

2024

A HOME BUYER'S GUIDE

PREPARED BY
LATASHIA PERRY



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LATASHIA PERRY

Latashia Perry is a diligent and resourceful Realtor passionate about educating and empowering her community on homeownership, financial literacy, and sustainable wealth-building techniques through real estate. Native to EastBay, she brings an intimate and comprehensive understanding of the local market and the surrounding areas. Latashia is committed to ensuring that all her clients' needs are met and expectations exceeded without compromise. Her compassion, reliability, and tenacity give her a competitive edge and make her the best person for the job.

Latashia draws her motivation and inspiration from seeing her clients happy and content in their new homes. She is committed to connecting with her clients and fostering long-term relationships. Her personal experiences have taught her the value of patience, kindness, and service leadership. With over five years of experience in the industry, she has created an impressive and formidable professional portfolio.

Latashia holds the roles of Secretary of Associated Real Property Brokers of Oakland CA, Co-Chair of Education Committee for (ARPB), and lastly is a Board member of the Diversity Equity & Inclusion of her local realtor association. She is a valuable and dedicated team member of the Munmon Real Estate Inc. brokerage. She leverages her key negotiation, customer service, and problem-solving skills to provide comprehensive real estate solutions.

If you are in the market for an understanding, knowledgeable, and reliable agent, Latashia is only one call away!

When she is not working, Latashia spends her time reading, writing, cooking, and volunteering in community outreach projects.



Here are a few of the things she can do for you

Find Your Next Home

You need someone who knows this area inside and out! Randy can work with you to find the right home at the right price for you, including all the neighborhood amenities that matter—not to mention the essential criteria you have for your ideal home.

Sell a Home

When it's time to move, you need someone who will advertise your home, show it to prospective buyers, negotiate the purchase contract, arrange financing, oversee the inspections, handle all necessary paperwork and supervise the closing. He can take care of everything you need, from start to close.

Consult on Home Selling Tactics

Oftentimes, buyers don't visualize living in your home the way you do. Randy can make your home attractive to its ideal audience—which can help you get top dollar. Things like staging the home, making repairs or minor improvements, or even simply painting the walls can be the difference between a home resting on the market and one that's sold fast.



BUYING IN THE SAN FRANCISCO BAY AREA

Our winning strategy

Lifestyle Analysis

Finding your ideal home is a complex process of matching your lifestyle and financial objectives with the right neighborhood. As a REALTOR® with experience selling in this market, Randy has the expertise to match you with the home that fits your lifestyle. Whether you want a piece of the city or a quiet neighborhood with the best schools for your children, he is equipped with the area insight and knowledge you need.

Search Analysis

Beyond the MLS and previewing homes online, finding your ideal home is also about leveraging relationships. As your REALTOR®, Randy will utilize his extensive network and access to off-MLS (pocket) listings on your behalf. To streamline the process, he will preview homes on your behalf, in addition to touring homes and neighborhoods with you. He will always keep you well informed of new homes that come on the market.

Make a Winning Offer

The housing market is ultra-competitive which is why you need a seasoned professional. It will give you a competitive advantage and help you to win the bid on your ideal home. The Randy Munmon Realty Group team will carefully consider if the home is accurately priced for the size, location, and neighborhood comparative sales. As your consultant, Randy will advise you on how to best position your offer for quick acceptance, the amount of your down payment, and whether you should be fully pre-approved prior to bidding.

Negotiate

Negotiating terms for the purchase of what may be your largest personal asset requires a professional who has your best interests in mind. After listening to your needs, he will vigorously negotiate the price, contingencies such as inspections, appraisals, and financing, as well as the best time to close escrow.

Coordinate

Congratulations! Your offer was accepted, and now the race begins. The closing of your home is urgent and time sensitive with many steps to completion.

A unique feature of the Randy Munmon Realty Group is that the culture promotes teamwork. Everyone at the office has a vested interest in helping you close the purchase of your home as smoothly and efficiently as possible. As your agent and project manager, Randy and his team will be there with you through the end of the closing process. They will coordinate the inspections, escrow, and title search in order to help you prepare for the closing of your new home.

THE HOME BUYING PROCESS



PRE-QUALIFICATION VS. PRE-APPROVAL

There's a difference.

Overview

Knowing how much you qualify for is an important first step before starting your home search. Understanding the price range you and your agent should focus on, your down payment options, as well as monthly mortgage payments ahead of time, will help you to find and close on your ideal home quickly.

Pre-Qualification

Pre-Qualification provides you with a general estimate of how much you can expect to borrow. It's easy and can be done over the phone or online. You provide the mortgage company or bank with information such as your income, debt, and employment information. In return, you will be given a loan estimate.

Pre-Approval

Pre-Approval will give you the exact amount you qualify for and provides other advantages for making offers in a competitive market.

With a pre-approval, the lender takes an extensive look at your financial picture, including two years of your W-2s and tax returns, a credit check, debt/income ratio, and how much you have for a down payment.

Being a pre-approved buyer lets the seller know that you are in a position to buy now, which can give you a distinct advantage when there are multiple offers on a home.

Not all loan packages are the same. Going through the pre-approval process is a win-win situation that helps the lender create a loan package that fits your needs



THE LOAN PROCESS

A series of steps to reach the finish line

1. **Pre-Approval:** You will be asked to provide personal information, such as your Social Security number, income, assets, debts, credit information, and the specifics on the type of property you wish to purchase.

2. **Full Application:** During the application process, the lender will update any information and documentation that has already been submitted.

3. **Processing:** Your mortgage package will be reviewed and completed by the processor.

4. **Loan Submission:** Once the processor has completed the loan package, it is submitted to the underwriter for approval.

5. **Loan Approval:** All parties are notified of the approval and loan documents are completed and sent to both the title and escrow companies.

16. **Title:** The title company ensures that the property title is clear and legitimate. Once this process is complete, title insurance is issued for the property.

7. **Funding:** Once you have signed the loan documentation, your lender reviews the loan package, and upon approval, funds are wire-transferred to the title company.

8. **Recordation:** When the title company receives the funds, they are released to the seller, leading to less taxes and fees, and you are recorded as the owner of your new home.



WRITING AN OFFER

What it takes to win

Historically, the Bay Area has an aggressive and competitive market, requiring you to strategically position yourself in the mind of the seller as the obvious best choice.

Here are some general guidelines for writing a strong offer:

1. Review the relevant sales and market conditions prior to making an offer. Factors to consider include the condition of the home, length of time on the market, competition, and urgency of the seller.
2. Give yourself room to compete. Ideally, you will want to find homes that are below your maximum so you have room to negotiate on price, should the need arise.
3. While it is important to offer a price that is attractive to the seller, they will often consider other elements before acceptance. How much money you put down on the property, and any contingencies or financing terms are only a few factors that may make the difference.
4. After your offer has been written, your agent will meet with the seller's agent to negotiate on your behalf. The seller may accept, reject, or counter the offer with changes.
5. You will be notified immediately of the outcome. Should the seller counter, your agent will work with you to review each specific request and move the contract forward to closure.





KNOW WHAT YOU'RE BUYING

Your opportunity to find out exactly what you're buying

Overview

Inspections are an important part of the buying process and allow you to fully understand any issues or challenges with the property before closing the transaction. If the seller has not provided an inspection ahead of time, you may decide to write your offer with an inspection contingency. This is one of the more common contingencies that buyers use.

A contingency means that you will only go through with the purchase if certain conditions are met.

Home inspections should be only done by a certified home inspector, and they are usually paid for by the buyer. Often, a seller will have inspections completed prior to placing their home on the market to remove the "contingency" from the buyer's bid. Ultimately, it is the buyer's responsibility to assess the condition of the property.

Main Inspections:

Home
Pest/Termite
Roof

If Applicable:

Pool
Sewer Lateral (Oakland)
Sidewalk (Oakland)
Underground Tank (San Francisco)
3R (San Francisco)
Water and Energy (San Francisco)

Pest Inspections

Pest inspections are also done by a licensed inspector who will look for wood-destroying organisms, including termites and fungi ("dry rot"). Pest reports classify conditions as Section 1 or Section 2 items.

- **Section 1:**

Conditions demonstrating active infections or conditions damaging the property. Active termites, beetles, or wood rot are examples of Section 1 items.

- **Section 2:**

Conditions not currently causing damage but likely too, if left unattended. A typical Section 2 item is a plumbing leak where moisture has not yet caused fungus decay.

As with the home inspection, the buyer pays for the pest inspection, however, the inspector is responsible to deliver an unbiased report, regardless of whether they favor the buyer or the seller.

If damage is found in the property, such as a crack in the foundation or a roof that needs to be replaced, you may be able to negotiate with the seller on remediation options.

THE ESCROW PROCESS

An Independent Third Party

In a real estate transaction, escrow is an independent third party that holds important documents and funds. When opening escrow, the buyer and seller determine the terms and conditions for the transfer of ownership of the property via the purchase contract. Escrow ensures that all mutually agreed upon terms and conditions are met prior to the transfer of ownership and distribution of funds.

Escrow protects both you and the seller by managing the following tasks:

- Holding buyer's good-faith deposit (typically 3% of the purchase price).
- Disclosing escrow and title fees to the buyer's lender.
- Calculating prorated taxes and HOA fees.
- Providing a title report and title insurance.
- Ensuring that state and local transaction laws and rules are followed.
- Obtaining all necessary and notarized signatures from all parties.
- Ensuring the paperwork is legal and binding.
- Recording the transfer documents and insuring their accuracy.
- Receiving the down payment from the buyer.
- Receiving funds from the buyer's lender.
- Paying liens, overdue tax, and HOA dues.
- Distributing proceeds to the seller.



ESCROW FAQs

When do we need to open escrow?

Munmon Realty will open escrow on your behalf after the contract has been signed by both you and the seller. After escrow is opened, you have three days to wire your earnest money deposit into escrow.

Why do properties fall out of escrow?

Often, there is a problem with the loan where the buyer no longer qualifies, the appraisal comes back lower than the offer price, or a structural problem is discovered during an inspection.

What does an escrow officer do?

Your escrow officer will oversee all aspects of your real estate transaction, such as signing paperwork, completing a title search and obtaining hazard and title insurance.

How long does escrow take?

The length of an escrow is determined by the purchase agreement. Depending on the terms, it can last an average of 30 days.





WHO PAYS WHAT?

Buyer & Seller fees

Many fees are negotiable; however, there are some fees that you and the seller are required to pay.

Buyer typically pays:

- Inspections
- Escrow fee from the title company
- Loan fees required by your lender
- Title insurance premium
- Fire and hazard insurance premium

Seller typically pays:

- Real Estate commissions
- Any judgments or tax liens
- Any unpaid homeowner's dues
- Transfer taxes
- Delinquent property taxes

CLOSING COSTS

What you need to know

Closing costs are fees paid by the buyer and the seller at the close of your home. During the escrow process, you will have received a Good Faith Estimate which includes your closing costs and settlement charges. Typically, closing costs are 1-2% of the purchase price of your home. A few days prior to closing, your lender will give you a detailed breakdown in the Closing Disclosure Statement.

What's included?

Closing costs include loan origination fees, discount points, appraisal fees, title searches, title insurance, surveys, taxes, deed-recording fees, initial deposit for your escrow account, homeowners insurance, and credit report charges.

In addition, there are nonrecurring costs and pre-paid costs. Nonrecurring costs are one-time fees associated with buying a property or getting a loan. Prepaid costs are those that recur over time, such as property taxes and homeowner's insurance.

PROPERTY TAXES

An overview

How is real property assessed?

Real property is assessed upon change of ownership and, in certain circumstances, the construction of improvements. The new assessed value is equivalent to the purchase price and is subject to being increased by as much as 2% each year.

How are property taxes billed?

Property taxes are billed annually and paid in two equal installments. You can also have your taxes impounded monthly. An impound account is managed by your mortgage company. As the homeowner, you pay for property taxes and insurance along with your mortgage payment. When your property taxes are due, the mortgage company sends the money to the tax collector or insurance company.

When are property taxes due?

The fiscal year runs from July 1 thru June 30. The first installment is due November 1, and it is late December 10. The second installment is due February 1, and it's late April 10.

You can remember these dates with this mnemonic device:

No Darn Fooling Around -

November it's due,
December it's late,
February it's due,
April it's late.

When do I start paying my property taxes?

After the change of ownership, a supplemental tax bill may be issued to collect taxes owing for the current tax year based on the difference between the previous and the new assessed values of the real property. The seller is responsible for the payment of taxes due prior to the close of escrow, and the buyer is responsible for the payment of taxes due after close of escrow, including any supplemental tax bill.

How is the base property tax rate set?

Under Proposition 13, passed by California voters in 1976, the base property tax rate is set at 1% of the full cash (or assessed) value of real property.

What is Mello-Roos?

Real property can be subject to continuing tax levies under the Mello-Roos Act. Such levies are used to finance certain designated public services and capital facilities. Among the services and facilities typically financed through "Mello-Roos districts" are police and fire protection services, ambulance and paramedic services, parks, elementary and secondary schools, libraries, museums, and cultural facilities.

MARK YOUR CALENDARS!

California Property Taxes:

Due Dates

FEBRUARY 1st

2nd Installment Due

MARCH 1st

Assessment Date

APRIL 10th

2nd Installment Delinquent at 5pm

JULY 1st

Beginning of Fiscal Year

NOVEMBER 1st

1st Installment Due

DECEMBER 10th

1st Installment Delinquent at 5pm

COMMON TYPES OF OWNERSHIP

Titles matter

How you hold title has important tax and inheritance implications. If you are unsure which is the best for you, please consult your Attorney, CPA or Financial Planner. The comparison chart below is provided for information only.

It should not be used to determine how you hold title. We strongly recommend that you seek professional counsel to determine the legal and tax consequences of how title is vested.

	Community Property	Joint Tenancy	Tenancy In Common	Tenancy in Partnership	Title Holding Trust	Community Property Right of Survivorship
Parties	Only husband and wife	Any number of persons (can be husband and wife)	Any number of persons (can be husband and wife)	Only partners (any number)	Individuals, groups of persons, partnership or corporations, a living trust	Only husband and wife
Division	Ownership and managerial interests are equal (except control of business is solely with managing spouse)	Ownership interest must be equal	Ownership can be divided into any number of interests equal or unequal	Ownership interest is in relation to interest in partnership	Ownership is a personal property interest and can be divided into any number of interests	Ownership and managerial interests are equal
Title	Title is in the "community." Each interest is separate but management is unified	Sale or encumbrance by joint tenant severs joint tenancy	Each co-owner has a separate legal title to his/her undivided interest	Title is in the "partnership"	Legal and equitable title is held by the trustee	Title is in the "community," management is unified
Possession	Both co-owners have equal management and control	Equal right of possession	Equal right of possession	Equal right of possession but only for partnership purposes	Right of possession as specified in the trust provisions	Both co-owners have equal management and control
Conveyance	Requires written consent of other spouse or actual conveyance by deed. Separate interest is devisable by will	Conveyance by one co-owner without the others breaks the joint tenancy	Each co-owner's interest may be conveyed separately by its owner	Purchaser acquires interest that partnership owned	Designated parties with the trust agreement authorize the trustee to convey property. Also a beneficiary's interest in the trust may be transferred	Right of survivorship may be terminated pursuant to the same procedures by which a joint tenancy may be severed
Purchaser's Status	Purchaser can only acquire whole title of community; cannot acquire a part of it	Purchaser will become a tenant in common with other co-owners in the property as to the purchaser's interest. Other owner's may remain joint tenants	Purchaser will become a tenant in common with other co-owners in the property	Purchaser acquires interest that partnership owned	A purchaser may obtain a beneficial interest by assignment or may obtain legal and equitable title from the trust	Purchaser can only acquire whole title of community; cannot acquire a part of it
Death	On co-owner's death 1/2 belongs to survivor in severalty. 1/2 goes by will to descendant's devisee or by succession to survivor	On co-owner's death his/her interest ends and cannot be disposed of by will. Survivor owns the property by survivorship	On co-owner's death his/her interest passes by will to devisee or heirs. No survivorship right	On partner's death his/her partnership interest passes to the surviving partner pending liquidation of the partnership. Share of deceased partner then goes to his/her estate	Successor beneficiaries may be named in the trust agreement, eliminating the need for probate	Upon the death of a spouse, his/her interest passes to the surviving spouse, without administration, subject to the same procedures as property held in joint tenancy
Successor's Status	If passing by will, tenancy in common between devisee and surviving results	Last survivor owns property	Devisee or heirs become tenants in common	Heirs or devisee have rights in partnership interest but not specific property	Defined by the trust agreement, generally the successor becomes the beneficiary and the trust continues	Surviving spouse owns property
Creditor's Rights	Property of community is liable for debts of either spouse which are made before or after marriage. Whole property may be sold on execution sale to satisfy creditor	Co-owner's interest may be sold on execution sale to satisfy creditor. Joint tenancy is broken, creditor becomes a tenant in common	Co-owner's interest may be sold on execution sale to satisfy his/her creditor. Creditor becomes a tenant in common	Partner's interest cannot be seized or sold separately by his/her personal creditor but his/her share of profits may be obtained by a personal creditor. Whole property may be sold on execution sale to satisfy partnership creditor	Creditor may seek an order for execution sale of the beneficial interest or may seek an order that the trust estate be liquidated and the proceeds distributed	Property of community is liable for debts of either which are made before or after marriage, whole property may be sold on execution sale to satisfy creditor
Presumption	Strong presumption that property acquired by husband and wife is community	Must be expressly stated	Favored in doubtful cases except husband and wife cases	Arose only by virtue of partnership status in property placed in partnership	A trust is expressly created by an executed trust agreement	Must be expressly stated

Chart courtesy of Fidelity National Title Insurance Company

FREQUENTLY ASKED QUESTIONS

Answered by Latashia Perry

How will you tell me about the newest homes available?

The Multiple Listing Service Website provides up-to-date information for nearly every home on the market. I constantly check the 'New on Market' list and will send you the latest listings via email at a frequency that's most helpful for you, daily or in real time.

Can you help me find new construction homes?

Yes, I have access to all the new construction opportunities in the city and can get you the information you need to make a decision. I will accompany you on your first visit with the builder. By using my service with a new construction home purchase, you will receive the services he offers, as well as those provided by the builder, at no additional cost.

What happens after close of escrow?

You can celebrate and shift your focus to moving into your new home. You will want to schedule your move, pack items, and notify businesses of your address change. I can provide you with a moving checklist to help you remember all the details.

How does For Sale By Owner (FSBO) work?

Homeowners trying to sell their homes without agent representation are usually doing so in the hopes of saving the commission. If you see an FSBO and want the advantages of my services, let me contact the owner for you and make an appointment. Often, the homeowner will work with an agent, even though their home is not listed since the agent is introducing a potential buyer to their property. However, while you may get a deal buying directly from the seller, it may be a challenging experience if they are not a licensed agent.

Can we go back through our property again once an offer is made but before possession?

You should complete all of your inspections and walk-throughs before removing any contingencies. If you need to see the property again for any reason, we can make a special request to the seller for access. They often allow it, but they are not required to do so.

Just prior to closing, we will schedule a final walk-through and inspection of your new home.

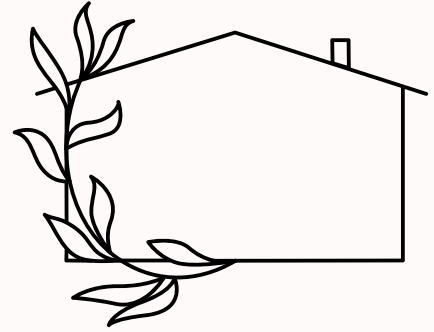


THANK YOU

Let's get started!

Again, thank you for the opportunity to present my proven winning buying strategy to help you find and purchase your property. On behalf of the entire team at Munmon Real Estate, I am excited and honored to be helping you on your journey to home ownership.

- Latashia Perry



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