

# Successful Home Buying



## *Team Mizrahi*

Agents Who Listen  
Sold over 600 Homes

Top 3% in Northern California  
(650)949-8173 Team Office  
(650) 207-3906 Tina's Cell

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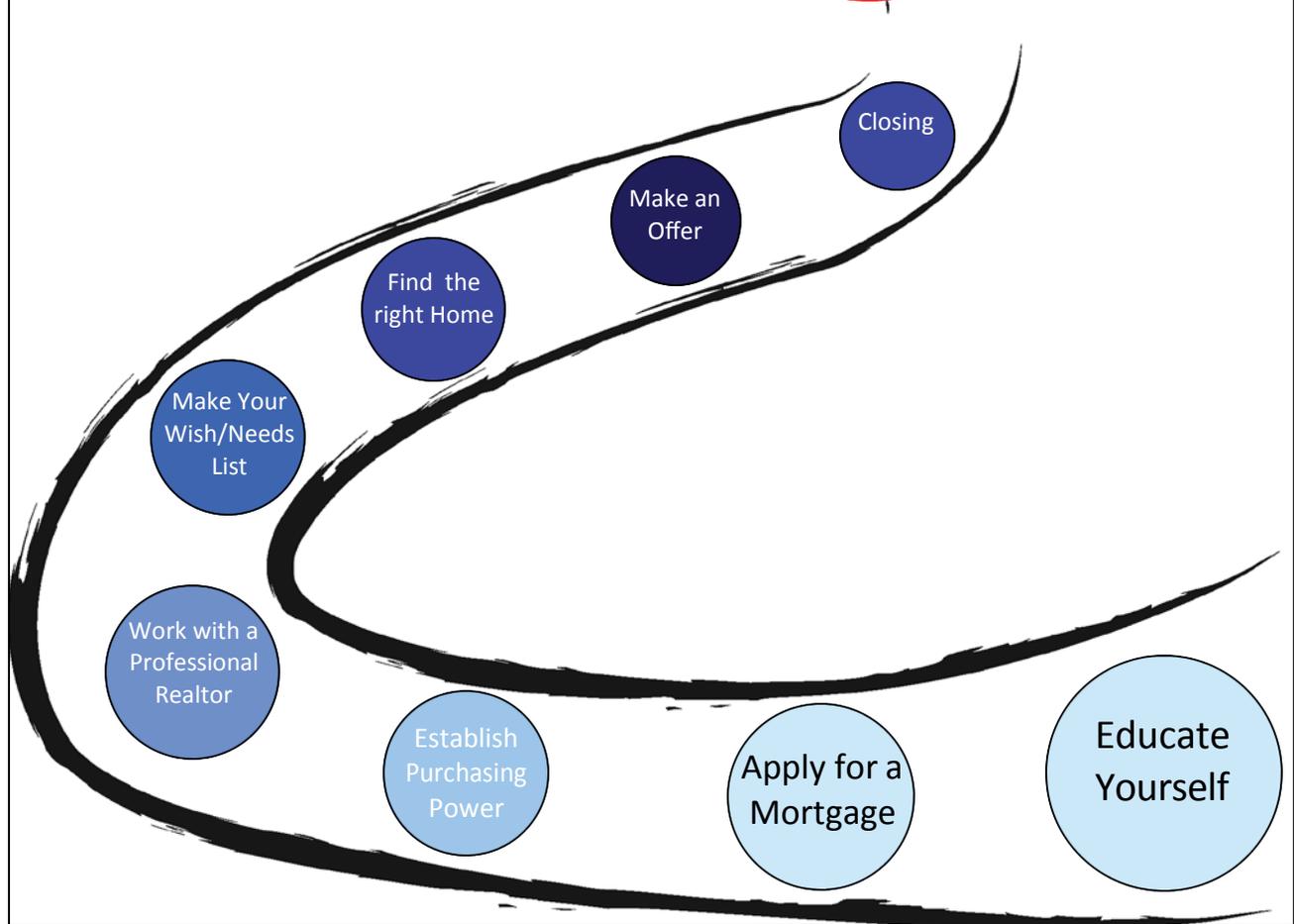


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# The Path to a Successful Home Ownership



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## Meet Team Mizrahi

Our professional philosophy is to treat others as we would like to be treated. We give 120% to all of our clients. We are honest, trustworthy, professional, flexible, prudent, and understanding. We are highly competent, responsive, and we keep our commitments. When you are looking for agents who listen to all your needs, call us! We are your real estate consultants for life.



**Dafna Mizrahi**

Dafna was born in Israel and came to Palo Alto at the age of 13 and calls the Bay Area home. Dafna moved 36 times before the age of 18, and therefore understand the stress of moving. She speaks multiple languages and graduated from San Jose State University with a degree in Marketing and Economics. After graduating, she worked for HP and Intel.

Dafna has been working as a real estate consultant since 1975. Real Estate is perfect for her because she sees the big picture, listens, and is able to identify and navigate each step of her clients' long-term real estate goals. She feels that her success comes from always treating her clients like family.

She also believes that education and negotiation are her most important responsibilities. She has created Team Mizrahi in order to provide a professional service to more clients.

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**Tina Kyriakis**

Tina is, proudly, a Bay Area native. It seems like she's one of few these days! Tina was born in San Francisco, and spent her childhood, and currently resides on the Peninsula.

She got her CA Teaching Credential in Mathematics, and Master's Degree at San Jose State University. She taught Math and Choir in Los Altos before she became a Realtor in 2002.

Today, Tina takes her personal life-long knowledge of the Silicon Valley and San Francisco Peninsula, and uses it to your advantage! Tina's vast experience helping clients list and buy homes enables her to provide guidance about schools, transit, and neighborhoods, ultimately making the right decisions for aiding her clients in their individual needs.

Let's work together to make your real estate dreams come true! She is skilled, professional, seasoned, and at your service!

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## **Your Personal Real Estate Consultants for Life**

***“You don’t build it for yourself– Find out what people want and build it for them”***

***-Dafna Mizrahi and Tina Kyriakis***

Being your Personal Real Estate Consultants For Life is not only our business philosophy, but also a lifelong commitment to providing you with exemplary personalized service beyond your expectations. It is also our philosophy to listen, and truly understand your needs, an aspect of business conduct that seems to have been forgotten in today’s society.

As an award-winning real estate team, it is our job not only to recognize your wishes, but also to respond to them promptly, professionally, and with integrity. It is our pledge to provide you with sound financial advice, helping you understand the strategies for making real estate decisions and the future implications of those decisions.

As your Personal Real Estate Consultants For Life, we feel it necessary to provide all of our clients with outstanding support not only before and during the transaction, but after as well. As the lifestyles of our clients change, we address their new needs on a continuing basis.

Our business is *“By Referral Only™”* and we can achieve this only by providing you with the best service possible. The future of our business is fully dependent on highly satisfied clients referring us to their families, friends and business associates.

**Dafna Mizrahi and Tina Kyriakis**  
Your Real Estate Consultants For Life

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# Benefits of Using Team Mizrahi for Buyers

1. Purchasing Consultation
  - ✓ Identify your specific property needs and desires
  - ✓ In-depth attention to all your questions
2. Complete Financial Qualification Analysis
  - ✓ Provide you with a referral to qualified lenders, who will;
  - ✓ Determine your purchasing power - find out about your financing options
  - ✓ Determine your installment credit payment limits.
3. Personalized Computerized Search of Listed Properties that:
  - ✓ Meet your specific wants and needs
  - ✓ Fit your financial qualifications
4. Wider selection of Homes
  - ✓ Buyer's representation can include "for sale by owner," office exclusives and even properties not yet publicly on the market.
5. Eliminates Conflict of Interest
  - ✓ Buyer's representation will select properties based on serving the buyer's best interest, rather than selecting properties with the highest compensation.
  - ✓ Buyer expresses his objectives and interest to only one broker, rather than duplicating the process and probably even viewing the same properties with different brokers.
  - ✓ Buyer representation can best protect and promote the interests of the buyer, without concern of losing the buyer if the offer is not accepted.
6. Dedicated Consultation Time
  - ✓ To facilitate, coordinate and prepare your Purchase Contract offer
  - ✓ Complete review of all California real estate property disclosure documents
7. Professional and Competent Negotiation on Your Behalf
  - ✓ To protect your best interest with Sellers and Sellers' Agents
  - ✓ Stronger Negotiating Position
8. Personal Attention and Guidance Through Every Phase of the Escrow Process
  - ✓ To complete the escrow process
  - ✓ Personal referrals to specifically qualified professionals

FREE legal assistance and system support for agents, from Coldwell Banker Legal Staff

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# **Code of Ethics & Standards of Practices of the National Association of Realtors (NAR)**

Effective January 1, 1996

Preamble...

Under all is the land. Upon its wise utilization and widely allocated ownership depend the survival and growth of free institutions and of our civilization. Realtors should recognize that the interests of the nation and its citizens require the highest and best use of the land and the widest distribution of land ownership. They require the creation of adequate housing, the building of functioning cities, the development of productive industries and farms, and the preservation of a healthful environment.

Such interests impose obligations beyond those of ordinary commerce. They impose grave social responsibility and a patriotic duty to which realtors should dedicate themselves, and for which they should be diligent in preparing themselves. Realtors, therefore, are zealous to maintain and improve the standards of their calling and share with their fellow Realtors a common responsibility for its integrity and honor.

In recognition and appreciation of their obligations to clients, customers, the public, and each other. Realtors continuously strive to become and remain informed on issues affecting real estate and, as knowledgeable professionals; they willingly share the fruit of their experience and study with others. They identify and take steps, through enforcement of this Code of Ethics and by assisting appropriate regulatory bodies, to eliminate practices which may damage the public or which might discredit or bring dishonor to the real estate profession.

Realizing that cooperation with other real estate professionals promotes the best interests of those who utilize their services, Realtors urge exclusive representation of clients; do not attempt to gain any unfair advantage over their competitors; and they refrain from making unsolicited comments about other practitioners. In instances where their opinion is sought, or where Realtors believe that comment is necessary, their opinion is offered in an objective, professional manner, uninfluenced by any personal motivation or potential advantage or gain.

The term Realtor has come to connote competency, fairness, and high integrity resulting from adherence to a lofty ideal of moral conduct in business relations. No inducement of profit and no instruction from clients ever can justify departure from this ideal.

In the interpretation of this obligation, Realtors can take no safer guide than that which has been handed down through the centuries, embodied in the Golden Rule, "Whatsoever ye would that others should do to you, you do even so to them."

Accepting this standard as their own, Realtors pledge to observe its spirit in all of their activities and to conduct their business in accordance with the tenets set forth below...

For a complete copy of the Code of Ethics, please e-mail: [anat.mansoor@cbnorcal.com](mailto:anat.mansoor@cbnorcal.com)

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PRDS® DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS (Page 1 of 2) (As required by the Civil Code) Revision Date 9/13



When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent(s) in the transaction.

- FORM NEEDS TO BE COMPLETED AND PROVIDED AS FOLLOWS:
a) Listing Agent to the Seller before entering into a listing agreement;
b) Buyer's Agent to the Buyer as soon as practicable before signing an offer;
c) Buyer's Agent to the Seller before presenting an offer;
d) Listing Agent, when acting as a dual agent, to the Buyer as soon as practicable before the Buyer signs an offer.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Seller.

To the Buyer and the Seller: (a) Diligent exercise of reasonable skill and care in performance of the agent's duties; (b) A duty of honest and fair dealing and good faith; (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the Property that are not known to, or within the diligent attention and observation of, the parties.

BUYER'S AGENT

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Buyer.

To the Buyer and the Seller: (a) Diligent exercise of reasonable skill and care in performance of the agent's duties; (b) A duty of honest and fair dealing and good faith; (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer: (a) A fiduciary duty of utmost care, integrity, honesty, and loyalty in the dealings with either the Seller or the Buyer; (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction.

This disclosure form includes the provisions of Section 2079.13 to 2079.24, inclusive, of the Civil Code set forth on the reverse side hereof. Read it carefully.

If the transaction involves one-to-four dwelling residential property(s), including a mobile home, this Disclosure form must be provided in a listing, sale, exchange, installment land contract, or lease over one year.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.

Form with signature lines for Buyer, Seller, and Agent, including fields for Date, Time, Signature, Print name, and License #.

## Renting vs. Buying

The rent you pay adds up to a sizable sum. For a clearer picture of how large that sum can be, consider the following:

- ✓ First, consider the lost return on your investment. Real estate that you purchase may appreciate over time but rental payments will not. Calculate what your earnings could be if you invested your monthly rent. If your rent were \$2,000 per month, and you invested that amount each month for ten years and received a 5% return on your investment you would earn \$70,565.
- ✓ Second, consider that this example does not take into account the fact that rents typically increase on an annual basis. To get an idea of the cost of renting over 10, 15, 20, and 25 years, locate your monthly rental payment on this chart. (This chart assumes a fixed rental rate and assumes that you could receive a 5% return if your money were invested instead of paid as rent.) This is the amount that could be used to build equity in your own home.

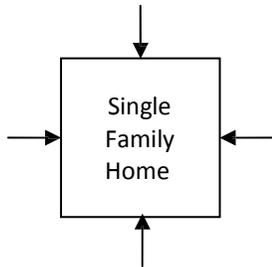
Per Month	10 Years	15 Years	20 Years	25 Years
\$1,500.00	\$233,893.93	\$402,603.97	\$619,119.46	\$896,986.50
\$1,600.00	\$249,486.86	\$429,444.24	\$660,394.09	\$956,785.60
\$1,700.00	\$265,079.79	\$456,284.50	\$701,668.72	\$1,016,584.70
\$1,800.00	\$280,672.72	\$483,124.77	\$742,943.36	\$1,076,383.80
\$1,900.00	\$296,265.65	\$509,965.03	\$784,217.99	\$1,131,182.90
\$2,000.00	\$311,858.58	\$536,805.30	\$825,492.62	\$1,195,982.00
\$2,100.00	\$327,451.51	\$563,645.56	\$866,767.25	\$1,255,781.10
\$2,200.00	\$343,044.44	\$590,485.82	\$908,041.88	\$1,315,580.20
\$2,300.00	\$358,637.36	\$617,326.09	\$949,316.51	\$1,375,379.30
\$2,400.00	\$374,230.29	\$644,166.35	\$990,591.14	\$1,435,178.40
\$2,500.00	\$389,823.22	\$671,006.62	\$1,031,865.77	\$1,494,977.50
\$3,000.00	\$467,787.87	\$805,207.94	\$1,238,238.93	\$1,793,973.00
\$3,500.00	\$545,752.51	\$939,409.27	\$1,444,612.08	\$2,092,968.50
\$4,000.00	\$623,717.16	\$1,073,610.59	\$1,650,985.24	\$2,391,964.00

*This data is provided for information purposes only. A number of factors should be considered prior to purchasing a home. If you have questions, feel free to call us at any time.*

# Different Styles of Homes

1. Single Family Home (SFH)
2. "0" Lot Line Homes
3. Duet Homes
4. Townhomes
5. Condo Style of Ownership

Different types of homes provide different layouts and lifestyles. This is a brief breakdown of some of the qualities that people general value in a home. Please take the time to figure out which style best fits you.



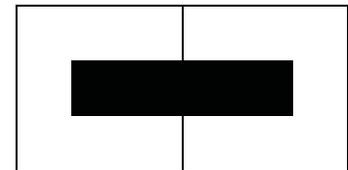
### Single Family Home

- Privacy
- Ability to Expand
- Large lot/yard
- 4 exposed walls
- No HOA



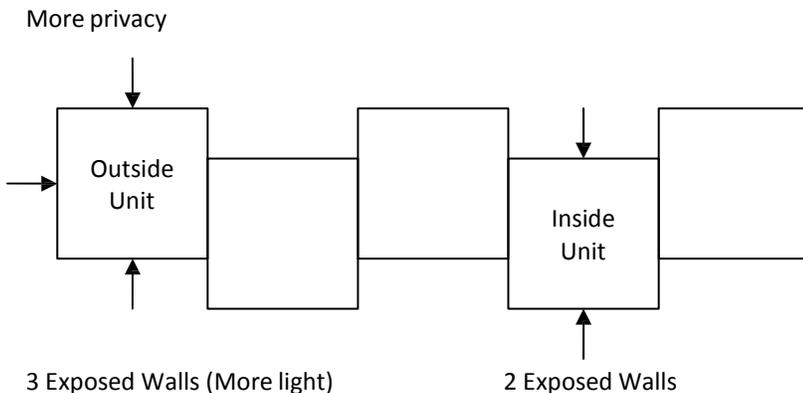
### Zero Lot Line Homes

- SFH– smaller lots
- Placement of homes directly on lot line
- Sometimes HOA



### Attached Single Family Homes

- 2 owners home
- Share 1 common wall
- Low HOA



### Townhouse Style

- Row of houses
- May have patio
- Belong to HOA which will have dues and fees (CID– Common Interest Development)
- Share common wall/walls (exposed 3 or 2 walls)
- Less lot space
- Less energy usage
- Less maintenance costs
- Minimal yard care
- 2+ story home



### Condo Style

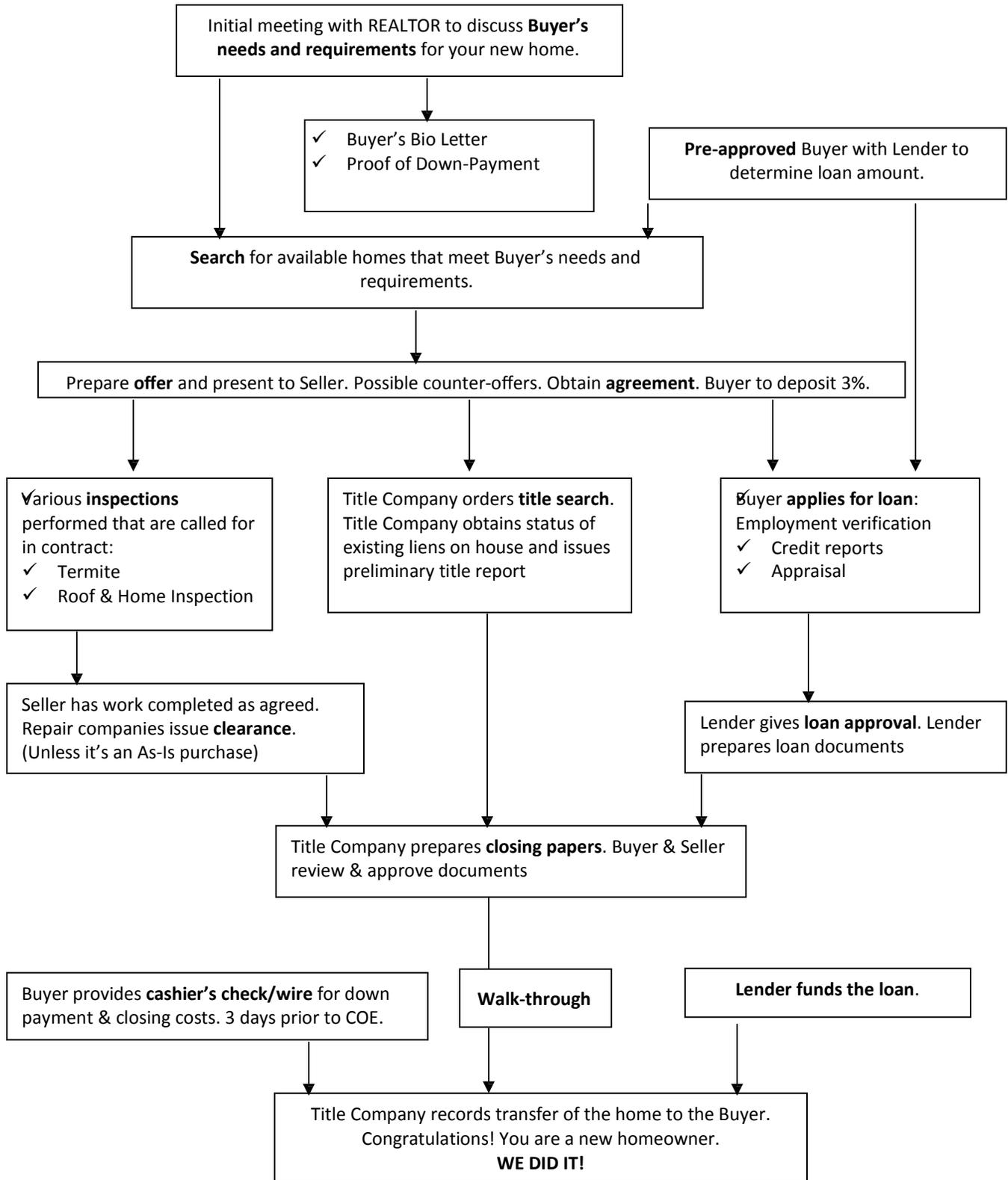
- Your own the air inside
- Ownership is for proportion of the number of units
- Higher HOA—Including building insurance

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# Steps to Buying a Home



# 88 Types of Turbulence

## The Buyer/Borrower:

1. Does not tell the truth on the loan application.
2. Submits incorrect information to the lender.
3. Has recent late payments on credit report.
4. Found out about additional debt after loan application.
5. Borrower loses job.
6. Co-borrower loses job.
7. Income verification lower than what was stated on loan application.
8. Overtime income not allowed by underwriter for qualifying.
9. Applicant makes large purchase on credit before closing.
10. Illness, injury, divorce or other financial setback during escrow.
11. Lacks motivation.
12. Gift donor changes mind.
13. Cannot locate divorce decree.
14. Cannot locate petition or discharge of bankruptcy.
15. Cannot locate tax returns.
16. Cannot locate bank statements.
17. Difficulty in obtaining verification of rent.
18. Interest rate increases and borrower no longer qualifies.
19. Loan program changes with higher rates, points and fees.
20. Child support not disclosed on application.
21. Borrower is a foreign national.
22. Bankruptcy within the last 2 years.
23. Mortgage payment is double the previous housing payment.
24. Borrower/co-borrower does not have steady 2-year employment history.
25. Borrower brings in handwritten pay stubs.
26. Borrower switches to job requiring probation period just before closing.
27. Borrower switches to job from salary to 100% commission income.
28. Borrower/co-borrower/seller dies.
29. Family members or friends do not like the home buyer chooses.
30. Buyer is too picky about property in price range they can afford.
31. Buyer feels the house is misrepresented.
32. Veterans DD214 form not available.
33. Buyer has spent money needed for down payment and closing costs and comes up short at closing.
34. Buyer does not properly "paper trail" additional money that comes from gifts, loans, etc.
35. Does not bring cashier's check to title company for closing costs and down payment.

## The Seller:

36. Loses motivation to sell (job transfer does not go through, reconciles marriage, etc.)
37. Cannot find a suitable replacement property.
38. Will not allow appraiser inside home.
39. Will not allow inspectors inside home in a timely manner.
40. Removes property from the premises the buyer believed was included.
41. Is unable to clear up liens against their property – short on cash to close.
42. Did not own 100% of property as previously disclosed.
43. Thought getting partners signatures were "no problem," but they were.
44. Leaves town without giving anyone Power of Attorney.
45. Delays the projected move-out date.
46. Did not complete the repairs agreed to in contract.
47. Misrepresents information about home & neighborhood to the buyer.

48. Seller's home goes into foreclosure during escrow.
49. Does not disclose all hidden or unknown defects and they are subsequently discovered.
50. Builder miscalculates completion date of new home.
51. Builder has too many cost overruns.
52. Final inspection on new home does not pass.
53. Seller does not appear for closing and won't sign papers.

## The Realtor(s):

54. Have no client control over buyers or sellers.
55. Delays access to property for inspection and appraisals.
56. Unfamiliar with their client's financial position – do they have enough equity to sell, etc.
57. Does not get completed paperwork to the lender in time.
58. Inexperienced in this type of property transaction.
59. Takes unexpected time off during transaction and can't be reached.
60. Jerks around other parties to the transaction – has huge ego.
61. Does not do sufficient homework on their clients or the property and wastes everyone's time.

## The Property:

62. County will not approve septic system or well.
63. Termite report reveals substantial damage and seller is not willing to fix or repair.
64. Home was misrepresented as to size and condition.
65. Home is destroyed prior to closing.
66. Home not structurally sound.
67. Home is uninsurable for homeowners insurance.
68. Property incorrectly zoned.
69. Portion of home sits on neighbor's property.
70. Unique home and comparable properties for appraisal difficult to find.

## The Escrow/Title Company:

71. Fails to notify lender/agents of unsigned or unreturned documents.
72. Fails to obtain information from beneficiaries, lien holders, insurance companies, or lenders in a timely manner.
73. Lets principals leave town without getting all necessary signatures.
74. Loses or incorrectly prepares paperwork.
75. Does not pass on valuable information quickly enough.
76. Does not coordinate well, so that many items can be done simultaneously.
77. Does not bend the rules on small problems.
78. Does not find liens or any title problems until the last minute.

## The Appraiser:

79. Is not local and misunderstands the market.
80. Is too busy to complete the appraisal on schedule.
81. No comparable sales are available.
82. Is not on the lender's "approved list."
83. Makes important mistakes on appraisal and brings in value too low.
84. Lender requires a second or "review" appraisal.

## Inspectors:

85. Pest inspector too busy to schedule inspection when needed.
86. Pest inspector too picky about condition of property, hoping to create work for themselves.
87. Home inspector not available when needed.
88. Inspection reports alarm buyer and sale is cancelled

## Selecting Your Lender

When you buy a home, one of your primary concerns will be finding a lender who can provide the financing you need. So what should you look for? Calling around and asking for interest rate quotes is not the best way to select a lender. Why? Because:

- ✓ Interest rates change daily so today's quote may not be available tomorrow.
- ✓ Often the rates quoted over the phone are not "locked" prices and the lender just wants to get you in the door. This means that the rates would be subject to change until the day your loan closes instead of being predetermined for a specific period of time.
- ✓ The lender knows nothing about your situation or needs so the interest rate they quote may or may not be a program that will fit your individual need.
- ✓ You won't know what the lender has to offer you in terms of service.

Competitive rates are important, but when you consider the fact that most lenders get the same sources (and therefore have essentially the same rates to offer), you must look at some other factors before choosing a lender. You need a lender who works with you and your real estate agent as a team with the same goal – to close your loan in a timely and professional manner. Some of the questions to ask are:

- ✓ **Are they a mortgage banker / direct lender?**  
A mortgage banker is a lender who not only originates their own loans, but also underwrites, approves, funds, and services them. A mortgage banker has their own money to lend and therefore they have the most control over the loan process.
- ✓ **Are they a mortgage broker?**  
A mortgage broker originates loans but does not actually lend the money. They submit the package to an outside source that underwrites and funds the loan. A mortgage broker offers the best opportunity to get your loan approved since they can send the loan to many different lenders. They also offer the widest variety of loan programs.
- ✓ **How long has the company been in business?**  
Lenders come and go. Make sure that the company you are dealing with has been around for a while.
- ✓ **What is their reputation within the community?**
- ✓ **Do they lock-in their interest rates and for how long?**  
Some lenders are just mortgage bankers (direct lenders) or mortgage brokers. As both a mortgage banker and broker, America's Funding Source is a one-step source for all your financing needs.

# Why Get Pre-Approved?

## **The first thing you need to do is get pre-approved.**

This is different from pre-qualifying, as it is a full loan approval instead of simply an opinion letter. It is best if you take this step before looking at homes. Finding out what you qualify for will help you look in the right price range. You would be disappointed if you found a home you liked and then found out that you couldn't qualify for it. By the same token you may be able to look at more expensive homes than you originally thought possible. Getting pre-approved will help you in the following ways:

## **Determines How Much Home You Can Afford**

Mortgage.com can determine your purchasing power, which gives you a guideline as to how much home you can afford – before you start looking. We will show you a variety of different types of financing (30 year fixed, buy down loans, adjustable and special first-time home buyer programs, etc...), and will determine how much you qualify for with each of those types. Based on your desired payment level and type of financing you with which you feel comfortable, we can determine your purchasing power.

## **Will Let You Know What Your Down Payment Will Be and Provide Financing Options**

You need to choose a home based on how much money you have available. Based on the funds you have available, we will design a loan that will work for your individual situation.

## **Will Let You Know What Your Monthly Payment Will Be**

Before picking a price range, you should make sure that you can handle your total monthly payment: Principle, Interest, Taxes, Insurance (and Mortgage Insurance, if necessary).

## **Turns You into a Cash Buyer**

In today's market, buyers are not the only parties concerned about financing. Sellers are equally concerned. In cases where there are multiple offers for homes, the buyers must put themselves in the best possible position to have their offer accepted. Getting pre-approved also puts buyers into a better negotiating position, as the seller knows the buyer is ready, willing and able to buy and the financing is not a question. Those buyers who are not pre-approved will have less chance of obtaining an accepted offer on the house they wish to buy.

## Lender Comparison Chart

When shopping for a home loan, be sure to ask the right questions.  
 Make sure you are looking at the complete picture.  
 Here are many of the terms you should compare.

LENDER	1)	2)	3)
RATE			
INDEX			
MARGIN			
LIFE CAP			
TIME AND COE			
POINTS			
PROCESSING FEE			
UNDERWRITING FEE			
CREDIT			
APPRAISAL FEE			
MISC FEES			
TOTAL			

## Who Pays What in Santa Clara County

The **SELLER** can generally be expected to pay for:

- ✓ Owner's title insurance premiums
- ✓ Real estate commission
- ✓ Escrow Fee
- ✓ Document Preparation fee for deed
- ✓ Documentary transfer tax (\$1.10 per \$1,000 of sales price)
- ✓ Any loan fees required by buyer's lender
- ✓ Payoff of all loans in seller's name (or existing loan balance if being assumed by buyer)
- ✓ Interest accrued to lender being paid off. Statement fees, reconvey fees, and any prepayment penalties.
- ✓ Termite inspection (per contract)
- ✓ Termite work (per contract)
- ✓ Home Warranty (per contract)
- ✓ Recording charges to clear all documents of record against seller
- ✓ Tax proration (for any unpaid taxes at time of transfer of title)
- ✓ Any unpaid Homeowner's dues
- ✓ Any bonds of assessments (per contract)
- ✓ Any and all delinquent taxes
- ✓ Notary fees

The **BUYER** can generally be expected to pay for:

- ✓ Lender's title policy premiums
- ✓ 50% of City Transfer Conveyance Tax (per contract)
- ✓ Document preparation (if applicable)
- ✓ Notary fees
- ✓ Recording charges for all documents in Buyer's names
- ✓ Termite inspection (per contract)
- ✓ Tax proration
- ✓ Homeowner's transfer fee
- ✓ All new loan charges (except those required by lender for Seller to pay)
- ✓ Interest on new loan from date of funding to 30 days prior to first payment date
- ✓ Assumption/Change of Records fee for takeover of existing loan
- ✓ Inspection fees (roofing, property, geological, etc.)
- ✓ Home Warranty (per contract)
- ✓ Fire Insurance Premium for first year

## What the Title Company Does

As a general rule, the Title Company (Escrow) provides the following services:

- ✓ Provides a title report and policy
- ✓ Drafts a deed of trust and/or other necessary documents
- ✓ Pays off existing loans when necessary
- ✓ Provides pro-rata figures for taxes & insurance between Buyer and Seller
- ✓ Records the appropriate documents
- ✓ Disburses the documents and money to each party involved

The Title Company conducts a title search, which is a history of who has owned the property and details all prior transactions, existing liens and encumbrances or other factors that affect the title. You receive a Preliminary (Prelim) Title Report on the property which covers all of these items.

The Title Company also provides title insurance which protects you and the lender against a “Cloud on Title”. There are two types of policies:

1. **THE LENDER’S POLICY:** Protects the Lender against loss due to unknown title defects or other matters that affect title and are not known at the time of sale. This policy is mandatory.
2. **THE MORTGAGOR’S OR BUYER’S POLICY:** Protects the Buyer from flaws in the title. This policy is optional but is highly recommended.

When your loan is approved and the loan documents are drawn up, they are sent to the Title Company. Your escrow officer then prepares the paperwork for you and the Seller to sign. At this point, you will be told exactly how much money you will need to bring in to close the escrow. You will also be required to provide any additional documentation the lender needs. Once both you and the Sellers have signed the loan documents, they are returned to the lender who reviews them. If everything is satisfactory, the lender funds the loans. The title company records the note and deed of trust and escrow is closed

## Real Estate Terms

- ✓ **As-Is**: Buyer buying the house after getting all disclosures and inspections provided by seller at its present condition; seller will not do any work.
- ✓ **Counter Offer**: Rejection of an offer to buy or sell, with a simultaneous substitute offer.
- ✓ **Deposit**: Typically at this time, 3% of the purchase price be submitted after contract is accepted.
- ✓ **Escrow**: An agreement between two or more parties providing that certain instruments or property be placed with a third party for safekeeping, pending the fulfillment or performance of a specified act or condition.
- ✓ **Hazard Insurance**: A contract that pays for loss on a home from certain hazards, including fire. You obtain homeowner's insurance from your own insurance agent. The standard policy pays replacement costs, minus depreciation based on actual cash value. Talk to your insurance agent about the different types of insurance available. Hazard insurance may be impounded.
- ✓ **Interest**: The charge for the use (loan) of money.
- ✓ **Preliminary Title Report**: A document indicating the current state of the Title, such as Easements, Covenants, Liens, and Defects. The Title Report does not describe the Chain of Title.
- ✓ **Principle**: The original balance of money loaned, excluding interest. Also, the balance of a loan excluding interest. The interest is calculated on the principle.
- ✓ **PRIVATE MORTGAGE INSURANCE (PMI)**: Depending on the amount of your down payment, you may be required to have PMI. (Anything less than 20% requires PMI). Because loans with small down payments involve substantially more risk for the lender, they need protection in case the loan goes into foreclosure. Mortgage insurance helps cover the lender's losses in the event of a foreclosure. Because this insurance is available, lenders can offer loans with lower down payments. PMI requires an upfront fee which is payable as a part of your closing costs and it is also required to be paid monthly with your payment. The cost of PMI varies according to the amount of your down payment.
- ✓ **Property Taxes**: The county assessor changes property tax based on the value of your home. There are two tax installments due each year. The first installment is due November 1st and is delinquent after December 10th. The second installment is due February 1st and delinquent April 10th.
- ✓ **Ratified Contract**: A mutual agreement between the Buyer and Seller of all the terms and conditions of the Contract.
- ✓ **Recordation**: Entering in a book of public records Instruments affecting the Title to Real Property. Recording in this manner gives notice to the world of facts recorded.
- ✓ **Title**: Evidence that the owner of the property is in rightful possession thereof; evidence of ownership.

## What to Look for When Home Shopping

While the property inspector will do a thorough, professional inspection of your new home for you (discuss this with your real estate agent), it is a good idea for you to check a few items yourself when considering a home purchase. Some good considerations include:

- \* Age
- \* Floor Plan
- \* Square Footage
- \* Traffic Pattern
- \* Stair Width
- \* Hall Width
- \* Ceiling Height
- \* General Appearance
- \* Heating System
- \* Air Conditioning
- \* Plumbing
- \* Water Supply
- \* Waste Disposal
- \* Wiring
- \* Insulation
- \* # of Entrances
- \* Basement
- \* Attic

You should always check/inspect these items--room by room--when considering your purchase:

- \* Try all lights and switches.
- \* Flush the toilets.
- \* Test all stove burners.
- \* Run the dishwasher
- \* Turn all faucets on and off.
- \* Turn on the furnace and air conditioning.
- \* Open and close all windows and doors.
- \* Try everything you can think of!

You need to make some notes on these interior features. Record important details and note anything that needs changing, repair or special maintenance. You will avoid costly repairs by making this extra effort.

- \* Woodwork
- \* Wall Covering
- \* Paint
- \* Walls
- \* Ceiling
- \* Floor
- \* Doors
- \* Windows
- \* Window Treatment
- \* Floor Covering
- \* Lighting
- \* Electrical Outlets
- \* Fixtures
- \* Built-ins
- \* Storage
- \* Appliances
- \* Ventilation
- \* Closets

In addition, investigate any signs of structural or water damage (such as wall cracks, moisture, etc.). When you have actually bought a home, you will be doing a walk-through of the property several days before settlement to determine if all the conditions in your contract have been met. However, the time to inspect and note defects you want corrected by the Seller is during the contract negotiations and prior to signing the contract. Any repair or replacement items should be noted in the contract or contingent on a home inspection. Your Realtor is an expert in this and can assist you with any questions that you may have.

## How do We Compare to Other Realtors?

In order to help you choose the most qualified professional to represent you in the purchase of your home, here is a list of questions to utilize in gaining a better understanding of his/her credentials and commitment.

	<b>Team Mizrahi</b>	<b>Agent 2</b>	<b>Agent 3</b>
1. Do you work as a full-time Realtors?	YES		
2. How many years of experience do you have?	45+ years		
3. What areas do you specialize in?	Peninsula and Silicon Valley		
4. Do you belong to an association of Realtors?	YES		
5. How many Realtor meetings do you attend	3 per week		
6. How many assistants do you have?	2		
7. Do you utilize email and the Internet?	YES		
8. How long have you lived in this area?	Over 40 years		
9. What is your ranking in your company?	Top 3% out of 10,500 agents		
10. How often will you communicate with us?	Per agreement		
11. Do you have references from past clients?	YES		

These questions are designed to help you select a qualified agent who is able to assist you with the purchase of your home. Please feel free to call us if you have any other questions. We look forward to working with you to achieve your goal.

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Tina Kyriakis  
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tina@TeamMizrahi.com  
CalBRE#:01384482

## References

*These are just some of the people that count on me!*

Please feel free to call anyone of my clients for references

Ariel & Anat Faigon.....	(650)-964-1232
Paz & Einat Yogev.....	(650)-559-0777
Ilan Krashinsky.....	(408)-378-7938
John & Jackie Gaffney.....	(408)-395-4789
Martin Fenster.....	(408)-867-2797
Mark & Susan Levine.....	(408)-739-4146
Michael & Marina Salzman.....	(408)-867-4252
Prahlad & Rajyalakshmi Venkatapuram.....	(408)-725-8860
Vasu & Usha Subbiah.....	(408)-872-1478
Tom & Laurie Warfel.....	(408)-867-7131
Zahava & Yoram Cedar.....	(650)-397-5150
Elliot & Marcia Lepler.....	(650)-961-6748
Christopher Tsang.....	(650)-954-6935
Matt and Kawai Lai.....	(650)-995-6877
Alexander Ou.....	(650)-963-4823
Kasuen and Clayton Maulden.....	(214)-725-5782
Crystal Yang.....	(650)-387-7227

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