



The Next Stage[®]

Your Luxury Home Buyer's Guide

Realizing Your Lifestyle Goals While Managing Your Wealth-Building Strategy

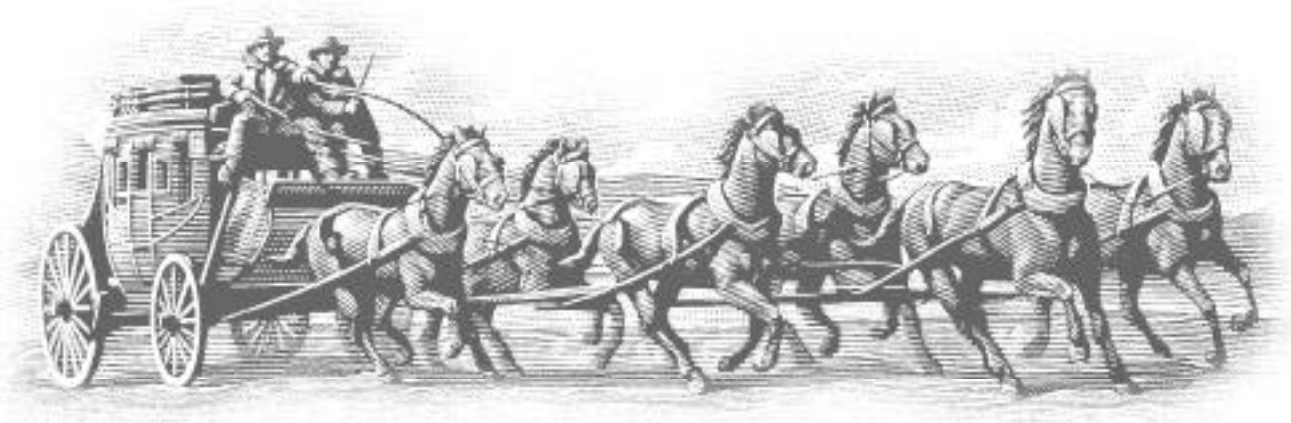


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Dreams Do Come True

Hard Work Results In Rewards

Reaching the point where the home of your dreams can become a reality is one of the most satisfying rewards of hard work and smart financial planning. Maybe you've spent years driving past an elegant, out-of-reach neighborhood, waiting for the day when you could afford a home there. Or maybe you've been designing a fabulous home in a corner of your mind ever since you made the financial plans that got you to this point. Perhaps you've only just realized that a luxury home is within your reach, and you're exploring all your options. Whatever stage your dream is at, this Wells Fargo Home Mortgage guide is designed to help you take that dream to **The Next Stage**.[®]

"Luxury" Means Different Things To Different People

Figuring out what you really want your dream home to be is your first step. Do you want an unbelievably great location, like a big-city townhouse in a well-known neighborhood, a secluded beachfront property, a woodsy mountain retreat, or a hilltop that offers a breathtaking view from every angle? Or is it the house itself that needs to make the statement, through size, architectural details, unique features, fine furnishings, and the very best in interior design?

Make A Personal Wish List

With so many options and features available, you really need to put together a wish list of all the things you want your home to have. Once you have that list, rank the items in order of importance. That'll make it easier to judge any existing homes you look at and let you know where to concentrate your time and assets if you decide to build. There's a "wish list" form toward the back of this guide to help you get started.

Before you make your wish list, make sure you know all that today's finest homes have to offer. Do a little research on the latest "must have" amenities. Luxury home magazines are a great source for the latest features available. Here are some of the current trends:

- **Gourmet Kitchens:** Even if you rarely dine at home, a gourmet kitchen may still be a good investment. In addition to making the house attractive to people who love cooking, a custom kitchen can be a fabulous addition to your entertaining space. Exquisite cabinetry and stone countertops have become the standard, as have industrial-grade refrigerators, wine storage units, and professional-grade stoves. Newer innovations like built-in espresso machines are raising the bar even higher.
- **Master Suites:** This part of the house is all yours. It's your private retreat from the world, so it should provide you with a level of comfort you can't find anywhere else. It should also reflect your personality and lifestyle like no other place does. Among the amenities people are putting into master suites, you'll find radiant-heated bathroom floors, adjoining studies, and even small kitchens that add to the "private getaway" atmosphere.
- **Media Rooms:** A lot of upscale homes now include entertainment rooms that give a trip to your local movie theater some serious competition. They can include ultra-plush theater seating and oversized plasma screen televisions that descend from the ceiling so they don't call attention to themselves when they're not being used.

- **Architectural Detail:** Many people feel that a home should be a work of art they can enjoy on a daily basis. Fine, handcrafted wood accents, intricate stonework, and dramatic sweeping floor plans can provide visual delight throughout your home. These details can turn a simple visit into an experience for your guests and make you the owner of a recognized showplace.

It's also important to keep in mind that you may want to sell your home someday, so it's a good idea to ask a knowledgeable real estate professional — someone experienced in serving upscale clientele — which features will give your home the greatest resale value in the higher-end home market.

Where Will You Live?

Choosing A Neighborhood

Location is the single most important factor in determining your long-term happiness with any new home. So it's important not to let your emotional reaction to a wonderful house prevent you from seeing the area surrounding it. Buying the right house in the wrong location could cause you significant financial and personal problems. Here are a few important considerations for choosing the right neighborhood:

- Is the price of land or asking price of a home in line with current market trends?
- Is this location going to be a flash in the pan or will it still be desirable in five years?
- Has there been a steady appreciation rate over the past five years?
- Does the school district meet your needs?
- Is the commute time to your work acceptable?
- If you travel frequently for business or pleasure, is there a major airport nearby?
- Are the types of shopping and services you need on a regular basis located nearby?
- Are there dining and entertainment options within a distance you're willing to drive regularly?

If your dream home is a secluded one, you may want to try out the lifestyle first by doing a long-term rental in the area. You may find that a ranch in Montana is just a little too out of the way for you. And if the seclusion you're after also comes with yearly weather extremes, you should definitely consider trying it out first. A winter in Northern New England might just provide more snow than you'd like to deal with on a regular basis.

Finding The Right Home

With so many choices, it's hard to know where to begin. It's especially challenging because you'll also want to consider how your home purchase will fit with your overall financial strategy. You can shorten your search process by deciding which of the following home purchasing routes you're willing to consider:

- **Buying An Existing Home:** Take this route if you're looking for the utmost certainty about the total price of your home, the quality and stability of the neighborhood, and the amount of time you'll have to wait before you can move into the house. It can also give you a better sense of the social dynamic in your new neighborhood.
- **Renovating An Existing Home:** People who have found the perfect location but not the perfect house often find this an especially attractive option. If the upgrades required are minor, you can substantially reduce the time needed to get your new home to move-in standards. Substantial upgrades, however — depending on their extent — can take just as long as building a home from the ground up. And if you're thinking about a restoration, that can actually take longer than designing and building a custom home. You'll want to ask yourself if you're up to the challenge of living in a work in progress. A lot of people have found that the results of their

renovations have made them forget any inconveniences pretty quickly. For more information about renovations, call us at 1-877-937-9357 for a free copy of Your “*Dream In Progress*” *Homebuyer’s Guide*.

- **New construction:** If you want complete control over making your new home everything you want it to be, this is the way to go. However, before you choose this route, be sure you can devote the time needed to make the many, many decisions that need to be made in the process of building a home from scratch. Plus, be sure you can live with the minimum 18 to 24 months it typically takes to get a new home in this category to the live-in point. For more information on building a home, speak to your Wells Fargo Home Mortgage consultant and ask for a free copy of *Your Custom Home Buyer’s Guide and Your New Construction Homebuyer’s Guide*.
- **The Auction Alternative:** While traditional methods of buying a property from the owner or through a real estate professional are still the norm, a growing number of people are finding that buying and selling high-end properties at auction is an attractive alternative. For the seller, auctions have the advantage of dramatically reducing the time needed to sell. For buyers, auctions are a certain way to discover and pay true market value on any given day. There’s also no danger of revealing a level of affluence that could drive up the price. But before you do anything, discuss auction purchasing with your expert advisors. Ask your home mortgage consultant about home financing considerations and your attorney about any legal implications.

Become a Priority BuyerSM With Preapproval

Even if your asset level virtually guarantees your ability to get a loan approved, preapproval can give you privacy advantages you may want to have. Since the lender has certified that you have sufficient funds to be approved for a loan, you have no need to reveal anything else about your financial situation. Many states even allow a real estate agent, working for a preapproved buyer, to submit an offer without revealing the buyer’s identity. If you’re someone readily recognized as having substantial assets, or if a quick credit check could reveal your affluence, keeping your identity concealed can help prevent the possibility of a seller getting greedy.

Plus, a preapproval from Wells Fargo Home Mortgage makes you a **Priority Buyer**,SM which gives you faster loan processing. Your home mortgage consultant can explain how easy it is to be preapproved.

Building Your Expert Team

Savvy buyers recognize the importance of assembling a team of experts to help with a multifaceted process like buying a luxury home. This team includes your personal financial advisors, your legal counsel, a trusted real estate agent, a professional mortgage expert and, if you’re building a new home, a respected contractor.

Choosing The Right Real Estate Agent

According to a survey conducted by the Institute of Luxury Home Marketing, when homebuyers shopping in the luxury category were asked to cite the single most valuable attribute a real estate partner should have, they said expert knowledge of the category is most important. In a similar survey, real estate agents who specialize in higher-end homes said their most important skill is the ability to be discreet. Both of these attributes are of great importance when you’re dealing with homes in the upper price range, and a real estate agent who has them both is a great person to

have in your corner. Following are just some of the things an ace real estate agent can do for you:

- **Keep Your Wealth From Working Against You:** A careless comment by a real estate agent who doesn't understand the unique needs of affluent buyers can seriously hurt your negotiating power. Many sellers will simply refuse to negotiate if they find out that an interested homebuyer has a lot of assets at their disposal.
- **Work Around Your Schedule:** It's very common for both the buyers and the sellers of higher-priced homes to have exceptionally hectic schedules and be very protective of their free time. That's why you should consider a real estate agent who stays not only up-to-date but up-to-the-minute on the market you're shopping in and is willing and able to adapt quickly to your schedule. Look for a customer-focused agent fully prepared to meet your needs.
- **Understand Your Tastes And Needs:** You want a real estate agent who won't waste your time with properties that either don't reflect your tastes or don't meet the needs you've hired them to satisfy. You want someone who can preview properties essentially through your eyes, bringing you only the listings that best suit your needs.

The recommendations of friends, family, and co-workers are always a good place to start when you're looking for an expert real estate agent. But if you'd rather keep your search more private, a home mortgage consultant who specializes in upper-income clients is another excellent source of referrals. Wells Fargo Home Mortgage has a select group of consultants, specially trained in private mortgage banking, who have built a network of reliable real estate contacts specializing in upper-bracket home markets.

Big Company Or A Boutique?

Traditionally, the upscale home market has been served mostly by small, boutique real estate agencies with very detailed knowledge of a particular area. Today, larger real estate firms recognizing the potential of this market have begun to create services for the unique needs of the homebuyers shopping in it. Companies willing to invest in making their top professional agents market experts are even taking advantage of training and certification programs offered by the Institute for Luxury Home Marketing. The best thing you can do is interview both types of firms and then decide which approach best suits your needs and expectations.

Finding The Right Builders

Building a new home that offers everything you're looking for is a complex and time-consuming process. It's not unusual for the planning stage to run six months. After that, it can take anywhere from 18 to 24 months for construction to reach the point where you can actually move into the house. In order to make things go as smoothly as possible, you'll need to form a tight team of high-quality experts. Have the architects, contractors, decorators, and landscapers work together from the very start. And don't forget to make throughout-the-house systems (like home audio/video, telephone lines, and high-speed computer hook-ups) part of the early planning process. Smart planning will help you avoid costly time delays and rework.

Ask friends, neighbors, or co-workers to give you recommendations on specialized craftspeople whose work they've been happy with and who have experience working on the type of home you want to build. If you don't have access to personal referrals, just call Wells Fargo Home Mortgage at 1-877-937-9357 to speak with a home mortgage consultant who specializes in helping people build one-of-a-kind homes like yours.

Finding The Right Financial Advisors

The rest of your team consists primarily of professionals with detailed personal knowledge of you and your needs: your accountant, your financial planner, and your tax attorney. Unless you've purchased or refinanced a property recently, you'll also need to choose a home mortgage consultant — a team player who can work well with both you and your advisors. Your home mortgage consultant needs to have expertise in the field of high-end homes, a thorough understanding of homebuyer needs in this market, a solid understanding of your personal need for privacy, and the ability to make sure your home financing plan fits into your overall wealth management strategy.

Private Mortgage Bankers

To take the guesswork out of your search for the best home mortgage consultant, Wells Fargo has created a premium level of service for customers interested in financing larger loan amounts. We'll assign you a private mortgage banker from a team of specialists that understands the subtleties of luxury markets throughout the United States. Plus, your Wells Fargo banker will give you access to the unmatched resources of Wells Fargo — expertly putting together a home financing package that leverages your assets as part of your long-term financial goals. For instance, you may want to keep your monthly payments as low as possible to increase your cash flow for other investment opportunities, or maybe you want to put down a minimal down payment to keep your assets liquid. You can trust your Wells Fargo private mortgage banker to develop a solution that will help you get the home you want while also maximizing your financial options.

Our private mortgage bankers also understand that your time is important. They know exactly how much information you need to provide and how much you need to be directly involved in the financing process. We won't waste your time. Making the process as simple and efficient as possible is a top concern for us. Our innovative mortgage options and services accommodate a sophisticated level of needs and preferences. Convenient access to a comprehensive banking and services network and our dedication to exceptional service ensure the complete satisfaction you expect and deserve.

Working Long Distance: A Variation On The Team Theme

If you're buying a house as part of a relocation or if you have a busy travel schedule, you may need to work with your team from a distance. While this may not affect the way you work with your personal financial advisors, there are some things to keep in mind when choosing your new team members.

- **Real Estate Agent:** Make sure the agent you choose is willing and able to understand your tastes and needs so well that they can preview properties as if you were standing right next to them. This is always important, but it becomes crucial when working at a distance. Most upper-end real estate firms have agents who specialize in working this way.
- **Contractor:** If you're building from a distance, make sure that one of your contractor's core competencies is communication. You want someone willing to provide regular updates as well as frequent e-mail photos of the job in progress.
- **Home Mortgage Consultant:** Communication is a vital skill for your mortgage consultant, as well. You want someone who will check in with you regularly, and who won't drop the ball by forgetting to notify you about key dates and information. Be sure to let your home mortgage consultant know what form of communication you prefer and how often you want to be updated.

Building Your Financial Game Plan

You've reached a high level of success in life by getting the most out of your assets — by using them wisely and making sound choices. Buying a home brings its own asset-based choice along with it. Will you pay cash or make a large down payment and seek home financing.

Weighing Your Financial Alternatives

Consult your financial advisors before making a decision on whether or not to finance your new home. Paying for a home with cash or a large down payment isn't always the best choice. While some affluent homebuyers do choose to invest with cash, most choose to finance a large portion of the purchase for tax purposes, to help with cash flow, to keep investment portfolios intact, or to keep liquid assets available to fund renovation efforts. There are several financial advantages to taking out a mortgage, including:


- Keeping your assets in investments with higher potential returns.
- Protecting yourself from having to liquidate assets at a time of lower return.
- Preventing potential capital gains tax penalties that can occur when you liquidate assets.
- Keeping more of your assets liquid and helping to maintain smooth cash flow.
- The ability to fund improvements and decorating with your current liquid assets.
- A tax advantage because the interest on your house payments is generally tax deductible.¹

Personalized Solutions® — Finding The Right Mortgage

At Wells Fargo Home Mortgage, there's an unparalleled selection of versatile home financing options at your disposal. Our home mortgage consultants make even the most complex arrangements effortless and cost-effective. They'll customize a home financing package based on your individual needs and goals, helping you gain financial and strategic advantages with creative financing solutions that include:

- **Jumbo Loans:** We offer a wide variety of jumbo mortgages for amounts that exceed the maximum conventional loan amount guaranteed by the U.S. government. They cover amounts up to \$1 million and offer very attractive fixed rates, adjustable rates, or a blend of the two.
- **Super Jumbos Loans:** Enjoy similar benefits to the jumbo loan customer while obtaining financing upward of \$1 million.
- **Blended Jumbos:** Wells Fargo Home Mortgage can offer you the unique ability to finance some of your down payment with a second mortgage.² It allows you to hold on to more of your cash while affording you the benefits of a larger down payment. This type of financing can also help reduce the amount of your primary mortgage. The result is a blended payment substantially lower than you'd make on a pure jumbo or super jumbo mortgage of the same size.
- **Interest-Only Payments:** Maximize your borrowing power and minimize your monthly cash flow by making smaller, interest-only payments on a first mortgage loan, second mortgage, or home equity line of credit. Plus, your payments can be 100% tax deductible¹ for the first several years.
- **Relationship-Based Pricing:** New or current Wells Fargo customers who keep significant balances in their Wells Fargo accounts can enjoy special discounts on home financing.

¹ Consult your tax advisor for details.

² Home equity financing offered by Consumer Credit Group, Wells Fargo Bank, N.A. 

- **New Construction Financing:** Focus on building your dream home rather than worrying about your home financing. Single-close, dual-closing, and special rate-lock features give you the timing flexibility you need.
- **Renovation Financing:** Pay for your renovations by financing your home for what it'll be worth after all the work is completed. Enjoy the ease of a single loan to finance both your home purchase and the cost of renovations
- **Bridge Loans:** Short-term “bridge” financing allows you to pay for a new home while you're waiting to complete the sale of your current home. It's best used only when there's a short and very clear-cut time period between closing on your new home and closing on the sale of your current home. If you think you may need to extend the financing for longer than a six-month period, you may want to consider a home equity loan or line of credit³ on your current home during the transition period.

Your home mortgage consultant will work with you and your financial advisors to create a home financing package that meets your long-term and short-term financial goals. Wells Fargo Home Mortgage believes that home is at the heart of financial well-being.SM Therefore, your financing requires considerable attention to establish your home as the cornerstone of your financial portfolio.

Applying For Your Loan

We'll Get You Started Quickly And Easily

It's worth restating — at Wells Fargo Home Mortgage, we understand your time is valuable. Our home mortgage consultants will ensure your loan is processed with only the minimum amount of financial disclosure needed. Just give us a call and a Wells Fargo Home Mortgage consultant will work with you and your other financial advisors to handle all your paperwork and get you into your new home as quickly and efficiently as possible.

What Happens Next

This simple, four-step walk-through to loan closing will help you understand the procedure and give you an idea of what to expect.

1. Processing

Your home mortgage consultant or mortgage specialist collects the information needed to process your loan. Documentation requirements vary depending on the loan program you apply for, as well as your individual financial and credit profiles. If the property you want to buy doesn't qualify for an automated valuation or drive-by assessment, an appraisal will be ordered to determine its fair market value. At this point, you'll have the option to lock in your interest rate or float. Discussing these options with your home mortgage consultant is important.

- **Locking In:** You and your lender commit to a range of interest rates for a specified period of time — up to 360 days for new construction loans. During that period, your interest rate range is protected from increases. If you close your loan during that period, you get the rate range. If you go beyond the lock-in period without closing, you may have to work with the rate ranges available at that time. That's not always a bad thing, by the way, since there's a chance that those rates may actually be lower than your lock-in rate. Locking in is something of a calculated risk.

³ Home equity financing offered by Consumer Credit Group, Wells Fargo Bank, N.A.



There are also some reasons why a rate could change even during a lock-in period. For instance, a change in your credit profile could occur, you might decide to change your down payment, the type of loan you desire or you might change your mind on how many discount points you want to pay.

- **Floating The Rate:** You've applied for your loan but are waiting to see what rates do before locking in a specific rate. During any float period, your Wells Fargo Home Mortgage consultant will keep in close contact with you and your financial advisors to help lock your rate at the time that's most advantageous to you. If you'd like to keep an eye on interest rates yourself, you can sign up for the daily interest rate e-mail available on our Web site, www.wellsfargo.com/mortgage.

2. Assessing Your Application

Many home mortgage applications are approved quickly, while some need further review. Wells Fargo Home Mortgage will evaluate your financing requirements and do everything to help approve your application as quickly as possible. If your initial application doesn't get approved, we'll work with you to find out what needs to be done for you to obtain financing.

3. Pre-Closing

You've submitted your home financing application and you've received an approval decision. Here are the steps that take you to closing your loan.

- **Appraisal**

Most lenders require an appraisal to prove that the property you want to buy justifies the amount of money you want to borrow and that the sale of the property would cover the loan in case of default.

- **Title Insurance**

There are two types of title insurance: one protects the lender and one protects the borrower. Title insurance is purchased as protection from claims against your ownership of the property. Such claims may be made by undisclosed spouses, heirs of previous owners, creditors holding liens against previous owners, or other parties.

Your lender will most likely require you to purchase a title policy, which will cover their interest in the property. It's up to you if you would like to purchase a policy to protect your interest in the home. Your home mortgage consultant will be able to recommend a title insurance company who can provide additional information about the policies available in your area.

- **Homeowners Insurance**

Did you know that most mortgage lenders, at closing, require proof that you've purchased homeowners insurance? Wells Fargo Insurance, Inc. is ready to help you protect your home with customized insurance through the **Wells Fargo Select**[®] Homeowners Insurance Program.⁴

In the event of a loss such as a fire, tornado, or burglary, homeowners insurance can pay for damages to the home, as well as for costs to repair or replace contents. If the home is damaged and becomes uninhabitable, homeowners insurance can cover additional living expenses for a period of time while your home is being repaired. Homeowners insurance can also protect you from loss if someone is injured or their personal belongings are damaged while on your property.

It's protection that's just right for you, because it's tailored to your individual needs.

Call 1-800-237-1515 for a free, no-obligation consultation and price quote.

Wells Fargo Insurance will customize a program and provide proof of insurance in time for your closing.

⁴ Wells Fargo makes insurance available through Wells Fargo Insurance, Inc. or licensed affiliates. CA license #0831603.

- **Not insured by FDIC or any federal government agency.**
- **Not deposits of or guaranteed by any bank.**

4. Closing

At your closing, you'll go through all the final steps of securing your new loan. The most important thing to know is that all closing costs must be paid in full at this time. Make sure you work closely with your attorney and home mortgage consultant to find out exactly how much you'll need to pay at closing. At Wells Fargo Home Mortgage, we'll work closely with you to make sure that no last-second surprises delay your closing.

Put Your Growing Wealth To Work For You With The Help Of Wells Fargo Products

Protecting, Managing, And Growing Your Home Asset

Of all the assets you own, none is quite as personal as your home. Wells Fargo Home Mortgage understands that, and we're one of the largest and most well-respected financial firms you could choose. A highly skilled team of professionals is here to help answer your questions and take care of any concerns you may have as you start looking at ways to protect, manage and grow this prized asset — your home.

That's why our personal assistance extends well beyond closing day. For nearly six generations, we've been pioneering products and services that help people manage their money and grow their assets. Wells Fargo & Company is a multibillion-dollar, diversified financial investment and consumer financial services company. As part of the Wells Fargo family, we can provide easy customer access to additional products and services to help achieve new goals and realize new dreams, today and in the future.

Your home is a major asset that will enhance your financial growth. And we're ready to support your success with state-of-the-art money management services through Wells Fargo Bank.

Wells Fargo Bank is the country's most extensive banking franchise, providing financial services to over 13.8 million people.

With over 3,000 banking stores and the nation's top Internet banking site, we're ready to fuel your growing wealth with innovative programs that make the most of your time and resources.

Your Wells Fargo Home Mortgage loan opens the door to an array of banking product and service discounts all enhanced with special features for your convenience including:

Wells Fargo Portfolio Management Account[®]

To make good financial decisions, you need financial information that's easily accessible and simple to understand. Our top-of-the-line relationship account — the **Portfolio Management Account[®] (PMA)⁵** — saves our most valued customers time and money with unmatched benefits.

- No monthly fees on PMA-linked checking and savings accounts.
- Bonus interest rates on select PMA-linked savings and time accounts.
- No annual fee on a Wells Fargo credit card with **Wells Fargo Rewards[®]** program.
- Free online statements.
- Discounts on safe deposit boxes (where available).
- And more!

Our PMA account also features a combined monthly statement that will simplify financial management by putting all of your vital account information in one place.

⁵ Offered through Wells Fargo Bank, NA. Member FDIC.

Home Equity Financing Options

Home equity is a powerful financial resource. It can help you finance home improvements, pay college tuition, or meet other large expenses. Current home equity can even fund the purchase of an investment property or second home. Using your equity is a smart way to manage your home as an asset because the rates on equity loans are typically lower than on other forms of financing. Also, the interest you pay may be tax deductible,⁶ unlike credit cards and other loans. Some home equity options to consider are:

- **Cash-Out Refinancing** lets you take out a new mortgage for an amount greater than your current mortgage balance and take the difference in cash. That difference is deducted from your home equity.
- **Home Equity Loans And Lines Of Credit⁷** involve getting secondary financing in addition to your original mortgage, taken out against a portion of the unused equity in your home. A home equity loan provides you with a single lump sum for one-time purchases, whereas a home equity line of credit establishes an account from which you can draw as needed for ongoing expenses up to the specified maximum. Both programs offer lower interest rates than typical consumer credit financing and potential tax advantages.

A Wells Fargo Home Mortgage consultant will be happy to tell you whether a home equity program is right for your homeownership goals.

Easy Account Management

Our convenient special services are designed to make your investment life easier — and they're free!

- **Online Account Access** from Wells Fargo Home Mortgage allows you to get personalized information about your loan, including details on your mortgage balance, interest rate, escrow, tax and interest data, and more.
- **Automatic Mortgage PaymentSM** service enables you to focus on enjoying your new home, knowing your mortgage payment is automatically deducted from your checking or savings account each month.

Wells Fargo Online[®]

Wells Fargo Online offers you the convenience and control to manage your finances anytime, anywhere you have Internet access. With free access to Online Banking, you can:

- Manage checking, savings, investments, and loans or lines of credit – including mortgage and home equity.
- Check balances and review account activity.
- Transfer funds between accounts.
- Receive your monthly statements online.
- Reorder checks.

⁶ Consult your tax advisor for details.

⁷ Home equity financing offered by Consumer Credit Group, Wells Fargo Bank, N.A. 

Online Bill Pay

This service enables you to pay any individual or company in the U.S. And it's free for the first two months.⁸

- Schedule one-time or recurring payments.
- Receive your bills online (eBills) from select companies.
- Schedule e-mail alerts to notify you when eBills are received, when they're due, or when any payments have been sent.
- Organize bills by payment category and track spending.

Private Banking Options

Wells Fargo Private Banking professionals recognize that those with significant wealth depend on financial services that are comprehensive, customized, and confidential. Your private banker will work with you and, at your discretion, other professional advisors you designate to assess your current and future credit needs. Your banker can also, at your request, coordinate the involvement of other Wells Fargo client services specialists in the areas of investment management, trust and estate services, and brokerage.

Service — How, When, And Where You Prefer

Locally: Whether you visit us in a mortgage office or a Wells Fargo Bank branch, our home mortgage consultants are available in more than 1,800 locations doing business in 50 states. Wells Fargo Home Mortgage operates the leading retail mortgage-lending network in the country,⁹ and we are ready to meet your financing needs.

By Phone: If you're someone who prefers to apply by phone, Wells Fargo Home Mortgage can handle your mortgage application entirely by phone. Call us at 1-877-937-9357.

Internet: Visit our Web site at www.wellsfargo.com/mortgage to find out about our extensive array of products, explore mortgage options, or even begin the application process. Or simply use our Web site for research and information and then speak to a home mortgage consultant in person or by phone.

No matter how you choose to work with us, you can depend on our staff to provide you with the best home financing solutions.

⁸ Bill Pay is free for the first two months for new customers. It remains free in any month that the combined balances in your qualifying personal accounts are at least \$5,000 at all times. Otherwise, Bill Pay is \$6.95 per month, which includes up to 25 payments per month; each additional payment costs \$0.40. Separate pricing applies to business customers. For a list of qualified accounts, please refer to www.wellsfargo.com/bp_waiver

⁹ Based on 2003 year-end statistics by *Inside Mortgage Finance*, 1/30/04.

Your One-Of-A-Kind Home Wish List

Use this to help decide what features you want at your next address.
There are many points to consider, but it's well worth doing.

House Style (Arts & Crafts, Modern, Victorian, etc.) _____

Exterior

- Wood Brick Stone Stucco
 Vinyl Siding Aluminum Siding

Lot Size

- Not Important 1 acre or less
 1 to 5 acres Other

Foundation Type

- Basement Crawlspace Slab Walkout

Square Feet (Personal Living Space) _____ Number Of Levels _____

Bedrooms

Total Number _____

Master Bedroom _____ Master Suite _____

Special Features _____

Bathrooms

Total Number _____

Master Bath, Special Features _____

Children's Bath(s), Special Features _____

Guest Bath, Special Features _____

Kitchen Preferences

Cabinet Style _____

Counter Surfaces _____

Entertaining Space Yes No

Professional-Grade Appliances Yes No

Special Features _____

Laundry Room Location

- Basement Main Level Bedroom Level

Formal Dining Room Yes No Family Room Yes No

Great Room Yes No

Media Room Yes No

Special Features _____

Wire The Entire House For

- Audio Cable/Satellite High-Speed Internet Multiple Telephones

Additional Rooms

- Attached Indoor Pool Basketball Court Home Gym Library/Study
- Sitting Room Other

Fireplaces

- Yes No Total Number _____
- Gas Wood Burning Wood Stove

Locations _____

Exterior Features

- Deck Patio Front Porch Screened Porch
- Sun Room Fenced Yard Pool Tennis Courts

Garage

- 1 Car 2 Car 3 Car
- Attached Detached Other

Special Features _____

Central Air Conditioning

- Yes No
- Wall Units Okay Window Units Okay

Heating

- Gas Oil Electric Doesn't Matter

Near Public Transportation

- Yes No Not Important

Specific School District

- Yes No Not Important

Name Of School _____

Distance To Place Of Employment

- Miles Minutes Not Important

Distance To Major Airports

- Miles Minutes Not Important

Any Other Special Features You Want Your House To Have

Do you need additional attached or detached accommodations?

- Additional Garage Additional Storage Guest House
- Office Studio Other

Real Estate Listings Decoder

Exterior House/Yard	LDY/UT Laundry/Utility Room	SEC/SYS Security System
AC Acre	LIB Library	SWR Sewer or Septic
ALUM Aluminum Siding	LR Living Room	WAR Warranty
ANQ Antique House	MBR Master Bedroom	WASH Washer
ATT Attached Garage	MBRB Master Bedroom Bath	WHLPL Whirlpool Tub
CLPD Clapboard	OFF In-Home Office	W/OVN Wall Oven(s)
COL Colonial	PT/FIN Partially Finished	WTR Water (city or well)
CONT Contemporary	REC/PL Recreation/Play Room	Interior Features
CRPT Carport	RM Room	BAL Balcony
DET Detached Garage	UNFIN Unfinished (attic, basement)	BLT Built-Ins
DK Deck(s)	Appliances/Utilities	BRK Brick
FEN Fenced Yard	APPL Appliances	CER Ceramic Tile Floors, Walls
GZBO Gazebo	CAC Central Air Conditioning	CLST Closet (often with #)
IGPL In-Ground Pool	CK/TP Cooktop	FLR Floors
MED Mediterranean	CMPT Compactor	FML Formal (often DR)
RNCH Ranch	C/VAC Central Vacuum	FPL Fireplace
RR Raised Ranch	DRY Dryer	HDWD Hardwood Floors
SCPD Landscaped	DSP Disposal	HMOD Handicap Modifications
SHNGL Shingle	D/W Dishwasher	PNLD Paneled
SPLT Split Level	ELEC Electric (with #amps)	SKYLT Skylight(s)
STY Style of House	FRZ Freezer	SP/ENT Separate Entrance
TWNHS Townhouse	HT/PMP Heat Pump	VLT/CL Vaulted Ceiling(s)
Interior Rooms	HT/WTR Hot Water Heater	WI/CLST Walk-In Closet
BA Bath (with #BA)	ICE Ice Maker	WU/ATT Walk-Up Attic
1/2B Half Bath	MICRO Microwave	WBF Wood-Burning Fireplace
BR Bedrooms (with #BR)	RAD/HT Radiant Heat	Mortgage Terms
BSMT Basement	REF Refrigerator	ASMT Tax Assessment
DR Dining Room	RNG Range	ASSUM Assumable Mortgage
FIN Finished (attic, basement)		FHA/VA Financing Available
FOY Foyer		
FR Family Room		
GTRM Great Room		
KIT Kitchen		
LAW In-Law Apartment		

House Tour Checklist

Address _____ Price _____ Property Taxes _____
Age Of Home _____ Style Of Home _____
Type Of Construction _____

Lot Description

Back Yard Size _____ Hilly Flat
Front Yard Size _____ Hilly Flat

Overall First Impressions

Interior Features

Bedrooms

Number _____ Master Bedroom Master Suite

Bathrooms

Number _____ Whirlpool Tub Soaking Tub _____

Kitchen

Eat-In Gourmet Disposal Refrigerator Pantry Professional-Grade Appliances

Dining Room Family Room Great Room Gym

Living Room Media Room Office Solarium

Other _____

Closet Space

Poor Fair Good

Basement

Yes No Finished

Flooring

Carpet Hardwood Tile

Exterior Features & Neighborhood

Cabana Deck Expansion Ability Fence Guest House

Patio Pool Porch Studio

Other _____

Landscaping

Keep It Change It

Roof Condition

Poor Fair Good

Garage

Attached Detached

Sidewalks

Yes No

1 Car 2 Car 3 Car

Well-Maintained Neighborhood

Yes No

Home Is Close To

Airports Doctors/Dentists Highways Houses Of Worship Industry

Shopping Train Station Schools Public Transportatin Work

Glossary¹⁰

Adjustable-Rate Mortgage (ARM) – A mortgage in which the interest rate is adjusted periodically according to a preselected index.

Alternative Financing – A home financing program that accommodates borrowers with special qualifying factors, including poor credit histories.

Annual Percentage Rate (APR) – A yearly percentage rate that expresses the total finance charge on a loan over its entire term. The APR includes the interest rate, fees, points, and mortgage insurance, and is therefore a more complete measure of a loan's cost than the interest rate alone. The loan's interest rate, not its APR, is used to calculate the monthly principal and interest payment.

Appraisal – A report made by a qualified person setting forth an opinion or estimate of property value. The term also refers to the process by which this estimate is obtained.

Blended Mortgages – This product offers the ability to finance some of your down payment with a second mortgage. It allows you to hold on to more of your cash while affording you the benefits of a larger down payment.

Bridge Loan – A form of second deed of trust or mortgage that is collateralized by the borrower's present home (which is usually for sale) in a manner that allows the proceeds to be used for closing on a new house before the present home is sold.

Broker – An individual employed on a fee or commission basis as a real estate agent to bring buyers and sellers together and assist in negotiating contracts between them for the sale of residential real estate.

Building Codes – Regulate the design, construction and materials used to meet standardized guidelines for building safety.

Building Permits – Provide official permission to build from the local municipality.

Buyer's Broker – Most real estate brokers and agents work only for the sellers. A buyer's broker serves the interest of the buyer and has no relationship with the seller.

Capital Gains – Used for tax purposes, this is the capital gain you make when you sell your home. For example, if you purchase a property for \$100,000 and sell it some years later for \$150,000, your capital gain is \$50,000.

Closing – The consummation of a real estate transaction. The closing includes the delivery of a deed, financial adjustments, the signing of notes, and the disbursement of funds necessary to complete the sale and loan transaction.

Closing Agent – Usually an attorney or title agency representative who oversees the closing and witnesses the signing of the closing documents.

Closing Costs – The costs paid by the mortgage borrower (and sometimes the seller) in addition to the purchase price of the property. These include the origination fee, discount points, appraisal, credit report, title insurance, attorney's fees, survey, and prepaid items such as tax and insurance escrow payments.

Commission – Compensation for negotiating a real estate or loan transaction, often expressed as a percentage of the selling price or loan amount.

¹⁰ The terms in this glossary refer to your primary mortgage loan and do not necessarily apply to your home equity loans and home equity lines of credit.

Commitment Letter – A formal offer by a lender stating the terms under which it agrees to loan money to a homebuyer.

Comparable Market Analysis (CMA) – A written analysis of houses having similar characteristics currently being offered for sale as well as comparable houses sold in the past six months. This enables you to determine if you are paying market value for a home, and to identify whether market prices are rising or falling.

Contingency – A condition that must be met.

Conventional Loan – A mortgage not obtained under a government insured program (such as FHA or VA).

Credit Report – A report detailing an individual's credit history.

Debt-To-Income Ratio – A formula lenders use to determine the loan amount for which you may qualify. Also known as the “back-end ratio.” Guidelines may vary, depending on the loan program.

Default – A The failure to perform an obligation as agreed in a contract.

Down Payment – Money paid to make up the difference between the purchase price and the mortgage amount.

Equity – The ownership interest; i.e. portion of a property's value over and above the liens against it.

Escrow – An item of value, money or documents, deposited with a third party, to be delivered upon the fulfillment of a condition. For example, the deposit by a borrower with the lender of funds to pay taxes and insurance premiums when they become due, or the deposit of funds or documents with an attorney or escrow agent to be disbursed upon the closing of a sale of real estate. In some parts of the country, escrows of taxes and insurance premiums are called impounds or reserves.

Fixed-Rate Mortgage – A mortgage in which the interest rate and payments remain the same for the life of the loan.

FICO Score – A numerical rating developed and maintained by Fair Isaac and Company that indicates a borrower's creditworthiness based on a number of criteria.

Float The Rate – This term is used when a mortgage applicant chooses not to secure a rate lock, but instead allows the note rate pricing to fluctuate until the applicant decides to lock in, usually no later than five days prior to closing.

Front-End Ratio – Also known as the housing expense-to-income ratio, it compares your proposed monthly house payment (PITI) to your total household gross monthly income.

General contractor – Supervises the building process by managing the construction effort performed by the various contractors.

Good Faith Estimate – A document which tells borrowers the approximate costs they will pay at or before settlement, based on common practice in the locality. Under requirements of the Real Estate Settlement Procedures Act (RESPA), the mortgage banker or mortgage broker, if any, must deliver or mail the GFE to the applicant.

Government Loan – A mortgage insured by a government agency, such as FHA, VA, Farmers Home Administration, or a state bond program. The loans are generally made by private lenders, such as Wells Fargo Home Mortgage.

Home Mortgage Consultant – The Wells Fargo Home Mortgage representative a homebuyer initially consults about a mortgage loan. Sometimes called a loan officer, account executive, or sales representative.

Homeowners Insurance (also called Hazard Insurance) – A real estate insurance policy required of the buyer protecting the property against loss caused by fire, some natural causes, vandalism, etc. May also include added coverage such as personal liability and theft away from the home.

HUD-1 Settlement Statement – A standard form used to disclose costs at closing.

Index – A published interest rate, such as the prime rate, LIBOR, T-Bill rate, or the 11th District COFI. Lenders use indexes to establish interest rates charged on mortgages or to compare investment returns. On ARMs, a predetermined margin is added to the index to compute the interest rate adjustment.

Interest-Only Mortgages – A financial tool which keeps monthly payments to a minimum and buying power to a maximum by charging for interest only (not principal) for a set period of time.

Interest Rate – The percentage of an amount of money which is paid for its use for a specified time.

Interim Interest – The interest that accrues, on a per-diem basis, from the day of closing until the end of the month.

Jumbo Mortgages – For mortgage amounts which exceed the maximum conventional loan amount and are up to \$1 million. Wells Fargo offers a wide variety of Jumbo mortgages at very attractive fixed rates, adjustable rates or a blend of the two.

Lien – A legal claim or attachment against property as security for payment of an obligation.

Loan Conditions – These are terms under which the lender agrees to make the loan. They include the interest rate, length of loan agreement, and any requirements the borrower must meet prior to closing.

Loan Payment Reserves – A requirement of many loan programs that, in addition to funds for the down payment and other purchase-related costs, you have saved enough money to cover one or two months of mortgage payments after your closing.

Loan Settlement – The conclusion of the mortgage transaction. This includes the delivery of a deed, the signing of notes, and the disbursement of funds necessary to the mortgage loan transaction.

Loan-To-Value (LTV) – The ratio between the amount of a given mortgage loan and the lower of sales price or appraised value.

Margin – The set percentage the lender adds to the index rate to determine the interest rate of an ARM.

Mortgage – The conveyance of an interest in real property given as security for the payment of a loan.

Mortgage Insurance (MI) – See Private Mortgage Insurance (PMI).

Mortgagee – The lender on a mortgage transaction.

Mortgagor – The borrower in a mortgage transaction who pledges property as security for a debt.

Mortgage Specialist – The Wells Fargo Home Mortgage employee responsible for collecting the completed application and all supporting documents before the entire loan packet is submitted to underwriting. Also known as a “processor.”

Multiple Listing Service – A computer-based service for real estate agents that provides descriptions of most of the houses listed for sale in an area.

Nonconforming Loan – Conventional home mortgages not eligible for sale and delivery to either FNMA or FHLMC because of various reasons, including loan amount, loan characteristics or underwriting guidelines.

Note – A general term for any kind of paper or document signed by a borrower that is an acknowledgment of the debt, and is, by inference, a promise to pay. When the note is secured by a mortgage, it is called a mortgage note and the mortgagee (lender) is named as the payee.

Origination Fee – The amount charged for services performed by the company handling the initial application and processing of the loan.

Points – A one-time charge by the lender to increase the yield of the loan; a point is 1% of the amount of the mortgage.

Preapproval – A written commitment from a lender, subject to a property appraisal and other stated conditions, that lets you know exactly how much home you can afford.

Prepays – Closing costs related to the mortgage loan which are collected at loan closing, including per diem prepaid interest and initial deposits of monthly escrows of taxes and insurance.

Principal – The amount borrowed or remaining unpaid; also, that part of the monthly payment that reduces the outstanding balance of a mortgage.

Priority BuyerSM – A Wells Fargo Home Mortgage customer who has been preapproved for their mortgage loan amount.

Private Mortgage Banking – A heightened level of service and expertise available to Wells Fargo customers who finance higher dollar amounts.

Processing – The preparation of a mortgage loan application and supporting documentation for consideration by a lender or insurer.

Purchase Contract (Agreement/Offer) – An agreement between a buyer and seller of real property, setting forth the price and terms of the sale. Also known as a sales contract.

Rate Cap – The limit of how much the interest rate may change on an ARM at each adjustment and over the life of the loan.

Rate Lock – The borrower and the lender agree to protect the interest rates, points, and term of the loan while it is processed.

Super Jumbo Mortgages – This type of mortgage delivers similar benefits to the Jumbo mortgage, but is for homebuyers who would like to finance loan amounts upwards of \$1 million.

Survey – The measurement and description of land by a registered surveyor.

Title Insurance – An insurance policy that protects a lender and/or homebuyer (only if homebuyer purchases a separate policy, called owner's coverage) against any loss resulting from a title error or dispute.

Truth-In-Lending Statement – A Federal law requiring full disclosure of credit terms using a standard format. This is intended to facilitate comparisons between the lending terms and financial institutions.

Underwriting – Analysis of risk, determination of loan eligibility, and setting of an appropriate rate and terms for a mortgage on a given property for given borrowers.

VA Funding Fee – The amount charged on VA mortgages to cover administrative costs.

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