitration will be documents only/desk arbitration. Copies of the AAA Rules and forms can be located at www.adr.org. The arbitrator’s decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction. This clause is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act (9 U.S.C. § 1, et seq.). Neither party shall sue the other party in any court other than as provided herein for enforcement of this clause or of the arbitrator’s award; any such suit may be brought only in Federal District Court, or if any such court lacks jurisdiction, in any state court that has jurisdiction. The arbitrator, and not any federal, state, or local court, shall have the exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrability, enforceability, or formation of this Agreement including any claim that all or any part of this Agreement is void or voidable. However, the preceding sentence shall not apply to the clause entitled “Class Action Waiver.” **THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED THROUGH ARBITRATION.**

2. CLASS ACTION WAIVER: Any claim, dispute or controversy, regarding any contract, tort, statute, or otherwise, arising out of or relating to this Agreement or the relationships among the parties hereto must be brought in the parties’ individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multiple plaintiffs, or similar proceeding (“Class Action”). The parties expressly waive any ability to maintain any Class Action in any forum. The arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any person or entity not a party to the arbitration. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. **THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE AND TO BE A PARTY TO A CLASS OR REPRESENTATIVE ACTION, HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.**

3. SMALL CLAIMS COURT EXCEPTION: This Section J constitutes an agreement to arbitrate disputes on an individual basis. However, any party may bring an individual action in small claims court instead of arbitration, so long as the dispute falls within the jurisdictional requirements of small claims court.

4. MULTIPLE AGREEMENTS: In the event that You have multiple Agreements with Us, You must file 1 arbitration per Agreement. You hereby waive any right to bring 1 arbitration that covers multiple Agreements.

K. CONTRACT TERMS

1. If any provision of this Agreement is found to be contrary to law by a court of competent jurisdiction, such provision shall be of no force or effect; but the remainder of this Agreement shall continue in full force and effect.
2. We offer service agreements which are not warranties.
3. This is not a contract of insurance.
4. Terms may vary in different states (see Section L for state specific details).

SAMPLE CONTRACT. ACTUAL TERMS VARY BY STATE.

ASK US ABOUT THESE OTHER PLAN / PRICING OPTIONS

		\$100 Trade Call Fee		
		GOLD	PLATINUM	DIAMOND
Multi-Year				
	2 Year	\$900	\$1,100	\$1,200
	3 Year	\$1,320	\$1,575	\$1,650
	5 Year	\$1,900	\$2,400	\$2,600
Multi-Flats				
	Duplex	\$855	\$1,035	\$1,215
	Triplex	\$1,235	\$1,495	\$1,755
	Fourplex	\$1,615	\$1,955	\$2,295
New Construction (coverage begins on the 366th day after close)				
	2 Year	\$475	\$575	\$675
	3 Year	\$618	\$748	\$878
	4 Year	\$784	\$949	\$1,114
Over 5,000 Square Feet				
	5,000-7,499 Square Feet	\$875	\$975	\$1,075
	Over 7,500 Square Feet	Call for a Quote	Call for a Quote	Call for a Quote

A SELLER'S HOME WARRANTY BENEFITS EVERYONE—HERE'S WHY:

When it's time to sell your home, you need everything to be in good working order. After all, no one notices a leaky pipe or other home issue faster than a prospective buyer. A seller's home warranty can make it easier to fix covered issues quickly—and keep buyers from moving on to the next listing.

The benefits of taking advantage of free coverage during the listing period, and offering a home warranty to the new buyers include:

- May help you sell your home faster by reducing apprehension from buyers' minds
- Makes it easier to respond to price objections brought on by aged systems or home inspectionsurprises
- May reduce the chance of post-sale repair disputes by giving buyers peace of mind



13
mo.
WARRANTY

WE'VE GOT YOU COVERED

This coverage is free during the listing period for up to six months, with the option to extend for up to 12 months (\$3,000 limit). The coverage transfers to the buyer post-sale, so it's a win-win.

BUYER'S APPLICATION

NATIONAL

REQUIRED INFORMATION

(If placing order via phone or online have this information ready)

Buyer's Name _____
Address, City, State, Zip _____
Buyer's Email _____
Buyer's Phone Number _____
Closing Date _____
Seller's Name _____
Referring Agent _____
Seller's Email _____
Seller's Phone Number _____
BUYER'S Name _____
SELLER'S Name _____

Select Coverage - Prices for homes under 5,000 sq. ft. except where noted

DIAMOND		
Single-Family Home	Condo/Townhome/Mobile Home	Multiple Units*
<input type="checkbox"/> 1 Year \$675	<input type="checkbox"/> 1 Year \$645	<input type="checkbox"/> Duplex \$1,215
<input type="checkbox"/> 2 Year \$1,200	<input type="checkbox"/> 2 Year \$1,200	<input type="checkbox"/> Triplex \$1,755
<input type="checkbox"/> 3 Year \$1,650	<input type="checkbox"/> 3 Year \$1,650	<input type="checkbox"/> Fourplex \$2,295
<input type="checkbox"/> 5 Year \$2,600	<input type="checkbox"/> 5 Year \$2,600	

PLATINUM		
Single-Family Home	Condo/Townhome/Mobile Home	Multiple Units*
<input type="checkbox"/> 1 Year \$575	<input type="checkbox"/> 1 Year \$545	<input type="checkbox"/> Duplex \$1,035
<input type="checkbox"/> 2 Year \$1,100	<input type="checkbox"/> 2 Year \$1,100	<input type="checkbox"/> Triplex \$1,495
<input type="checkbox"/> 3 Year \$1,575	<input type="checkbox"/> 3 Year \$1,575	<input type="checkbox"/> Fourplex \$1,955
<input type="checkbox"/> 5 Year \$2,400	<input type="checkbox"/> 5 Year \$2,400	

GOLD		
Single-Family Home	Condo/Townhome/Mobile Home	Multiple Units*
<input type="checkbox"/> 1 Year \$475	<input type="checkbox"/> 1 Year \$455	<input type="checkbox"/> Duplex \$855
<input type="checkbox"/> 2 Year \$900	<input type="checkbox"/> 2 Year \$900	<input type="checkbox"/> Triplex \$1,235
<input type="checkbox"/> 3 Year \$1,320	<input type="checkbox"/> 3 Year \$1,320	<input type="checkbox"/> Fourplex \$1,615
<input type="checkbox"/> 5 Year \$1,900	<input type="checkbox"/> 5 Year \$1,900	

* Additional years discounted by 10%

PLAN ACCEPT / DECLINE

I have been offered a Home Warranty of America home warranty for my home and understand the terms/conditions of coverage.

☐ Buyer's Coverage date of closing _____ ☐ Seller's Coverage

☐ Decline benefits of this coverage. Signature _____

Waiver

Purchase of this coverage is not mandatory. Applicant has reviewed the home warranty plan and hereby declines coverage. Applicant agrees to hold the real estate broker and agent harmless in the event of a subsequent mechanical failure which otherwise would have been covered under the warranty plan.

**Subject to detailed terms and conditions. Limitations and exclusions apply.*

See contract for specific coverage information.

+Available on buyer plans only. Covered items must be in proper working order on coverage start date.

The price for the Plan is to be paid at closing and includes all fees payable to HWA for service and Plan administration, except for trade call fees you will owe for each service request.

REAL ESTATE AGENT INFORMATION

(If placing order via phone or online have this information ready)

Initiating Agent Name _____
Company Name _____
Representing ☐ Buyer ☐ Seller
Agent Email _____
Buyer's Phone Number _____
Agent Phone _____
Office Phone _____
Cooperating Agent Name _____
Representing ☐ Buyer ☐ Seller
Agent Email _____
Agent Phone _____

CLOSING INFORMATION (IF AVAILABLE)

Closing Company _____
Closing Agent _____
Phone Number _____
Closing Number _____

OPTIONAL COVERAGE

- ☐ **\$50** Optional Seller's Coverage (Heating/Cooling/Ductwork)
- ☐ **\$125** External Water Line Repair
- ☐ **\$125** External Sewer & Septic Line Repair
- ☐ **\$190** Pool and/or Spa Equipment
(Includes Salt Water Pool/Spa Equipment. No Additional Charge for Common Pool/Spa Equipment)
- ☐ **\$55** Additional Refrigerator
- ☐ **\$55** Stand-Alone Freezer
- ☐ **\$75** Septic System/Pumping
- ☐ **\$100** Well Pump
- ☐ **\$100** Limited Roof Leak
- ☐ **\$40** Water Softener
- ☐ **\$50** Undercounter Ice Maker
- ☐ **\$125** Smart Home Option
- ☐ **\$90** Sprinkler System
- ☐ **\$125** Outdoor Kitchen
- ☐ **\$50** Beverage/Wine Cooler
- ☐ **\$75** Subterranean Termite Treatment
- ☐ **\$75** Pest Control
- ☐ **\$180** Mobile Phone Protection
- ☐ **\$250** Guest House/In-Law Suite
- ☐ **\$35** Reduced \$75 Trade Call Fee
- ☐ **\$160** Orange Plus (included in Diamond)
- ☐ **\$60** Kitchen Refrigerator w/Ice Maker (included in Platinum & Diamond)
- ☐ **\$85** Clothes Washer & Dryer (included in Platinum & Diamond)
- ☐ **\$75** Premium Coverage (included in Platinum & Diamond)
- ☐ **\$400** Homes 5,000 to 7,499 Sq. Ft.
- ☐ **Call for Quote** Homes > 7,500 Sq. Ft.

Selected Plan _____ Plan Cost _____

Optional Coverage _____ Optional Coverage Cost _____

_____ Total Plan Cost _____

PLAN LEVELS (< 5,000 Sq Ft.)	GOLD	PLATINUM	DIAMOND	SELLER†
\$100 Trade Call Fee	\$475	\$575	\$675	Free
Covered Items				
Unknown Pre-Existing Conditions*	✓	✓	✓	-
Unknown Insufficient Maintenance*	✓	✓	✓	-
Air Conditioning System/Cooler	✓	✓	✓	\$50 Optional Coverage
Heating System/Furnace	✓	✓	✓	
Ductwork	✓	✓	✓	
Plumbing System	✓	✓	✓	
Plumbing Stoppages/Clogs	✓	✓	✓	✓
Permanent Sump Pump	✓	✓	✓	✓
Water Heater (including Tankless)	✓	✓	✓	✓
Instant Hot Water Dispenser	✓	✓	✓	✓
Whirlpool Bath Tub	✓	✓	✓	✓
Electrical System	✓	✓	✓	✓
Attic, Ceiling and Exhaust Fans	✓	✓	✓	✓
Doorbells, Burglar & Fire Alarm Systems	✓	✓	✓	✓
Central Vacuum	✓	✓	✓	✓
Dishwasher	✓	✓	✓	✓
Garbage Disposal	✓	✓	✓	✓
Built-In Microwave	✓	✓	✓	✓
Oven Range/Stove/Cooktop	✓	✓	✓	✓
Trash Compactor	✓	✓	✓	✓
Garage Door Opener	✓	✓	✓	✓
Kitchen Refrigerator w/Ice Maker	\$60	✓	✓	✓
Clothes Washer & Dryer	\$85	✓	✓	✓
Re-Key	\$75	✓	✓	-
Premium Coverage		✓	✓	-
Orange Plus	\$160	\$160	✓	-
Financial Shield**	-	-	✓	-
Additional Refrigerator	\$55	\$55	\$55	-
Stand-Alone Freezer	\$55	\$55	\$55	-
Pool and/or Spa Equipment	\$190	\$190	\$190	-
External Waterline Repair	\$125	\$125	\$125	-
External Sewer and Septic	\$125	\$125	\$125	-
Septic System/Pumping	\$75	\$75	\$75	-
Well Pump	\$100	\$100	\$100	-
Guest House/In-Law Suite	\$250	\$250	\$250	-
Reduced \$75 Trade Call Fee	\$35	\$35	\$35	-
Limited Roof Leak	\$100	\$100	\$100	-
Water Softener	\$40	\$40	\$40	-
Undercounter Ice Maker	\$50	\$50	\$50	-
Mobile Phone Protection	\$180	\$180	\$180	-
Smart Home Option	\$125	\$125	\$125	-
Sprinkler System	\$90	\$90	\$90	-
Outdoor Kitchen	\$125	\$125	\$125	-
Beverage/Wine Cooler	\$50	\$50	\$50	-
Subterranean Termite Treatment	\$75	\$75	\$75	-
Pest Control	\$75	\$75	\$75	-
Homes 5,000 to 7,499 sq. ft.	\$400	\$400	\$400	-
Homes > 7,500 sq. ft.	Call for a Quote	Call for a Quote	Call for a Quote	-
PLAN LEVELS	GOLD	PLATINUM	DIAMOND	SELLER†
Townhome/Condo/Mobile Home	\$455	\$545	\$645	FREE

PREMIUM COVERAGE

Includes coverage for over 30 items not covered by traditional home warranty plans:

- ✓ Re-Key for up to 6 locks
- ✓ Water Heater – sediment buildup
- ✓ Plumbing – fixtures, faucets, shower heads
- ✓ Electrical – exterior facing outlet receptacles and panels, smoke detectors

Plus over 25 more items!

ORANGE PLUS

- ✓ Code violations and permits up to \$250
- ✓ Unknown improperly matched and/or installed systems
- ✓ Increases Professional Series Appliances limit up to \$5,000
- ✓ Homeowners Insurance Deductible Coverage up to \$1,000
- ✓ Haul Away Services for defective equipment

* Subject to detailed terms and conditions. Limitations and exclusions apply. See contract for specific coverage information. Available on buyer plans only. Covered items must be in proper working order on coverage start date.

** 12 months free. Email, telephone, and enrollment required.

† Seller's coverage in Florida is \$75 and includes the same covered items on the buyer's plan, including Heating, Air Conditioning, and Ductwork.



**13-Month Home Warranty
We've Got You Covered**

Home Warranty of America
90 Washington Valley Road
Bedminster, NJ 07091
P 888.492.7359 F 888.492.7360
HWAHomeWarranty.com

5. Articles of Interest:


1. Duck on the pond

2. There is a difference

3. Capital Gains Tax

4. Where are home values going

5. Institutional Buyers

A photograph of a colorful duck, possibly a Wood Duck, swimming in water. The duck has a green head, a red eye, and a multi-colored beak. Its body is brown and white with some iridescent patches. The water is slightly rippled.

Like a good seller's agent, even though I look relaxed and peaceful, there's a lot you don't see going on below the surface.

- *Finding you the "Right" buyer*
- *Screening potential buyers*
- *Assisting you with understanding offers*
- *Negotiating terms & price*
- *Fending off unnecessary repair request*
- *Suggest service providers*
- *Taking care of all the details*
- *Providing errors & omissions insurance*
- *Producing timely updates*
- *Providing you a pleasant & profitable selling experience*

BetterHomeowners.com

The above represents a small portion of services I offer. I pride myself in offering services that goes above and beyond any other seller assistance you can find. Let me know if you require additional services. I would be honored to serve you!



The difference in real estate agents is just like the difference in chefs competing on cooking shows. They have the same ingredients and tools but their experience and expertise make a huge difference.

BetterHomeowners.com



Capital Gains tax on sale of primary residence?

Capital Gains on Sale of Your Primary Home?

If you have a profit from the sale of your primary home, you may qualify to exclude up to \$250,000 of your profit for a single tax payer, or up to \$500,000 if you're filing a joint return.

Qualifying for the Exclusion

In general, to qualify for the Section 121 exclusion, you must meet both the ownership test and the use test. You're eligible for the exclusion if you have owned and used your home as your main home for a period of at least two years out of the five years prior to its date of sale. You can meet the ownership and use tests during different 2-year periods. However, you must meet both tests during the 5-year period ending on the date of the sale. Generally, you're not eligible for the exclusion if you excluded the gain from the sale of another home during the two-year period prior to the sale of your home.

Reporting the Sale

If you receive an informational income-reporting document such as (Form 1099-s, Proceeds From Real Estate Transactions) <https://www.irs.gov/forms-pubs/about-form-1099-s> - you must report the sale of the home even if the gain from the sale is excludable. Additionally, you must report the sale of the home if you can't exclude all of your capital gain from income. Use Schedule D (Form 1040), Capital Gains and Losses (<https://www.irs.gov/forms-pubs/about-schedule-d-form-1040>) and Form 8949, Sales and Other Dispositions of Capital Assets (<https://www.irs.gov/forms-pubs/about-form-8949>) when required to report the home sale. Refer to Publication 523 (<https://www.irs.gov/publications/p523>) for the rules on reporting your sale on your income tax return.

Suspension of the Five-Year Test Period

If you or your spouse are on qualified official extended duty in the Uniformed Services, the Foreign Service or the intelligence community, you may elect to suspend the five-year test period for up to 10 years. An individual is on qualified official extended duty if for more than 90 days or for an indefinite period, the individual is:

- At a duty station that's at least 50 miles from his or her main home, or
- Residing under government orders in government housing.

Where are home prices going from here?



One of the most asked questions I hear from present day, potential home buyers is, "Will prices continue to rise now that interest rates have increased dramatically in the last several months?"

It would be reasonable to think that rising interest rates would mean home values should be coming down. Unfortunately, this isn't the case! High inflation, strong economic growth, low unemployment, and increased wage growth are pushing home values even higher.

Prior to 2010, 70% of the home sales were pre-owned existing homes. At the same time, people owned and lived in their home an average of 5 years. Today about 85% of all home sales are made up of pre-owned existing homes with people staying in their home now for about 9 – 10 years.

The facts speak for themselves. Homes are still selling quickly, at or near the listing asking price. In spite of rising interest rates, home values are not declining. In fact, they are ever so slightly still moving up - though not as steeply as we saw in the last 2 years. In order to see a decline in home values, we would need to see nearly a doubling of homes on the market. The fact is, that's just not happening!

A seller's market is marked by a 3 month or less absorption rate (the time needed to sell off our market inventory). A buyer's market is marked by an absorption rate of more than 3 months. Our current market absorption rate is around 1.3 months. This strongly indicates we have a market that highly favors the seller. Market time from 06/20 through 01/22 required approximately an average of about 5 to 7 days. Current market time is about 35 days which is still exceptional!

On average, the medium listing price in today's local market is around \$420,000. As noted, it is taking about 35+ days marketing time to come up with a buyer. In today's market, the seller, for the most part, has the upper hand when it comes to negotiating price and terms. Currently, it's not unusual to see sales prices equaling or slightly exceeding listed, asking price.

Mortgage rates have gone up over 2% in the first half of 2022. This reality dramatically affects the affordability of buying a home even if home values don't increase. A \$360,000 mortgage at 3.05% as of December 2021 would have a principal and interest payment of \$1,528 on a 30-year loan. At 5.22% as of August 11, 2022, that same payment is now \$1,981 or a difference of \$453 dollars or around a 30% increase.

Experts in the know and people a lot smarter than I am are predicting some interesting possibilities as to where our local market is headed. We know that local home values increased an average of around 15 to 20% over the last two years. Now the experts are predicting that local home values will increase at a rate of around 6% over the next two years. Keep in mind though, these are the same experts who, two years ago, underestimated home value increases for 2020 and 2021 to be in the 7 to 10 percent range when in fact home values went up some 15 to 20+ percent.

Increases in rates and home prices have forced some people out of the market and is forcing them to stay enslaved to a rental market that more and more demands ever growing, uncontrollable increases in rental costs. For the fortunate ones, who can still afford to buy, even with these increases, acting now could save them tens of thousands!

In short, our current market is being driven by demand and supply. Unless there is a huge influx of homes coming on the market in the near future, our local housing market will remain strong and we will see home values continue to rise, in spite of rising interest rates. It is most likely we will continue to see a market that mostly favors the seller, allowing the seller to have the upper hand when it comes to pricing and terms!

This is an opportune time to be selling! At the same time, it is a time of opportunity for buyers. In either case, you can depend on my market knowledge and experience to guide your every step and help you achieve your goals. I know this is a lot of information to digest, so if you have any questions or you would like to explore your buying or selling options further, please phone or text me at (907) 727-9379, at your earliest convenience. I look forward to assisting you further!



*Your Anchorage real estate
professional with over 40
years professional experience!*

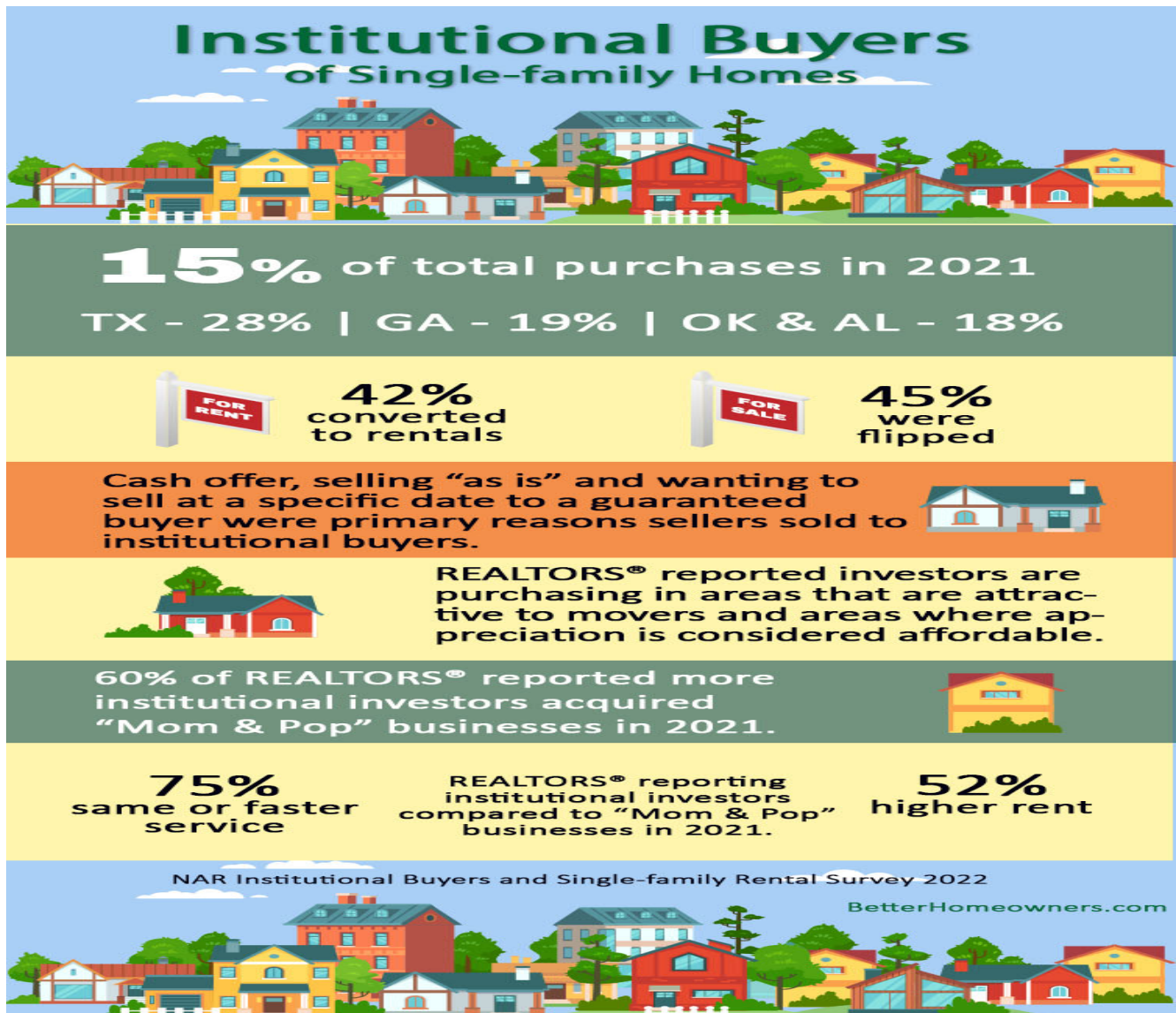
Rod Stone (907)-727-9379

Real Estate Brokers of Alaska

www.YourAnchorageAKHomeSearch.com

rod@rodstone.com

There is no one, single reason for our on-going, local housing shortage, but it's real and here is one thing that is contributing:



Institutional buying in the Anchorage market account for about 19% of all buying activity.

Knowing this and understanding how institutional buyers work, will go a long way in negotiating your best-selling results!