WHY BUY HOME INSURANCE?

- ✓ To protect your assets
- ✓ To satisfy your mortgage lender
- ✓ For your peace of mind

TRANSACTION CHECKLIST INSURANCE ISSUES

- ✓ Discuss current insurance market conditions with your insurance agent and any problems you may have in obtaining insurance on the home you are purchasing
- ✓ Review offer to purchase to identify insurance issues/contingencies or need for such contingencies with your attorney
- ✓ Contact one or more insurance agents immediately following acceptance of purchase contract by both parties to begin process of obtaining necessary insurance.
- ✓ Obtain commitments to issue an insurance policy from an insurance company in writing and carefully review it with your attorney or insurance agent to determine scope of that commitment.
- ✓ Be aware of alternative insurance sources that may be available if a problem develops:

  — Know available sources of insurance (i.e., what other insurance companies are in market by calling different insurance agencies in the community).

  — Check with Seller's current insurer to determine if that insurer will continue to insure property with new owner.

  — Check with Buyer's current insurer to determine if that insurer will continue to insure buyer in a new property.

  — Alternative forms of coverage that may allow transaction to proceed (FAIR Plans, Fire & E.C., etc.)

BUYER ______________________ **Date** _________

BUYER ______________________ **Date** _________

BUYER ______________________ **Date** _________

BUYER ______________________ **Date** _________

Q. What Does Home Insurance Cover?

A. Whether you own or rent, there are different packages of home insurance offered to protect your home and belongings.

- Dwelling – Coverage A
- Other Structures – Coverage B
- Personal Property – Coverage C
- Loss of Use – Coverage D
- Personal Liability – Coverage E
- Medical Payments – Coverage F

Each package protects against a specified number of perils and has an associated limit, so review your policy carefully for the limits of your coverage.

Q. How can insurance availability/ affordability affect the real estate transaction?

A. The affordability and availability of insurance affects both buyers and sellers. Buyers will typically be obtaining mortgage financing to pay the purchase price of the property. The lender will require that there be property insurance to cover their interest in the property. If proof of insurance is not available at closing the lender will likely refuse to release the funds and therefore delay or even derail the transaction, either of which can impose both inconvenience and cost to both the buyer and seller. Even in a "cash" transaction the buyer may be hesitant to complete a transaction where insurance is not available to cover the buyer's equity in the property.

Q. When should a buyer apply to obtain an insurance policy to cover the property being purchased?

A. The interest of both buyers and the sellers now suggests that the buyers should begin their search for insurance no later than the time of the contract to purchase is signed. This helps to assure a firm commitment for the issuance of a policy well in advance of the settlement of the transaction. Waiting until the last days or even weeks before the closing can limit the opportunities of the buyers and sellers to address the affordability and availability issue and, if needed, to find alternatives for difficult to insure properties. There have been many examples of transactions which have been adversely affected in some manner because of problems associated with insurance availability/affordability.

Q. What kinds of events/records can affect the ability to obtain insurance on a property being purchased?

A. A number of factors can affect the availability and cost of homeowner insurance on a property being purchased. For example, they include:

a. past claims filed on the property (up to previous five years)
b. poor insurance credit score of the prospective purchaser
c. past claims filed by the property purchaser on other properties
d. physical characteristics of property (e.g., leaky roof)
e. characteristics of the property's location (e.g., proximity to fire station, regional weather conditions)

Q. Can a seller include a requirement that the buyers demonstrate their insurability as a condition of the sales contract?

A. Yes, although not common, such a requirement could be included in an agreement. However, the specific language of such a condition should be carefully considered. Check with your real estate agent to find out if any standardized language has been developed in your community and/or consult with your attorney. As discussed herein the factors used to determine a particular buyer's insurability will vary from one insurance company to another and can leave questions regarding whether and when such a condition had been satisfied.

Q. Can a buyer include a requirement that property be insurable and/or the insurance be affordable as a condition of the sales contract?

A. Yes, but the specifics of such a condition should be carefully considered. Check with your real estate agent to find out if any standardized language has been developed in your community and/or consult with your attorney. There are multiple factors which might be used to determine a property's insurability or the "affordability" of the insurance in such a clause. The factors used in a contract clause could include, but are certainly not limited to:

a. acceptable C.L.U.E. report
b. purchaser is satisfied of the insurability of property
c. secure binder of property insurance on property
d. cost of insurance doesn't exceed specified threshold

Both buyers and sellers should be aware that there are advantages and disadvantages to such a clause that should be considered. The advantage of such a contingency is that it may allow the buyer to cancel the transaction if the property proves uninsurable or insurance is unaffordable. This avoids reliance on a financing contingency and any question regarding its application where the property and borrower would otherwise qualify for a loan. On the other hand, the inclusion of such a clause may affect the acceptability of an offer, particularly if the offer is being made in a competitive environment.

Q. Are there factors unique to a buyer that can affect their ability to obtain insurance?

A. Yes, although not used by all insurance companies in determining eligibility for insurance, some companies do review the claims filed by the buyer on properties owned by the buyer during the preceding five years. This is another aspect of the C.L.U.E. Report database that focuses upon the insured individual rather than the insured property. Another more controversial factor is the use of Insurance Scores. Insurance Scores, which are formulas developed by insurance companies in an effort to predict the likelihood of an individual filing claims, are sometimes used to determine to whom or at what price an insurance policy will be issued. Insurance scores are not standardized within the insurance industry and both how they are calculated and how they are used is generally not known outside of individual insurance companies. If you want additional information on how insurance scoring may affect your ability to obtain insurance contact your insurance agent.

Q. How does the insurance company know what claims have been filed in connection with the property?

A. Approximately 90% of all insurance companies contribute information regarding claims to an insurance industry database. When underwriting a new policy the insurance company may obtain a report from this system from one of a couple different sources to determine the property's claims history. This report is most often identified as a comprehensive loss underwriting experience report or a "C.L.U.E. Report." The report contains information regarding property claims filed in connection with a particular property and claims filed by a particular insured person. For a fee the current owner of the property may obtain a copy of this report. A copy of the report is available to the property owner through companies such as ChoicePoint, Inc, either by writing to ChoicePoint, Inc. located in Alpharetta, Georgia, or by going to their website, choicetrust.com, and A-Plus, either by writing to A-Plus located in Jersey City, New Jersey or calling 800/709-8842.

Q. Should I get a copy of the C.L.U.E. Report?

A. While this decision is up to the property owner, it is important to understand the limitations of the report. The report contains only raw information and how that information will affect the insurability of a property isn't explained as a part of the report. Moreover, not all insurance companies use the report and those that do use it don't all use the information in the same way. As a result having the report may not enable you to predict whether a particular company will insure the property. If you want information on how a C.L.U.E. Report or other similar report may affect your ability to obtain insurance contact your insurance agent.

For more information contact the Nevada Department of Insurance

Northern Nevada	Southern Nevada
State of Nevada - Department of Business & Industry	State of Nevada - Department of Business & Industry
Division of Insurance	Division of Insurance
1818 College Pkwy., Suite 103	3300 W Sahara Ave., Suite 275
Carson City, NV 89706	Las Vegas, NV 89102
775-687-0700	702-486-4009
888-872-3234	888-872-3234
www.doi.nv.gov	www.doi.nv.gov

SIERRA NEVADA REALTORS®

This brochure is created by members of Sierra Nevada REALTORS® Risk Reduction Committee.
5650 Riggins Court, Reno
300 S Curry Street Carson
www.snr.realtor

EQUAL HOUSING OPPORTUNITY

In Nevada, it is illegal to discriminate against any person because of race, color, national origin, religion, familial status, sex, disability, ancestry, sexual orientation, and gender identity or expression

- ♦In the sale or rental of housing or residential lots
- ♦In adverting the sale or rental of housing
- ♦In the financing of housing
- ♦In the provision of real estate brokerage services
- ♦BLOCKBUSTING IS ILLEGAL

The Broker and Salesperson are licensed by the Nevada Real Estate Division. The division may be contacted for inquiries and complaints. Nevada also has the Silver State Fair Housing Council (SSFHC). SSFHC provides enforcement activities to ensure equal housing opportunity for all residents in Nevada. The following contact information is being provided should you need further assistance.

Nevada Real Estate Division
3300 W Sahara Avenue #350
Las Vegas, NV 89102
702-486-4323 - Compliance Department
realest@red.nv.gov

Silver State Fair Housing Council (Reno)
110 W Arroyo Street Ste #A
Reno, NV 89509
775-324-0990
fairhousing@ssfhc.org

Silver State Fair Housing Council (Las Vegas)
2920 S Jones Blvd., Ste #230
Las Vegas, NV 89173
702-749-3288
fairhousing@ssfhc.org

This form is provided by the Sierra Nevada REALTORS®.

NAME: Austin Olson Austin Olson SIGNATURE: 09/09/26

NAME: Emily Olson Emily Olson SIGNATURE: 09/09/26

NAME: ______________________ SIGNATURE: ______________________

NAME: ______________________ SIGNATURE: ______________________

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WIRE FRAUD ADVISORY

Public Service Announcement Information from the FBI
(Alert Number I-050417-PSA)

EQUAL HOUSING OPPORTUNITY

The following is an excerpt from a Public Service Announcement (PSA) released by the Federal Bureau of Investigation on May 4, 2017 regarding Business E-mail and Public E-mail Compromise Scam. The full PSA can be located at www.ic3.gov.

The Business E-mail Compromise (BEC)/E-mail Account Compromise (EAC) scam targets all participants in real estate transactions, including buyers, sellers, agents, and lawyers. The IC3 saw a 480% increase in the number of complaints in 2016 filed by title companies that were the primary target of scams. The perpetrators were able to monitor the real estate proceeding and time the fraudulent request for a change in payment type (frequently from check to wire transfer) or a change from one account to a different account under their controls.

The problem is defined as a sophisticated scam targeting businesses working with foreign suppliers and/or businesses that regularly perform wire transfer payments. The email component targets individuals that perform wire transfer payments.

The scam is carried out when a subject compromises legitimate business e-mail accounts through social engineering or computer intrusion techniques to conduct unauthorized transfers of funds.

Most victims report using wire transfers as a common method of transferring funds for business purposes; however, some victims report using checks as a common method of payment. The fraudsters will use the method most commonly associated with their victim's normal business practices.

The following are some, but not all, ways to avoid becoming a victim of wire fraud.

- Obtain full name and phone number of the Escrow Officer.
- Do not ever wire funds prior to calling your Escrow Officer to confirm wire instructions. Only use a phone number you were provided previously. Do not use any different phone number included in the emailed wire transfer instructions. Confirm the bank routing number, account numbers and other codes before taking steps to transfer funds.
- Avoid sending personal information in emails or texts. Provide such information in person or over the telephone directly to the Escrow Officer.
- Be suspicious of requests for secrecy or pressure to take action quickly
- Immediately report and delete unsolicited e-mail (spam) from unknown parties. DO NOT open spam e-mail, click on links in the e-mail or open attachments. These often contain malware that will give subject access to your computer system.
- Take steps to secure the system you are using with your email account. These steps include creating strong passwords, using secure WiFi, and not using free services.

If you believe you have received questionable or suspicious wire instructions, immediately notify your bank, the Escrow Holder and your real estate licensee. The following is a list of resources for more information regarding wire fraud.

Federal Bureau of Investigation:	www.fbi.gov
Internet Crime Complaint Center:	www.ic3.gov
National White Collar Crime Center:	www.nw3c.org

By signing below, parties acknowledge that they have read, understand, and received a copy of this Wire Fraud Advisory.

CLIENT *Austin Olson* (AuthentiSIGN) Austin Olson Date 09/09/2026

CLIENT *Emily Olson* (AuthentiSIGN) Emily Olson Date 09/09/2026

CLIENT ______________________ Date __________

CLIENT ______________________ Date __________

IDENTIFICATION OF UTILITIES

Please disclose all utility service providers. If not applicable please put "N/A" for name. If covered by an HOA please put "HOA"

** Water, sewer, and trash will be transferred through escrow, but always a good idea to call them anyway to give them the heads up of the transfer.*

GAS / PROPANE COMPANY: Nevada energy
Name

E-mail or Website (Optional) Phone: (Optional)

****If Propane Is it owned or leased**

☐ Leased by Whom: ______ ☐ Owned

ELECTRICITY: Nevada Energy
Name

E-mail or Website (Optional) Phone: (Optional)

WATER: Truckee Meadows Water Authority
Name

E-mail or Website (Optional) Phone: (Optional)

SEWER DISTRICT: City of Reno
Name

E-mail or Website (Optional) Phone: (Optional)

****If Septic - Date Last Inspected & Pumped and by Whom**

Date: ______ Whom: ______

GARBAGE / TRASH: Waste Management
Name

E-mail or Website (Optional) Phone: (Optional)

INTERNET: Spectrum
Name

E-mail or Website (Optional) Phone: (Optional)

PHONE or CABLE TV: N/A
Name

E-mail or Website (Optional) Phone: (Optional)

SNOW REMOVAL COMPANY
*If Applicable
N/A
Name

E-mail or Website (Optional) Phone: (Optional)

Seller discloses the following information without liability and warranty.
Seller and Real Estate Licensees have not and will not verify the accuracy of information provided.

U.S. Department of Housing
and Urban Development
Federal Housing Administration (FHA)

OMB Approval No: 2502-0538
(exp. 06/30/2021)

For Your Protection:

Get a Home Inspection

You must make a choice on getting a Home Inspection. It is not done automatically.

You have the right to examine carefully your potential new home with a professional home inspector. But a home inspection is not required by law, and will occur only if you ask for one and make the arrangements. You may schedule the inspection for before or after signing your contract. You may be able to negotiate with the seller to make the contract contingent on the results of the inspection. For this reason, it is usually in your best interest to conduct your home inspection as soon as possible if you want one. In a home inspection, a professional home inspector takes an in-depth, unbiased look at your potential new home to:

- **Evaluate the physical condition: structure, construction, and mechanical systems;**
- **Identify items that need to be repaired and**
- **Estimate the remaining useful life of the major systems, equipment, structure, and finishes.**

The Appraisal is NOT a Home Inspection and does not replace an inspection.

An appraisal estimates the market value of the home to protect the lender. An appraisal does not examine or evaluate the condition of the home to protect the homebuyer. An appraisal only makes sure that that the home meets FHA and/or your lender's minimum property standards. A home inspection provides much more detail.

FHA and Lenders may not Guarantee the Condition of your Potential New Home

If you find problems with your new home after closing, neither FHA nor your lender may give or lend you money for repairs. Additionally, neither FHA nor your lender may buy the home back from you. Ask a qualified home inspector to inspect your potential new home and give you the information you need to make a wise decision.

Your Home Inspector may test for Radon, Health/Safety, and Energy Efficiency

EPA, HUD and DOE recommend that houses be tested and inspected for radon, health and safety, and energy efficiency, respectively. Specific tests are available to you. You may ask about tests with your home inspector, in addition to the structural and mechanical systems inspection. For more information: Radon -- call 1-800-SOS-Radon; Health and Safety – see the HUD Healthy Homes Program at www.HUD.gov; Energy Efficiency -- see the DOE EnergyStar Program at www.energystar.gov.

Selecting a Trained Professional Home Inspector

Seek referrals from friends, neighbors, other buyers, realtors, as well as local listings from licensing authorities and local advertisements. In addition, consult the American Society of Home Inspectors (ASHI) on the web at: www.ashi.org or by telephone at: 1-800-743-2744.

I / We (circle one) have read this document and understand that if I/we wish to get a home inspection, it is best do so as soon as possible. The appraisal is not a home inspection. I/we will make a voluntary choice whether to get a home inspection. A home inspection will be done only if I/we ask for one and schedule it. Your lender may not perform a home inspection and neither FHA nor your lender may guarantee the condition of the home. Health and safety tests can be included in the home inspection if I/we choose.

______________________	__/__/__	______________________	__/__/__
(Signed) Homebuyer	**Date**	**(Signed) Homebuyer**	**Date**

ADVISORY AND WAIVER OF HOME WARRANTY PLAN

Property Address: ____

Home Protection Plans (also called Home Warranty) may provide cost savings to buyers as they generally cover the repair (or replacement) of certain items contained in a home should they fail to function during the term of the plan. Typically, protected items are: major appliances, air conditioning and plumbing.

Such policies must be purchased prior to close of escrow. It is advised to review the protections and terms of a Home Warranty before declining the coverage.

Buyer(s) acknowledges that the above advisory has been read and considered by buyers and has been expressly declined.

Buyer____ Date_____________________________

Buyer____ Date_____________________________