

GUIDE TO BUYING A HOME



LUCAS PINTO
GROUP





First and foremost, thank you. Thank you for stepping up and thank you for your vote of confidence in our team for one of the biggest transactions in your life. We don't take it lightly. You have made the decision to invest in yourself and your future, and with our help, we will accomplish your goal of homeownership. That's our promise to you.

My team and I are grateful you're here. We are motivated real estate advisors who are rallying behind ONE single goal: educating YOU in the home buying process and executing it as seamlessly as possible. We are determined to provide such an exemplary experience that the next time you buy or sell, our team will be your best and only option. Our unique process has been tested on hundreds of clients and the outcome is always one we are proud to stand behind. We've managed to maintain a perfect past client review record on all platforms

We are honored to be the team who will guide you through this process. Our mission is to find your place in the world. As we've experienced during this world pandemic, our homes are more than just a roof over our

heads. A home is a sanctuary, where memories are made and the majority of our time is spent.

By committing to this mission with our team, you're doing much more than purchasing a property. You are finding the place you will build your life and your future. You're investing in stability, comfort, memories, and growing your equity daily. We recognize there can be times where the home buying and selling process can feel stressful, but with a tested system and a whole team of professionals backing you up, your goals will be accomplished.

Stick with us, and we PROMISE it's going to be worth it! Again, I can't express my gratitude enough. Thank you for stepping up and joining us in this adventure towards a better future. This is only the beginning of an incredible journey into the next chapter of your life. With that being said, my team and I are ready to guide you through the next steps, so let's get started!

REGARDS,

LUCAS PINTO
CEO
LUCAS PINTO GROUP - COMPASS

OUR MISSION

We're common people with an uncommon desire to succeed. Forged by adversity and experience we stand alongside our community, our clients, and our team to help you find your place in the world and build wealth through real estate.

OUR CLIENTS COME FIRST



As a group of young, ambitious, dedicated professionals; the Lucas Pinto Group excels at executing on their client's behalf in all transactions. With each Agent having years of experience in real estate and all realtors being in the top 10% in our market place, the team uses their extensive experience with inventory, home estimates and multiple offer scenarios to create an exceptional experience for each client.

Unique team approach with highly qualified individuals, each specializing in their own areas of expertise

Greater access to resources, time, and energy than singular operating agents

Top 1% of teams in the Seattle Metro Area

Over \$400 million in real estate sold



WHO WE ARE

As a group of young, ambitious, dedicated professionals; the Lucas Pinto Group excels at executing on their client's behalf in all transactions. With each Agent having years of experience in real estate, the team uses their extensive experience with inventory, home estimates and multiple offer scenarios to create an exceptional experience for each client.

OUR PROMISE TO YOU

PREMIERE PROPERTY ACCESS

Lucas Pinto Group has access to more new and off-market properties than other agents in the Seattle area. This advantage allows you to see properties before other buyers, and get your offer to the listing agent first.

AGGRESSIVE NEGOTIATION

With extensive negotiation training, each agent on our team ensures that your offer will both win and be of the best and highest value to you. This training also benefits our clients during the inspection and appraisal negotiation processes.

COMPLIMENTARY HOME WARRANTY

As an added insurance policy, your agent will purchase a Home Warranty for your new home, which will cover any small repairs needed the next year.





We have premier new and off market property access which gives you the best opportunity to find a home you will love and the ability to get your offer to the listing agent first.

We provide our agents with aggressive negotiation training to ensure that your offer will win and be of the best and highest value to you.

We give you a complimentary home warranty with your new home to cover small repairs needed in the next year.

We go the extra mile to ensure long term successful relationships.

We communicate openly.

We cultivate input.

We are driven by market needs but do not fear to lead with our vision.

We see every client as an opportunity to serve.

We are proud of our team, our technology, our work ethic, and our culture.

OUR VALUED ACCOMPLISHMENTS AND ACHIEVEMENTS

\$5.6 B+

transactions attained since
compass opened in
Washington

#1

Brokerage in King County for
high end listings

500

Compass, a Fortune 500
company, is the largest
residential real estate
brokerage in the USA

400+

Units sold from LPG

TOP 1%

Brokerage in King County for
high end listings

#10

Realtrends rated #10 in the
state for team of our size

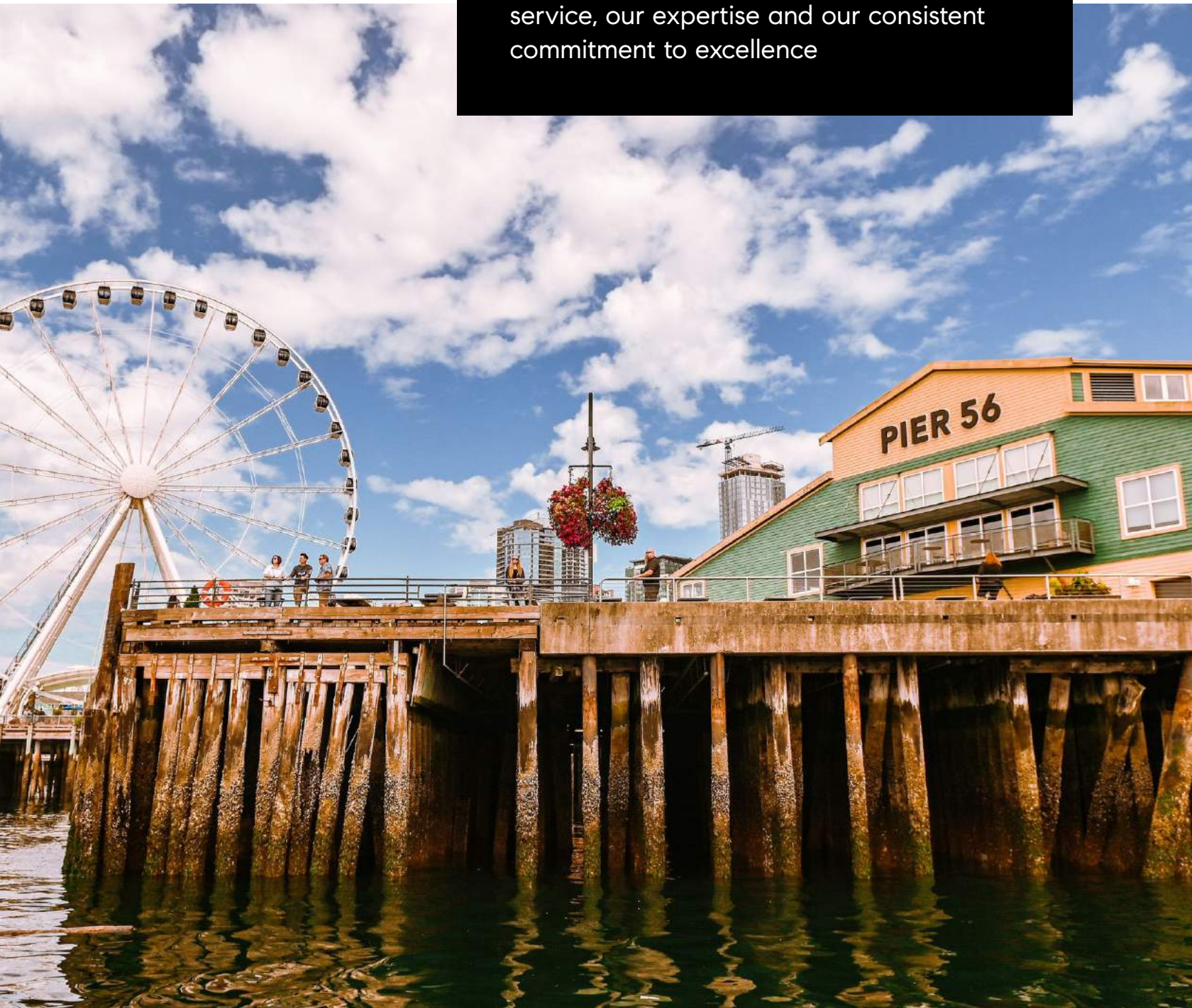
400M+

Sold from LPG

65%

Faster than the average
realtor


LPG | Compass is proud of the job that we perform and fortunate to have been recognized throughout the country for our service, our expertise and our consistent commitment to excellence



OUR COMPETITIVE EDGE

We've upended and upgraded the traditional model of residential real estate and transformed it into something improved and effective. WE are the first and only brokerage willing to replace the idea of an independent agent with our entire team of dedicated, industry leading specialists whose singular goal is to ensure that your buying transaction is seamless and efficient. We've developed an innovated approach to real estate and a cutting edge brokerage model specifically designed to invest more money, offer more services, and leverage all of our unique, high value resources to better serve our clients.





We proactively customize our approach so that it meets a fluctuating market and the individual needs of each and every client.

STRENGTH IN NUMBERS

When you hire us, you get a full team of industry experts.

EXCLUSIVE BROKER PARTNER

The only point of contact you need. Exceptional communicator that ensures the backend team handles every detail.

TRANSACTION MANAGERS

Details make the difference. From contract to close we guarantee an efficient process.

\$87.5 MILLION

Compass spends \$87.5M a month to provide a successful transaction.

LENDING EXPERT

Our preferred lenders are dedicated to offering our clients competitive rates. Their expertise will help you feel confident in your search.





HOW WE OUTPERFORM THE COMPETITION

**LUCAS PINTO GROUP IS NOT YOUR
AVERAGE REAL ESTATE TEAM.**

Compass has upgraded the traditional model of residential real estate and transformed it into a streamlined & efficient experience.

We are willing to replace the idea of an independent agent with our entire team of dedicated, industry-leading specialists whose singular goal is to ensure that your transaction is virtually effortless and efficient.

We've developed an innovative approach to real estate paired with the cutting-edge brokerage model from Compass specifically designed to invest more money, offer more services, and leverage all our unique resources to better serve our clients.





6%

Compass sells homes for 6% more than a single agent.

3x

Compass brokers sell 3x more homes than a single agent

20%

Compass sells homes 20% faster than a single agent

\$87.5 Million

Compass spends \$87.5 million a month to provide a successful transaction – a single agent spends \$400

Homeownership is a great responsibility but it comes with many benefits over stock.



SIX FINANCIAL BENEFITS OF OWNING YOUR OWN HOME

01

BUILDING EQUITY

Every rent payment builds your landlords equity, while every mortgage payment builds yours.

02

A FINANCIAL CUSHION

Your equity can be tapped via a home equity loan for anything from home improvements to college tuition.

03

LOWER MONTHLY HOUSING COSTS

In some markets, your mortgage payment could be lower than your rent.

04

APPRECIATING VALUE

Your home can increase in value over time, building your equity and increasing your net worth.

05

POSSIBLE TAX BENEFITS

As a homeowner, you can deduct mortgage interest and property taxes from your income. Talk to your tax professional for details.

06

EVEN MONTHLY PAYMENTS

You'll never have to increase rent again. With a fixed mortgage, your payments remain the same throughout the life of the loan.

BUYING VS. RENTING

THE ADVANTAGES OF OWNING YOUR OWN HOME

	FREEDOM	EQUITY	STABILITY
RENT	<ul style="list-style-type: none"> - Landlord restrictions - Maintenance depends on landlord - Pet and guest limits 	<ul style="list-style-type: none"> -Your rent pays your landlord's mortgage -No increase in your equity with rent payment or market value - No tax breaks 	<ul style="list-style-type: none"> -Always the threat of rent increases, future fees, and eviction - Neighbors constantly changing
OWN	<ul style="list-style-type: none"> - Paint, decor, appliances —for you to decide! - Do your own upgrades and repairs -Open your home to whomever you would like! 	<ul style="list-style-type: none"> - As you pay down the loan balance, your equity grows. -Your home's appreciating value increases with your wealth - Deduct mortgage interest and property taxes from your income 	<ul style="list-style-type: none"> - Your mortgage payments end when your loan is paid—and it's your own home! -Fewer changes in neighbors, more sense of community - Fixed mortgage payment remains consistent for the life of the loan, allowing you to budget more easily and focus on other financial goals.

RENTING ADDS UP



You may be able to own a home for less than what you pay for rent. There are many benefits to owning a home including building equity, increasing net worth & tax benefits. Stop paying your landlord's mortgage. Start paying for a space of your own.

MONTHLY RENT	AFTER 3 YEARS	AFTER 10 YEARS	AFTER 15 YEARS	AFTER 30 YEARS
\$1,000	\$36,000	\$120,000	\$180,000	\$360,000
\$1500	\$54,000	\$180,000	\$270,000	\$540,000
\$2000	\$72,000	\$240,000	\$360,000	\$720,000
\$2500	\$90,000	\$300,000	\$450,000	\$900,000
\$3,000	\$108,000	\$360,000	\$540,000	\$1,080,000

HOME BUYING PROCESS

PRE-APPROVAL

Complete a loan application

Get prequalified for a ballpark loan amount

Provide financial documentation

Get pre-approved for a specific amount

FIND YOUR HOME

Hire a LPG | Compass Agent

Sign a Buyer's Agreement Contract to get started on your search

This is the fun part! Start shopping for homes!

Attend the home inspection or review report

OWN YOUR HOME

Lucas Pinto Group orders the appraisal

Your loan is approved and you sign the closing disclosure

Sign loan documents and loan closes

Get your keys and celebrate



SIMPLIFYING THE HOMEBUYING PROCESS



What to do before you start shopping for a home!

DETERMINE WHAT YOU WANT & WRITE IT DOWN

THE THINGS YOU WANT IN A HOUSE

Trim your list of “must haves” to the top five that you want in your ideal home (e.g. must have a garage, a big open kitchen, fenced yard, hardwood floors and be near a lightrail stop). We will use your five must-haves as our guide; we won’t consider homes without them. If we find these must-haves are too specific, we can adjust them as needed.

THE PLACES YOU WANT TO LIVE

Example: Bellevue or within 10 mile radius of Sea-Tac Airport.

THE BUDGET YOU’VE SET

Example: \$2000/mo but willing to go up to max \$2300 for perfect house. Tip: Your max number is often times the difference-maker in winning or losing a bidding war. For every \$10,000 in purchase price, the monthly mortgage payment goes up by \$40. So if you say you want to max out at \$350k, yet when push comes to shove you could come up with an extra \$40 per month, then we advise starting out with that \$40 included in your max. Your new max would be \$360k.

THE TIMELINE YOU’VE SET

Example: must be moved in by mid-June

PREFERRED LOCAL MORTGAGE BROKERS

WHY YOUR LOCAL MORTGAGE BROKER IS BETTER THAN YOUR BANK OR CREDIT UNION



Buyers who are preapproved by banks or credit unions are not as desirable to sellers as buyers approved through a local mortgage broker. Why? Mortgage brokers are more likely to ensure that your offer will close on time. When we make an offer, the listing agent will want confidence in your financial strength; they'll want to be assured that we can close on time. The listing agent will determine this by calling your lender-or better yet, your lender will call the listing agent once we submit our offer. A reputable local mortgage broker will be prepared to talk to the listing agent about your financial situation. Banks and credit Unions, on the other hand, are loaded down with heavy caseloads. They generally only work Mon-Fri, 9-5 and many times are in other parts of the country (e.g. Quicken Loans, Rocket Mortgage). This is really not good in a competitive situation, because most deals come together nights and weekends. The bottom line is you may have an identical offer as someone else in terms of purchase price and down-payment but could end up losing the bidding war due to your lender's unavailability and unpreparedness. Additionally, because banks are working with so many loans at once, they

have a hard time closing on time and often require extensions, which sellers naturally don't want. Sellers want to close quickly and efficiently. Another thing to keep in mind is that just because a big bank advertises a low interest rate, doesn't mean they have the best loan for you as a buyer. These super-low interest rates are often misleading and not even close to what you will actually pay when you get to the closing table. A local mortgage broker will be able to give you a realistic and competitive interest rate, 5-star service, and low closing costs. A big bank on the other hand will give you an unrealistic rate, frustrating service, and astronomically high closing costs. Finally and most critically, banks will often automatically send out a generic approval letter to a buyer. This generic letter is what the buyer will use to move forward on Purchasing a property. However, many times these letters are not enough to qualify the buyer to purchase the home. This is another reason why sellers tend to go with buyers who are fully approved by a reputable local mortgage lender. If you want to buy a house in this competitive market, you need to use a local mortgage broker.

YOUR PURCHASING
POWER WILL
DEPEND ON: INCOME,
CREDIT RATING,
DOWN PAYMENT,
AVAILABLE INTEREST
RATES, AND OTHER
MONTHLY EXPENSES.



PRELIMINARY FINANCING CONCERNS



How much home can you buy? The next four steps discussed will help you review your home financing and get you prepared to speak in detail with a lender. Most homebuyers find that they need to finance at least part of their home purchase. Therefore, the first stage in finding the right home is to review your personal financial situation and make an informed estimate of your true purchasing power.

STEP 1: MAKE A ROUGH ESTIMATE OF HOW MUCH HOME YOU CAN AFFORD BASED ON YOUR INCOME

METHOD 1: ANNUAL INCOME

The price of your home should be a factor of your annual salary.

ANNUAL SALARY	MAX MORTGAGE	ANNUAL SALARY	MAX MORTGAGE
\$30,000	\$75,000	\$130,000	\$575,000
\$40,000	\$125,000	\$140,000	\$625,000
\$50,000	\$175,000	\$150,000	\$675,000
\$60,000	\$225,000	\$160,000	\$725,000
\$70,000	\$275,000	\$170,000	\$775,000
\$80,000	\$325,000	\$180,000	\$825,000
\$90,000	\$375,000	\$190,000	\$875,000
\$100,000	\$425,000	\$200,000	\$925,000
\$110,000	\$475,000	\$210,000	\$975,000
\$120,000	\$525,000	\$220,000	\$1,025,000



METHOD 2: MONTHLY INCOME

A house payment should be no more than 25% of your gross monthly income (before taxes and deductions)

MONTHLY INCOME	MAX HOUSE PAYMENT	MONTHLY INCOME	MAX HOUSE PAYMENT
\$ 4,167	\$ 1,042	\$ 12,500	\$ 3,125
\$ 5,000	\$ 1,250	\$ 13,333	\$ 3,333
\$ 5,833	\$ 1,458	\$ 14,167	\$ 3,541
\$ 6,667	\$ 1,667	\$ 15,000	\$ 3,750
\$ 7,500	\$ 1,875	\$ 15,833	\$ 3,958
\$ 8,333	\$ 2,083	\$ 16,667	\$ 4,167
\$ 9,167	\$ 2,291	\$ 17,500	\$ 4,375
\$ 10,000	\$ 2,500	\$ 18,333	\$ 4,583
\$ 10,833	\$ 2,708	\$ 19,167	\$ 4,791
\$ 11,667	\$ 2,917	\$ 20,000	\$ 5,000

These charts are estimates only and do not accurately reflect the financial situation of each individual. Please consult a lender for accurate payment amounts and approval limits





MAKING THE OFFER

OFFER TERMS 101

1. Offer Amount (e.g. \$350,000)
2. Inspection
3. Earnest Money
4. Closing Date
5. Down Payment
6. Closing Costs Paid by Seller

OFFER TERMS BROKEN DOWN

INSPECTION

1. If there are no other offers and the home has been on market for 1 + weeks, we would suggest a 3- or 5-day inspection period. You, the buyer, would order and pay for the inspection (roughly \$450), and tell us when to be there. On homes older than 50 years, a sewer scope inspection is also recommended (\$200 or so).

2. If the home is hot with multiple offers, we would recommend a pre-inspection. This is a full inspection with a complete report, but the difference is you will make an offer on the property as-is, based on your knowledge from this report. 99% of the time, there are no repairs or requests from you as the buyer to the seller when making an offer with a pre-inspection. There are rare instances when we can ask for certain items from the pre-inspection report to be repaired/addressed, but as a general rule, you make an offer on the home as-is. If the offer is accepted, the home goes "pending" immediately, skipping the inspection contingency. This makes your offer much more attractive against other offers that have inspection contingencies which can tie up the property and possibly fall out of contract and waste a lot of the seller's time and money.



OFFER AMOUNT

1. If home has been on the market for 3+ weeks then we can (and should) offer below list price.

2. If home has been on the market 10–20 days, we can offer full price but ask for closing costs.

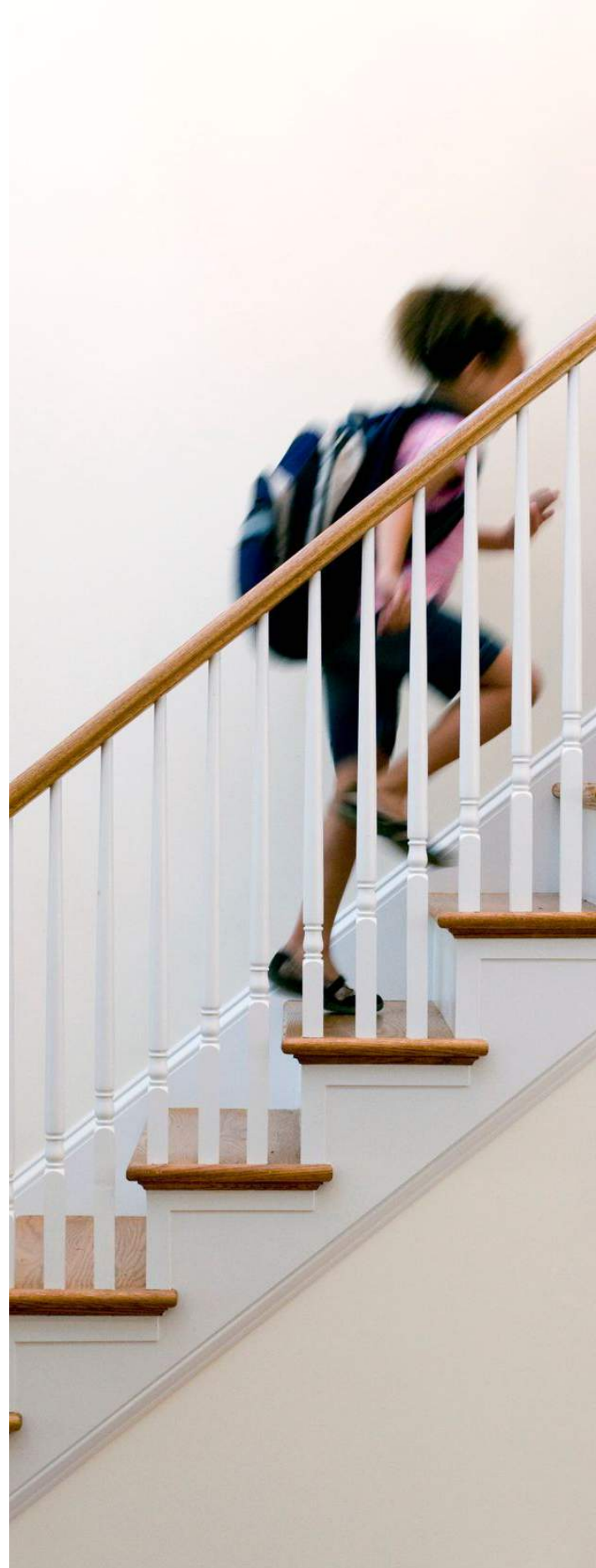
3. If home has been on the market for less than a week, we should offer full price.

4. If the home is hot and has multiple offers on it, we can make a full-price offer with escalations. This means your offer comes in at a list price but will *jump* in \$5,000 increments up to a maximum amount. (i.e. You would make a \$250k base offer with 5k increments up to \$275k. If another highest bidder comes in at \$255k, then you jump to \$260k and win. If other highest bidder comes in at \$268k, then you jump to \$273k and win. If other offer goes to \$280k, then you would lose.)

MAKING THE OFFER

EARNEST MONEY

This is your “good faith” money saying you are a serious buyer. We typically calculate it as 2% of the purchase price, but in competitive situations, more is better (3-5%). If the offer is accepted, you as the buyer have 2 days to deposit your earnest money into an escrow account via check or wire from your bank. This money goes towards your closing costs or downpayment when the deal closes. If the deal falls out of contract due to inspection, financing, or appraisal issues, then you get this earnest money back in full from escrow.





CLOSING DATE

30 days is standard from the date you make offer. Competitive situations require an edge here as well, so we may shorten it to as little as 2 weeks if lender can make it happen. 3 weeks is the norm right now for mortgage brokers.

DOWN PAYMENT

How much should you put down? You should discuss this with your lender. 0%, 3%, 5%, 10%, 20% or more are all possible.

CLOSING COSTS PAID BY SELLER

If a home has been on market for 2+ weeks, then we should ask the seller to pay for your closing costs. Closing costs are in addition to your down payment which you would otherwise be responsible for. Typically, closing costs are between 2–3% of your purchase price but your lender can give you a more accurate number for us to ask for. It is interesting to note that local mortgage brokers have relatively low closing costs while big banks and national mortgage companies charge huge amounts in their closing costs.

MULTIPLE OFFERS

HOW DO YOU WIN?

Escalation

High Earnest Money
Non-refundable earnest money

Closing Date
Quicker the better

Pre-Inspected & Inspection Waived

Waive Financing Contingency

Waive Appraisal Contingency

Offer Money Towards a Low Appraisal

Letter or Video From the Buyer to Selling Party



FROM SUBMISSION TO CLOSING

1. You will sign various disclosure: law of real estate agency, inspector recommendations, wire fraud alert, and lead based paint.
2. You'll sign you offer.
3. We will submit offer to listing agent and discuss with them your qualifications as we work to "sell" them your offer.
4. We'll wait for decision from seller. The offer can be accepted, countered or even ignored by sellers.
5. If seller accepts your offer, they will sign it and return to us via the listing agent.
6. You are then under contract with the sellers.
7. You will deposit earnest money within 2 days at escrow office.
8. You will order the inspection if applicable.
9. Lender works with you on finishing your file.
10. Lender orders appraisal (you pay for this, typically \$700–800).
11. Appraisal comes back, assuming it's at or above value of purchase price, deal moves forward. If not, we negotiate with sellers on price.
12. Final underwriting and loan approval by lender.

Lender sends you closing disclosures showing all cost breakdowns. you sign it.
14. Lender sends all docs to escrow office.
15. Escrow office schedules signing appointment with you. Can be either at escrow office or via a mobile notary at business or coffee shop. (Expect to pay for \$150 for mobile notary.)
16. Lender wires funds to escrow.
17. You sign all documents.
18. Escrow sends record of sale to county office.
19. County office records sale of property and deal is officially closed.
20. You meet me at the house and get the keys.

THE DOS AND DONTS OF HOMEBUYING



DOS:

ONE

Make sure your employment, asset and personal information is correct on your loan application.

TWO

Be prepared to account for non-payroll deposits made into each account you plan to use toward your transaction.

THREE

Don't raise red flags to the underwriters by co-signing on another person's loan.

FOUR

Continue to make all of your payments on time.

DON'TS:

ONE

Don't apply for any new credit or financing of any kind. Don't co-sign on a loan, either.

TWO

Don't have any inquiries made on your credit report.

THREE

Don't raise red flags to the underwriters by co-signing on another person's loan.

FOUR

Don't make changes to your name, address, job, or income

FIVE

Don't spend your closing costs.

TIPS FOR A SMOOTH HOME CLOSING




BELOW ARE A FEW POINTERS THAT, WHEN FOLLOWED, WILL ACCOUNT FOR A SMOOTH LOAN CLOSING.

Do not make any deposits to your bank account other than your paycheck.

Do not pay for a down payment with cash. Instead, withdraw funds to purchase a cashier's check or money order for any earnest money deposit.

If using a gift for your deposit, we may need a statement from the person giving the gift as well as copies of the actual check and deposit slip to your account.



Buying a home can be stressful and there is nothing worse than unexpected surprises. We want to eliminate any potential missteps and make your path to homeownership as easy as possible. During this time, it is critical that you stay preapproved and keep your financing secure.

OUR CLIENTS REFER US OVER AND OVER AGAIN

AT LUCAS PINTO GROUP,
WE SELL HOMES BASED
ON OUR REPUTATION, OUR
EXPERIENCE, AND THE
IMPORTANCE WE PLACE
ON CLIENT SATISFACTION.

Nearly 90% of our clients refer us to a friend or family member after working with a Lucas Pinto Group broker. Our commitment to personal service, technology, problem-solving, and keeping our clients informed has earned us recognition as one of the highest-reviewed real estate teams in the state.

WHAT OUR CLIENTS THINK

"I sold my house and bought simultaneously with Lucas. The process was super smooth and I felt we had a competitive edge by choosing him as our realtor. He knows the market really well and was incredibly consultative throughout the entire process. We didn't feel we were ever in the dark, Lucas and his team are very professional and communicative. His process is excellent and a step above everyone else we contacted when initially choosing. I'd recommend Lucas and his team to anyone looking to buy or sell a house.

— JEFF, BOUGHT & SOLD A HOME, 2022

"Justin helped us land the perfect home in our dream neighborhood for under list price this summer. He was responsive and very on top of a tricky rental situation that could have derailed our purchase. After that he helped sell our condo in less than a week for full asking price. Justin is a fantastic agent. He is knowledgeable without being overwhelming. He is confident and firm without being arrogant. He is organized and methodical. I would highly recommend Justin as your next agent"

— LARISSA, BOUGHT A HOME, 2019

"Zach Fox made the process of purchasing my first property a breeze. He did an exceptional job explaining to me the ins and outs of home purchasing. He showed me what attributes made a good home, and what things to avoid. Zach put me on a personalized notification list for homes that fit my criteria perfectly. I was not disappointed with the listings that I saw. On top of assistance with the whole process, Zach was my primary contact in any home related questions, as he was extremely responsive with any questions I had. On top of my appraisal coming in above my purchase price, Zach negotiated a deal with the seller for me that would alleviate a lot of the stress that comes with closing of the property. I would highly recommend Zach Fox.

— ESE, BOUGHT A HOME, 2021



**LUCAS PINTO
GROUP**

Compass is a licensed real estate broker. All material is intended for informational purposes only and is compiled from sources deemed reliable but is subject to errors, omissions, changes in price, condition, sale, or withdrawal without notice. No statement is made as to the accuracy of any description or measurements (including square footage). This is not intended to solicit property already listed. No financial or legal advice provided. Equal Housing Opportunity. Photos may be virtually staged or digitally enhanced and may not reflect actual property conditions.

COMPASS