



Huete
Mortgage, Inc.

THE REAL NEWS

The news that impacts real estate, financing, and your community in the bay area and beyond...

Stop! Before you Buy, Sell, or Refinance...

- David Huete, President/Broker Huete Mortgage, Inc.

The market is changing! The strategies of last year are not working. There is no longer the sense of urgency to buy or refinance. Consumers are being more patient and cautious. They are thinking of all the options instead of rushing into the first one. There are more houses for sale than the past decade and more programs for financing homes than ever before.

Last year in a "sellers market" sellers were getting multiple offers at thousands over asking price and over actual value! Today, those same houses are not selling and often sit on the market for weeks before any offers are made. This may be bad for sellers, but great news for buyers as the market has changed into a "buyers market".

As of June 2004 the rates have continued to go up. The Federal Reserve raised the prime rate 17 times in a row. Recently, in the last Federal Reserve meeting, they decided that a raise in

the rates was not needed. This means that rates are finally coming down! So, do not refinance out of fear; take a deep breath (at least for now). If lenders can't save you money, lower your current rate, or offer no cost loans, don't do it! And always get a second opinion

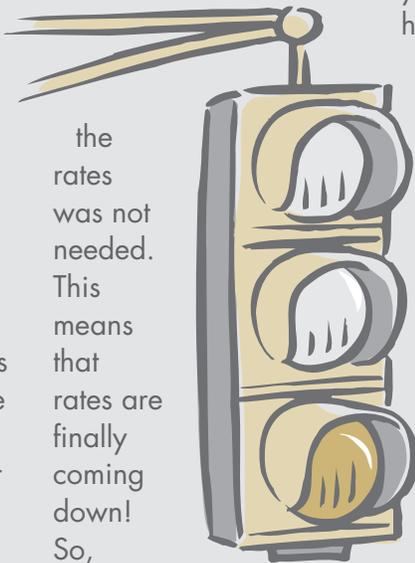
and explore your options.

My advice to you is that if you are a seller... WAIT. This is not the time to sell. But if you are a BUYER... this is your chance to do your homework and find some steals!

Do not buy or refinance now... unless you can get a superb deal at little or NO COST.

There are always some that will make money while others lose money. In the long run, real estate is the best place to invest and easiest way to secure your future as well as save for your retirement.

Sincerely,
David Huete, President
Huete Mortgage, Inc.



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Abriendo Las Puertas Con Huete Mortgage

Opening Doors with Huete Mortgage Live! Every Friday 9am-10am
La Grande 10:10am

Our program's mission is not only to educate our audience in all aspects of the real estate and home buying process, but to also reach out to the Hispanic community and bring awareness on key issues. Some of the topics covered are; immigration, civil rights, tax id numbers, properly filing taxes, credit repair, housing discrimination, college funds, how to do your part in helping your community, and much, much more. We have special guest speakers every week who specialize in each of these areas.

Our participating realtors receive a chance to promote their current property listings for FREE! The show reaches thousands of homes throughout the Bay Area and in Sacramento.

We have had past guests such as, Liz Figueroa, Senator District 10, Ignacio De La Fuente, President of the Oakland City Council, Angel Luevano, LULAC California State Director, Argentina Davila-Luevano, LULAC California Deputy State Director for Women, Joe Coto, Assembly Member 23rd District, Elaine Alquist, Senator 13th District, John Marquez, Richmond City Council Member, and Alberto Torrico, Assembly Member 20th District.

Huete Mortgage believes that in order to prosper, we must give back to our community. We like to empower our communities with the knowledge necessary in order for to move forward.

Tune in! If you are interested in additional information or if you would like to participate on the program please contact jperez@huetemortgage.com.



- Jasmine Perez,
Public Relations
Manager

Huete Mortgage,
Inc.

HOW YOU TAKE TITLE

Advantages and Limitations

Title to real property in California may be held by individuals, either in Sole Ownership or in Co-Ownership. Co-Ownership of real property occurs when title is held by two or more persons. There are several variations as to how title may be held in each type of ownership. The following brief summaries reference eight of the more common examples of Sole Ownership and Co-Ownership.

SOLE OWNERSHIP

1. A Single Man/Woman

A man or woman who is not legally married. Example: John Doe, a single man.

2. An Unmarried Man/Woman

A man or woman, who having been married, is legally divorced. Example: John Doe, an unmarried man.

3. A Married Man/Woman, As His/Her Sole and Separate Property

When a married man or woman wishes to acquire title in his or her name alone, the spouse must consent, by quitclaim deed or otherwise, to transfer thereby relinquishing all right, title and interest in the property. Example: John Doe, a married man, as his sole and separate property.

CO-OWNERSHIP

4. Community Property

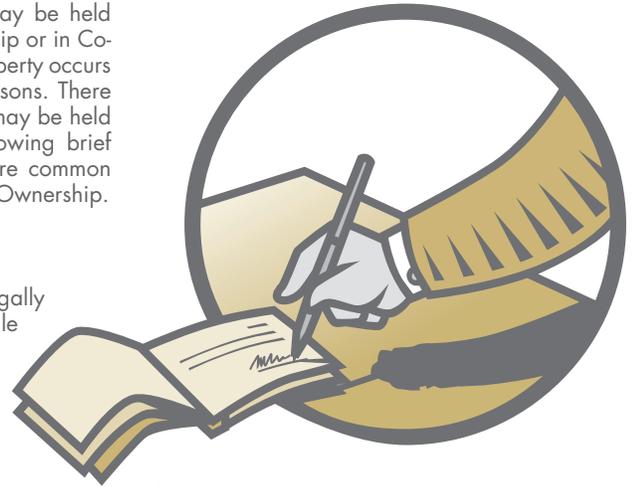
The California Civil Code defines community property acquired by husband and wife, or by either. Real property conveyed to a married man or woman is presumed to be community property, unless otherwise stated. Under community property, both spouses have the right to dispose of one half of the property. If a spouse does not exercise his/her right to dispose of one-half to someone other than his/her spouse, then the one-half will go to the surviving spouse without administration. If a spouse exercises his/her right to dispose of one-half, that half is subject to administration in the estate. Example: John Doe & Mary Doe, husband and wife. Example: John Doe, a married man.

5. Joint Tenancy

A joint tenancy estate is defined as the Civil Code as follows: "A joint interest is one owned by two or more persons in equal shares, by a title created by a single will or transfer, when expressly declared in the will or transfer to be a joint tenancy." A chief characteristic of joint tenancy property is the right of survivorship. When a joint tenant dies, title to property immediately vests in the surviving joint tenant(s). As a consequence, joint tenancy property is not subject to disposition by will. Example: John Doe and Mary Doe, husband and wife, as joint tenants.

6. Tenancy in Common

Under tenancy in common, the co-owners own undivided interest; but unlike joint tenancy, these interests need not be equal in quantity or duration, and may arise at different times. There is no right



of survivorship; each tenant owns an interest which, on his or her death, vests in his or her heirs or devisees. Example: John Doe, a single man, as to an undivided 3/4ths interest, and George Smith, a single man, as to an undivided 1/4th interest, as in tenants in common.

7. Trust

Title to real property in California may be held in a title holding trust. The trust holds legal and equitable title to the real estate. The trustee holds title for the trustor/beneficiary who retains all of the management rights and responsibilities.

8. Community Property With Right Of Survivorship

Community Property of a husband and wife, when expressly declared in the transfer document to be community property with the right of survivorship, and which may be accepted in writing on the face of the document by a statement signed or initialed by the grantees, shall, upon the death of one of the spouses, pass to the survivor, without administration, subject to the same procedures as property held in joint tenancy.

There are significant consequences on how you hold title.

The preceding summaries are a few of the more common ways to take title to real property in California and are provided for informational purposes only. For a more comprehensive understanding of the legal and tax consequences, appropriate consultation is recommended. There are significant tax and legal consequences on how you hold title. We strongly suggest contacting an attorney and/or CPA for specific advice on how you should actually vest your title

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Chicago Title Company
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Walnut Creek, CA 94596
Direct: (925) 288-8316
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Seven of the Most Common Errors in Selling and Buying a Home • Errors 4 and 5

If you bought or sold your home and you had the opportunity of getting good advice through out the process, you will not find yourself in litigation because of the fourth and fifth most common errors that I find in my practice.

4. What is the correct way to hold title to my property?

The way home buyers hold title to property in the state of California is very important since it comes along with legal and tax ramifications. For those who are married, the most common form of holding title is with the primary borrower and the spouse both on title as "Joint Tenants". In the event of the death of a spouse, title automatically passes to the joint tenant without the necessity of going through probate. A joint tenant spouse, receives a step up basis on the property. This helps minimize the cost of property taxes which are applied to the capital gains on a future sale of the property. Another of the most common methods of holding title in the state of California for married couples is Community Property with the Right of Survivorship. In the event of the death of a spouse

without a will, the surviving spouse will inherit the other portion of the property which the surviving spouse does not own without undergoing probate. If there is a will, the decedent's portion will be probated.

For those that are not married, two or more persons can hold title with equal interest in the property or with specific portions of interest in the property depending on the agreement between the buyers. This method of holding title to property is called "Tenants in Common".

Lastly, if the borrower is single, he/she is then able to take title to the property as an "Unmarried Man/Woman as their Sole and Separate Property". It is important that you understand the different ways of holding title to property and which manner will work best for you. Your real estate agent should not advise you in which manner to hold title. You should seek advice from a legal

professional. Remember, the purchase of a home is the biggest investment you will ever make; do not take any decision you make lightly.

5. My family member would like me to add his name to the title of my property. What should I do?

Often times the family members that help us obtain our home are the ones that go on the title of the property as the owners. In general, these family members do not pay a cent after signing as guarantors of the home loan. Actually, they are the ones you will most likely be in litigation with in the future. For the most part, this occurs when the house value has appreciated a great deal in a short amount of time, usually hundreds of thousands of dollars.

My advice is to go ahead and put them on title if needed, but they should execute a Quit Claim Deed as soon as possible to be

removed as long as your family member is still willing to transfer their interest in the property to you. Since these situations are different in each case, the best thing to do is to seek legal advice before taking any type of action.

Remember, it is pertinent to seek advice from an attorney before signing any legal documents of such great magnitude.



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 Huete Mortgage, Inc.

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** Appraisal fee will be credited after the close of your loan with Huete Mortgage, Inc. DRE # 01004486

We are proud to announce...

The release of our new and improved Web Site!



Log on now to www.huetemortgage.com and fill out an online application today! View our available listings from preferred realtors, find out how much house you can actually afford, and much more! During the month of October all online applicants will receive a gift, compliments of Huete Mortgage. **Log on now!**



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